As filed with the Securities and Exchange Commission on January 25, 2022.

Registration No.

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM S-1
REGISTRATION STATEMENT
UNDER
THE SECURITIES ACT OF 1933

YOSHIHARU GLOBAL CO.
(Exact name of registrant as specified in its charter)

Delaware	**5812**	**87-3941448**
(State or other jurisdiction of incorporation or organization)	**(Primary Standard Industrial Classification Code Number)**	**(I.R.S. Employer Identification Number)**

6940 Beach Blvd. Suite D-705,
Buena Park, CA 90621
(213) 272-1780
(Address, including zip code, and telephone number, including area code, of registrant's principal executive offices)

James Chae
Chief Executive Officer
6940 Beach Blvd. Suite D-705,
Buena Park, CA 90621
(213) 272-1780
(Name, address, including zip code, and telephone number, including area code, of agent for service)

Copies of all communications, including communications sent to agent for service, should be sent to:

Matthew Ogurick	**Nimish Patel**
Darina Koleva	**Blake Baron**
Sarah Stewart	**Mitchell Silberberg & Knupp LLP**
K&L Gates LLP	**2049 Century Park East, 18th Floor**
599 Lexington Avenue	**Los Angeles, California 90067**
New York, New York 10022	**(310) 312-3102**
(212) 536-3901	

Approximate date of commencement of proposed sale to the public:

As soon as practicable after the effective date of this Registration Statement

If any of the securities being registered on this form are to be offered on a delayed or continuous basis pursuant to Rule 415 under the Securities Act of 1933, as amended (the "Securities Act") check the following box. ☒

If this form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. ☐

If this form is a post-effective amendment filed pursuant to Rule 462(c) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. ☐

If this form is a post-effective amendment filed pursuant to Rule 462(d) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company" and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer	☐	Accelerated filer	☐
Non-accelerated filer	☒	Smaller reporting company	☒
		Emerging growth company	☒

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 7(a)(2)(B) of the Securities Act. ☒

CALCULATION OF REGISTRATION FEE

TITLE OF EACH CLASS OF SECURITIES TO BE REGISTERED	**PROPOSED MAXIMUM AGGREGATE OFFERING PRICE[(1)]**	**AMOUNT OF REGISTRATION FEE**

Units consisting of one share of Class A common stock, par value $0.0001 per share, and a warrant to purchase one share of Class A common stock[2][3]	$ 23,000,000.00	$ 2,132.10
Class A common stock included as part of the units[4][6]	-	-
Warrants included as part of the units[4]	-	-
Class A common stock underlying the warrants included in the units[6]	$ 28,750,000.00	$ 2,665.13
Representative's warrants[5]	-	-
Class A common stock underlying the Representative's warrants[5][6]	$ 1,437,500.00	$ 133.26
Total	$ 53,187,500.00	$ 4,930.49

(1) There is no current market for the securities or price at which the shares are being offered. Estimated solely for the purpose of calculating the amount of the registration fee pursuant to Rule 457(o) under the Securities Act of 1933, as amended.

(2) Each unit consists of one share of Class A common stock and a warrant to purchase one share of Class A common stock at an exercise price per share equal to 125% of the unit offering price.

(3) Includes shares of Class A common stock and/or warrants to purchase shares of Class A common stock that may be purchased by the underwriters pursuant to their over-allotment option.

(4) Included in the price of the units. No separate registration fee required pursuant to Rule 457(g) under the Securities Act of 1933, as amended.

(5) We have agreed to issue to the representative of the several underwriters warrants to purchase the number of shares of Class A common stock in the aggregate equal to five percent (5%) of the shares of Class A common stock to be issued and sold in this offering (including any shares of Class A common stock sold upon exercise of the over-allotment option). The warrants are exercisable for a price per share equal to 125% of the public offering price. The warrants are exercisable at any time and from time to time, in whole or in part, during the four-and-a-half-year period commencing six (6) months from the date of commencement of sales of the offering. This registration statement also covers such shares of Class A common stock issuable upon the exercise of the representative's warrants. As estimated solely for the purpose of calculating the registration fee pursuant to Rule 457(g) under the Securities Act, the proposed maximum aggregate offering price of the representative's warrants is $1,437,500.00, which is equal to 125% of $1,150,000.00 (5% of $23,000,000.00). "Underwriting" contains additional information regarding underwriter compensation.

(6) Pursuant to Rule 416 under the Securities Act of 1933, as amended, there is also being registered hereby such indeterminate number of additional shares as may be issued or issuable because of stock splits, stock dividends and similar transactions.

The registrant hereby amends this registration statement on such date or dates as may be necessary to delay its effective date until the registrant shall file a further amendment which specifically states that this registration statement shall thereafter become effective in accordance with section 8(a) of the Securities Act, or until this registration statement shall become effective on such date as the Securities and Exchange Commission, acting pursuant to such section 8(a), may determine.

The information in this preliminary prospectus is not complete and may be changed. These securities may not be sold until the registration statement filed with the Securities and Exchange Commission is effective. This preliminary prospectus is not an offer to sell nor does it seek an offer to buy these securities in any jurisdiction where the offer or sale is not permitted.

Preliminary Prospectus *Subject to Completion, dated January 25, 2022*

4,000,000 UNITS

Each Unit Consisting of One Share of Class A Common Stock and One Warrant to Purchase One Share of Class A Common Stock

This is our initial public offering. We are offering 4,000,000 units, each unit consisting of one share of Class A common stock, par value $0.0001 per share, and one warrant to purchase one share of Class A common stock, assuming an initial public offering price of $4.50 per unit (which is the midpoint of the estimated range of the initial public offering price shown on the cover page of this prospectus). We currently estimate that the initial public offering price will be between $4.00 and $5.00 per unit. Each whole share exercisable pursuant to the warrants will have an exercise price per share of $5.625, equal to 125% of the initial public offering price, assuming an initial public offering price of $4.50 per unit. The warrants will be immediately exercisable and will expire on the fifth anniversary of the original issuance date. The units will not be certificated. The shares of Class A common stock and related warrants are immediately separable and will be issued separately, but must be purchased together as a unit in this offering.

Currently, there is no public market for our common stock or warrants. We have applied to list our Class A common stock under the symbol "YOSH" and our warrants under the symbol "YOSHW," both on the Nasdaq Capital Market. The closing of this offering is contingent upon the successful listing of our Class A common stock and warrants on the Nasdaq Capital Market.

Following this offering, we will have two classes of outstanding common stock, Class A common stock and Class B common stock. Holders of our Class A common stock are entitled to one vote per share while holders of our Class B common stock are entitled to 10 votes per share, and all such holders will vote together as a single class except as otherwise required by applicable law. Each share of Class B common stock is convertible into one share of Class A common stock at the option of the holder, upon transfer or in certain specified circumstances. The beneficial owner of 100% of our Class B common stock is James Chae, our Chief Executive Officer, Chairman of the Board and founder. Upon completion of this offering, we will be controlled by Mr. Chae, who will hold approximately 74.4% of the combined voting power of our outstanding Class A common stock and Class B common stock, and will have the ability to determine all matters requiring approval by stockholders.

We are an emerging growth company as that term is used in the Jumpstart Our Business Startups Act of 2012 (the "JOBS Act"), and as such, we have elected to take advantage of certain reduced public company reporting requirements for this prospectus and future filings. In addition, following this offering, we will be a "controlled company" within the meaning of the corporate governance rules of the Nasdaq Stock Market. Under these rules, a listed company of which more than 50% of the voting power is held by an individual, group or another company is a "controlled company" and may elect not to comply with certain corporate governance requirements, including the requirement that (i) a majority of our board of directors consist of independent directors, (ii) director nominees be selected or recommended to the board by independent directors or an independent

nominating committee, and (iii) we have a compensation committee that is composed entirely of independent directors. We have nevertheless elected to comply with the requirement that a majority of our board consists of independent directors and that our compensation committee be composed entirely of independent directors.

Investing in our Class A common stock and warrants involves a high degree of risk. See Risk Factors beginning on page 12 of this prospectus.

	Per Unit	Total
Initial public offering price	$	$
Underwriting discounts and commissions(1)	$	$
Proceeds, before expenses, to Yoshiharu Global Co.	$	$

(1) Does not include the following additional compensation payable to the underwriters: We have agreed to pay the representative of the underwriters, EF Hutton, division of Benchmark Investments, LLC, which we refer to as EF Hutton or the representative, a non-accountable expense allowance equal to one percent (1.0%) of the total proceeds raised and to reimburse the underwriters for certain expenses incurred relating to this offering. In addition, we have agreed to issue to the representative warrants to purchase the number of shares of Class A common stock in the aggregate equal to five percent (5%) of the shares of Class A common stock to be issued and sold in this offering (including any shares of Class A common stock sold upon exercise of the over-allotment option). The warrants are exercisable for a price per share equal to 125% of the public offering price. The warrants are exercisable at any time and from time to time, in whole or in part, during the four-and-a-half-year period commencing six (6) months from the date of commencement of sales of the offering. The registration statement of which this prospectus forms a part also registers the shares of Class A common stock issuable upon the exercise of the representative's warrants. "Underwriting" contains additional information regarding underwriter compensation.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or passed on the adequacy or accuracy of this prospectus. Any representation to the contrary is a criminal offense.

We have granted the underwriters the option for a period of 45 days to purchase up to 600,000 additional shares of Class A common stock and/or up to 600,000 additional warrants (equal to 15% of the shares of Class A common stock and warrants underlying the units sold in the offering) in any combination thereof, at the initial public offering price less the underwriting discounts and commissions, solely to cover over-allotments, if any.

The underwriters expect to deliver the units against payment on or about , 2022.

EF HUTTON
division of Benchmark Investments, LLC

The date of this prospectus is , 2022

YOSHIHARU GLOBAL CO.

YOSHIHARU
JAPANESE RAMEN


LIFESTYLE
Here's an opinionated guide to some of the best places in OC, for when you're craving Japanese noodle soup.
TOPramen
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You should rely only on the information contained in this prospectus and any free writing prospectus we may authorize to be delivered or made available to you. We have not,

and the underwriters have not, authorized anyone to provide you with additional or different information from that contained in this prospectus and any free writing prospectus we have authorized. We and the underwriters take no responsibility for, and can provide no assurance as to the reliability of, any other information that others may give you. We are offering to sell, and seeking offers to buy, shares of Class A common stock and warrants only in jurisdictions where offers and sales are permitted. The information in this prospectus is accurate only as of the date of this prospectus, regardless of the time of delivery of this prospectus or of any sale of the units. Our business, financial condition, results of operations and prospects may have changed since that date.

This prospectus contains forward-looking statements that are subject to a number of risks and uncertainties, many of which are beyond our control. "Risk Factors" and "Special Note Regarding Forward-Looking Statements" contain additional information regarding these risks.

For investors outside the United States: We have not, and the underwriters have not, done anything that would permit this offering, or possession or distribution of this prospectus, in any jurisdiction where action for that purpose is required, other than in the United States. Persons outside the United States who come into possession of this prospectus must inform themselves about, and observe any restrictions relating to, the offering of the units and the distribution of this prospectus outside of the United States. See "Underwriting."

DEALER PROSPECTUS DELIVERY OBLIGATION

Through and including , 2022 (the 25th day after the date of the prospectus), all dealers that effect transactions in these securities, whether or not participating in this offering, may be required to deliver a prospectus. This is in addition to the dealers' obligation to deliver a prospectus when acting as an underwriter and with respect to their unsold allotments or subscriptions.

MARKET AND INDUSTRY DATA

Unless otherwise indicated, information contained in this prospectus concerning our industry and the markets in which we operate is based on information from independent industry and research organizations, other third-party sources (including industry publications, surveys and forecasts), and management estimates. Management estimates are derived from publicly available information released by independent industry analysts and third-party sources, as well data from internal research, and are based on assumptions made by us upon reviewing such data and our knowledge of such industry and markets which we believe to be reasonable. Although we believe the data from these third-party sources are reliable as of their respective dates, neither we nor the underwriters have independently verified the accuracy or completeness of this information. In addition, projections, assumptions and estimates of the future performance of the industry in which we operate and our future performance are necessarily subject to uncertainty and risk due to a variety of factors, including those described in "Risk Factors" and "Special Note Regarding Forward-Looking Statements." These and other factors could cause results to differ materially from those expressed in the estimates made by the independent parties and by us.

TRADEMARKS, SERVICE MARKS AND TRADE NAMES

We own or have rights to various trademarks, service marks and trade names that we use in connection with the operation of our business. This prospectus may also contain trademarks, service marks and trade names of third parties, which are the property of their respective owners. Our use or display of third parties' trademarks, service marks, trade names or food products in this prospectus is not intended to imply a relationship with, or endorsement or sponsorship by, these other parties. Solely for convenience, the trademarks, service marks and trade names referred to in this prospectus may appear without the ®, TM or SM symbols, but such references are not intended to indicate, in any way, that we will not assert, to the fullest extent under applicable law, our rights or the rights of the applicable licensor to these trademarks, service marks and trade names.

BASIS OF PRESENTATION

Certain monetary amounts, percentages and other figures included in this prospectus have been subject to rounding adjustments. Accordingly, figures shown as totals in certain tables may not be the arithmetic aggregation of the figures that precede them, and figures expressed as percentages in the text may not total 100% or, as applicable, when aggregated may not be the arithmetic aggregation of the percentages that precede them.

In this prospectus, "Yoshiharu Global Co.," "Yoshiharu Global" "Yoshiharu," "we," "us," "our," "our company" and the "Company" refer to Yoshiharu Global Co., together with its wholly owned subsidiaries Yoshiharu Holdings Co., or Yoshiharu Holdings, Yoshiharu Asset Co. (as defined below) and Yoshiharu Franchise Co. (as defined below) unless expressly indicated or the context otherwise requires. "Yoshiharu Holdings," refers to Yoshiharu Holdings Co., a California corporation, our wholly owned subsidiary holding company, which directly owns all of our current stores. "Yoshiharu Asset" refers to Yoshiharu Asset Co., a California corporation, our wholly owned subsidiary, which owns all our intellectual property assets. "Yoshiharu Franchise" refers to Yoshiharu Franchise Co., a California corporation, our wholly owned subsidiary, which will hold the master franchisor license.

We sometimes refer to our Class A common stock as "common stock," unless the context otherwise requires. We sometimes refer to our Class A common stock and Class B common stock as "equity interests" when described on an aggregate basis. On all matters to be voted on by stockholders, holders of our Class A common stock are entitled to one vote per share while holders of our Class B common stock are entitled to 10 votes per share. Each share of Class B common stock is convertible into one share of Class A common stock at the option of the holder, upon transfer or in certain specified circumstances. With the exception of voting rights and conversion rights, holders of Class A and Class B common stock will have identical rights. The terms "dollar" or "$" refer to U.S. dollars, the lawful currency of the United States.

The Company's fiscal year end is December 31. Our financial statements are prepared in U.S. dollars and in accordance with accounting principles generally accepted in the United States ("GAAP").

NON-GAAP FINANCIAL MEASURES

Certain financial measures presented in this prospectus, such as EBITDA, Adjusted EBITDA, Restaurant-level Contribution and Restaurant-level Contribution margin are not recognized under GAAP. We define these terms as follows:

- "EBITDA" is defined as net income before interest, income taxes and depreciation and amortization.
- "Adjusted EBITDA" is defined as EBITDA plus stock-based compensation expense, non-cash rent expense and asset disposals, closure costs and restaurant impairments.
- "Restaurant-level Contribution" is defined as operating income plus depreciation and amortization and general and administrative expenses. "Restaurant-level Contribution margin" is defined as Restaurant-level Contribution divided by sales.

EBITDA, Adjusted EBITDA, Restaurant-level Contribution and Restaurant-level Contribution margin are intended as supplemental measures of our performance that are neither required by, nor presented in accordance with, GAAP. We are presenting EBITDA, Adjusted EBITDA, Restaurant-level Contribution and Restaurant-level Contribution margin because we believe that they provide useful information to management and investors regarding certain financial and business trends relating to our financial condition and operating results. Additionally, we present Restaurant-level Contribution because it excludes the impact of general and administrative expenses which are not incurred at the

restaurant-level. We also use Restaurant-level Contribution to measure operating performance and returns from opening new restaurants.

We believe that the use of EBITDA, Adjusted EBITDA, Restaurant-level Contribution and Restaurant-level Contribution margin provides an additional tool for investors to use in evaluating ongoing operating results and trends and in comparing the Company's financial measures with those of comparable companies, which may present similar non-GAAP financial measures to investors. However, you should be aware that Restaurant-level Contribution and Restaurant-level Contribution margin are financial measures which are not indicative of overall results for the Company, and Restaurant-level Contribution and Restaurant-level Contribution margin do not accrue directly to the benefit of stockholders because of corporate-level expenses excluded from such measures. In addition, you should be aware when evaluating EBITDA, Adjusted EBITDA, Restaurant-level Contribution and Restaurant-level Contribution margin that in the future we may incur expenses similar to those excluded when calculating these measures. Our presentation of these measures should not be construed as an inference that our future results will be unaffected by unusual or non-recurring items. Our computation of EBITDA, Adjusted EBITDA, Restaurant-level Contribution and Restaurant-level Contribution margin may not be comparable to other similarly titled measures computed by other companies, because all companies may not calculate EBITDA, Adjusted EBITDA, Restaurant-level Contribution and Restaurant-level Contribution margin in the same fashion.

Because of these limitations, EBITDA, Adjusted EBITDA, Restaurant-level Contribution and Restaurant-level Contribution margin should not be considered in isolation or as a substitute for performance measures calculated in accordance with GAAP. We compensate for these limitations by relying primarily on our GAAP results and using EBITDA, Adjusted EBITDA, Restaurant-level Contribution and Restaurant-level Contribution margin on a supplemental basis. For a reconciliation of net income to EBITDA and Adjusted EBITDA and a reconciliation of net restaurant operating income (loss) to Restaurant-level Contribution, see "Summary Historical Financial and Operating Data."

ADDITIONAL FINANCIAL MEASURES AND OTHER DATA

"Average Unit Volumes" or "AUVs" consist of the average annual sales of all restaurants that have been open for 3 months or longer at the end of the fiscal year presented. AUVs are calculated by dividing (x) annual sales for the fiscal year presented for all such restaurants by (y) the total number of restaurants in that base. We make fractional adjustments to sales for restaurants that were not open for the entire fiscal year presented (e.g., a restaurant is closed for renovation) to annualize sales for such period of time. This measurement allows management to assess changes in consumer spending patterns at our restaurants and the overall performance of our restaurant base. Since AUVs are calculated based on annual sales for the fiscal year presented, they are not presented in this prospectus on an interim basis for the nine months ended September 30, 2020 and 2021.

"Comparable restaurant sales growth" refers to the change in year-over-year sales for the comparable restaurant base. We include restaurants in the comparable restaurant base that have been in operation for at least 3 months prior to the start of the accounting period presented. Growth in comparable restaurant sales represents the percent change in sales from the same period in the prior year for the comparable restaurant base. For the fiscal years ended December 31, 2019 and December 31, 2020, there were 4 and 5 restaurants, respectively, in our comparable restaurant base. For the nine months ended September 30, 2020 and September 30, 2021, there were 5 and 6 restaurants, respectively, in our comparable restaurant base. This measure highlights performance of these mature restaurants, as the impact of new restaurant openings is excluded. The small number of restaurants in our comparable restaurant base may cause this measure to fluctuate and be unpredictable.

"Number of restaurant openings" reflects the number of restaurants opened during a particular reporting period. Before we open new restaurants, we incur pre-opening costs. New restaurants may not be profitable, and their sales performance may not follow historical patterns. The number and timing of restaurant openings has had, and is expected to continue to have, an impact on our results of operations.

"Average check" is defined as (x) sales, divided by (y) restaurant guest count for a given period of time. This is an indicator which management uses to analyze the dollars spent per guest in our restaurants and aids management in identifying trends in guest preferences and the effectiveness of menu changes and price increases.

PROSPECTUS SUMMARY

This summary highlights certain information contained elsewhere in this prospectus and is qualified in its entirety by the more detailed information and financial statements and related notes included elsewhere in this prospectus. This summary does not contain all of the information you should consider before investing in our securities. You should read this entire prospectus carefully, especially the matters set forth under the "Risk Factors" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" sections of this prospectus and our financial statements and related notes appearing elsewhere in this prospectus, before making an investment decision. All figures are in U.S. dollars, unless otherwise stated.

Overview of Yoshiharu

Yoshiharu is a fast-growing Japanese restaurant operator and was borne out the idea of introducing the modernized Japanese dining experience to customers all over the world. Specializing in authentic Japanese ramen, Yoshiharu gained recognition as a leading ramen restaurant in Southern California within six months of our 2016 debut and has continued to expand our top-notch restaurant service across Southern California, currently owning and operating 6 restaurant stores with an additional 3 in development and 8 expected to open in 2022.

We take pride in our warm, hearty, smooth, and rich bone broth, which is slowly boiled for over 12 hours. Customers can taste and experience supreme quality and deep flavors. Combining the broth with the fresh, savory, and highest-quality ingredients, Yoshiharu serves the perfect, ideal ramen, as well as offers customers a wide variety of sushi, bento menu and other favorite Japanese cuisine. Our acclaimed signature Tonkotsu Black Ramen has become a customer favorite with its slow cooked pork bone broth and freshly made, tender chashu (braised pork belly).

Our mission is to bring ramen and Japanese cuisine to the mainstream, by providing a meal that customers find comforting. Since the inception of the business, we have been making our own ramen broth and other key ingredients such as pork chashu and flavored eggs from scratch, whereby upholding the quality and taste of our foods, including the signature texture and deep, rich flavor of our handcrafted broth. Moreover, we believe that slowly cooking the bone broth makes it high in collagen and rich in nutrients. Yoshiharu also strives to present food that is not only healthy, but also affordable. We feed, entertain and delight our customers, with our active kitchens and bustling dining rooms providing happy hours, student and senior discounts, and special holiday events. As a result of our vision, customers can comfortably enjoy our food in a friendly and welcoming atmosphere.

Our success has resulted in strong financial results as illustrated by the following:

- Revenue grew from $1.9 million for the nine months ended September 30, 2020, to $4.4 million for the nine months ended September 30, 2021.
- We continue to accelerate the pace of new "corporate-owned" (i.e., directly owned by us) restaurant openings and expect to operate over 14 corporate-owned locations by year end 2022.

- We operate in a large and rapidly growing market. We believe the consumer appetite for Asian cuisine is widespread across many demographics and have an opportunity to expand in both existing and new U.S. markets, as well as internationally. In 2022, we expect to open 8 new corporate-owned restaurants by utilizing approximately 25% of the net proceeds of this offering. Based on our experience and our internal analysis, we believe that over the long-term we have the potential to grow our current domestic corporate-owned restaurants and international footprint to at least 250 restaurants domestically and at least 750 restaurants internationally by opening corporate-owned restaurants in new and existing markets. The rate of future restaurant growth in any particular period is inherently uncertain and is subject to numerous factors that are outside of our control. As a result, we do not currently have an anticipated timeframe for such expansion.

- Yoshiharu is in the process of registering its franchise program (which it expects to be complete by the end of 2022), and once that is complete, we plan on providing franchisee opportunities to open both domestically and internationally. In the U.S., we believe there is a potential to open 20 stores per year by franchisees. Globally, we are also exploring the idea of granting country-wide exclusivity to franchisees, which we believe will help expand our global footprint considerably. As of the date of this prospectus, we do not have a franchise program.

- Average sales per guest is moderate and increasing. During the year ended December 31, 2019, the average sales per guest in our stores was $13.51, which grew 15.4% to $15.59 during the year ended December 31, 2020. For the nine months ended September 30, 2021, average sales per guest in our restaurants was $15.74. The Company has suffered recurring losses from operations and has a significant accumulated deficit. During the audited years ended December 31, 2019 and December 31, 2020, and the nine month period ended September 30, 2021, the Company had net loss of $134,125, $450,128 and $42,968, respectively. In addition, the Company continues to experience negative cash flow from operations and has a significant accumulated deficit, which was $2,586,790 at September 30, 2021. These factors raise a substantial doubt about the Company's ability to continue as a going concern, and our independent registered public accounting firm has included a going concern uncertainty explanatory paragraph in their report dated December 15, 2021.

- Our flexible physical footprint, which has allowed us to open restaurants in size ranging from 1,500 to 2,500 square feet, allows us to open in-line and end-cap restaurant formats at strip malls and shopping centers and penetrate markets in both suburban and urban areas.

Our Strengths

Experienced Management Team Dedicated to Growth.

Our team is led by experienced and passionate senior management who are committed to our mission. We are led by our Chief Executive Officer, James Chae. Mr. Chae founded Yoshiharu in 2016 and leads a team of talented professionals with deep financial, operational, culinary, and real estate experience.

Compelling Value Proposition with Broad Appeal.

Guests can enjoy our signature ramen dishes or select from our variety of fresh sushi, bento, and other Japanese cuisine. The high-quality dishes at affordable prices are the result of our efficient operations. In addition, we believe our commitment to high-quality and fresh ingredients in our food is at the forefront of current dining trends as customers continue to seek healthy food options.

Attractive Restaurant-Level Economics.

At Yoshiharu, we believe our rapid table turnover, combined with our ability to service customers at both lunch and dinner, allows for robust and efficient sales in each of our restaurants. Our average unit volume ("AUV", as defined herein) was $1.1 million in 2019 and $0.9 million in 2020.

Quality of Food and Excellence in Customer Service.

We place a premium on serving high quality authentic Japanese cuisine. We believe in customer convenience and satisfaction and have created strong, loyal and repeat customers who help expand the Yoshiharu network to their friends, family and co-workers.

Flexibility to Pivot to Online and Delivery.

With the COVID-19 pandemic, we were able to efficiently transition from primarily in-store sales to a diversified mix of channels including takeout and delivery. As our customers habits adapt post-pandemic, we intend to invest further in our delivery and takeout programs, which currently rely on third-party providers. Yoshiharu's ramen and Japanese cuisine is ideally suited for to-go packaging and transport. Due to our flexibility in pivoting to online and delivery, and we achieved out-of-store sales of $1.2 million for the nine months ended September 30, 2021, compared to $815,301 for the nine months ended September 30, 2020, or a growth rate of over 42.5%.

Our Growth Strategies

Pursue New Restaurant Development.

We have pursued a disciplined new corporate owned growth strategy. Having expanded our concept and operating model across varying restaurant sizes, we plan to leverage our expertise opening new restaurants to fill in existing markets and expand into new geographies. While we currently aim to achieve in excess of 100% annual unit growth rate over the next several years, we cannot predict the time period of which we can achieve any level of restaurant growth or whether we will achieve this level of growth at all. Our ability to achieve new restaurant growth is impacted by a number of risks and uncertainties beyond our control, including those described under the caption "Risk Factors." In particular, see "Risk Factors—Our long-term success is highly dependent on our ability to successfully identify and secure appropriate sites and timely develop and expand our operations in existing and new markets" for specific risks that could impede our ability to achieve new restaurant growth in the future. We believe there is a significant opportunity to employ this strategy to open additional restaurants in our existing markets and in new markets with similar demographics and retail environments.

Deliver Consistent Comparable Restaurant Sales Growth.

We have achieved positive comparable restaurant sales growth in recent periods. We believe we will be able to generate future comparable restaurant sales growth by growing traffic through increased brand awareness, consistent delivery of a satisfying dining experience, new menu offerings, and restaurant renovations. We will continue to manage our menu and pricing as part of our overall strategy to drive traffic and increase average check. We are also exploring initiatives to grow sales of alcoholic beverages at our restaurants, including the potential of a larger format restaurant with a sake bar concept.

Franchise Program Development.

We expect to initiate sales of franchises beginning in 2022. We expect to submit an application for franchise registration in California, and we intend to submit franchise applications in additional states in the first half of 2022. While our initial franchise development will focus on the United States, we also believe the Yoshiharu concept will attract future franchise partners around the world.

Increase Profitability.

We have invested in our infrastructure and personnel, which we believe positions us to continue to scale our business operations. As we continue to grow, we expect to drive higher profitability by taking advantage of our increasing buying power with suppliers and leveraging our existing support infrastructure. Additionally, we believe we will be able to optimize labor costs at existing restaurants as our restaurant base matures and AUVs increase. We believe that as our restaurant base grows, our general and administrative costs will increase at a slower rate than our sales.

Heighten Brand Awareness.

We intend to continue to pursue targeted local marketing efforts and plan to increase our investment in advertising. We also are exploring the development of instant ramen noodles which we would distribute through retail channels. We intend to explore partnerships with grocery retailers to provide for small-format Yoshiharu kiosks in stores to promote a limited selection of Yoshiharu cuisine.

COVID-19 Impact on Our Business

The COVID-19 pandemic has significantly impacted health and economic conditions throughout the United States and globally, as public concern about becoming ill with the virus has led to the issuance of recommendations and/or mandates from federal, state, and local authorities to practice social distancing or self-quarantine. We have experienced significant disruptions to our business due to the COVID-19 pandemic and related suggested and mandated social distancing and shelter-in-place orders. The Company felt direct impact through reduced revenues through periods of time in 2020 and 2021 when restaurant locations were forced into closure or into limited capacities. Revenues were $3.2 million for the year ended December 31, 2020, compared to $4.1 million for the year ended December 31, 2019. The three restaurant locations that were open through all of 2020 each experienced significant sales declines. Combined average monthly sales for these locations decreased 36.8% for the year ended December 31, 2020. The Company attempted to mitigate the impact of reduced inside dining through expansion of food delivery operations during the pandemic affected periods. The Company intends to continue selling through these delivery channels, even with a return to full capacity inside dining. Revenues were $4.4 million for the nine months ended September 30, 2021, compared to $1.9 million for the nine months ended September 30, 2020, so the Company has already experienced significant recovery from the impact of the pandemic on customer traffic during 2020. The combined average monthly sales for the 4 restaurant locations that were open through all of 2020 increased 71.7% for the nine-month period ended September 30, 2021, from the comparable period in the prior year.

The Company obtained substantial amounts of funding available through government entities as assistance to maintain operations and, in particular, to maintain staffing levels through periods of reduced operations as a result of the pandemic. The Company received approximately $659,000 in Paycheck Protection Program (“PPP”) loans, $450,000 in Economic Injury Disaster (“EIDL”) loans and $750,000 in Restaurant Revitalization Fund (“RRF”) loans. These funds are all in the form of loans to be repaid over time, including interest, and have been reported within the Company’s balance sheets as such. However, the PPP and RRF loans allow for loan forgiveness if the Company meets certain criteria and submits applications for forgiveness along with supporting documentation. To date, the Company has been awarded forgiveness for approximately $273,000 of PPP loans, plus all accrued interest. This forgiveness was reported as Other Income for the nine months ended September 30, 2021. The Company does anticipate applying for additional forgiveness as allowed.

Corporate Overview

Corporate Reorganization

In December 2021, Yoshiharu Holdings was formed by James Chae as an S corporation for the purpose of acquiring all of the equity in each of the 6 restaurant store entities which were previously founded and wholly owned directly by James Chae in exchange for an issuance of 10,000,000 shares to James Chae, which constituted all of the issued and outstanding equity in Yoshiharu Holdings Co.

Yoshiharu Global Co. was incorporated on December 9, 2021 in Delaware by James Chae for purposes of effecting this offering. On December 9, 2021, James Chae contributed 100% of the equity in Yoshiharu Holdings Co. to Yoshiharu Global Co. in exchange for the issuance by Yoshiharu Global Co. of 9,450,900 shares of Class A common stock to James Chae. On December 10, 2021, the Company redeemed 670,000 shares of Class A common stock from James Chae at par ($0.0001 per share). In December 2021, the Company conducted a private placement solely to accredited investors and sold 670,000 shares of Class A common stock at $2.00 per share, which the Company’s board of directors determined to reflect the then current fair market value of the Company’s Class A common stock. The Company shall exchange 1,000,000 shares held by James Chae into 1,000,000 shares of Class B common stock immediately prior to the execution of the underwriting agreement.

Following the closing of this offering, James Chae will own all of our Class B common stock (1,000,000 shares) and 7,110,900 shares of our Class A common stock, representing approximately 74.4% of the combined voting power of our outstanding capital stock, or 72.3% if the underwriters exercise their option to purchase additional units and will have the ability to determine all matters requiring approval by stockholders. See “Risk Factors- Risks Related to our Organizational Structure” and “Principal Stockholders.” As a result, we will be a “controlled company” within the meaning of the corporate governance rules of the Nasdaq Stock Market.

On all matters to be voted on by stockholders, holders of our Class A common stock are entitled to one vote per share while holders of our Class B common stock are entitled to 10 votes per share. Each share of Class B common stock is convertible into one share of Class A common stock at the option of the holder, upon transfer or in certain specified circumstances. With the exception of voting rights and conversion rights, holders of Class A and Class B common stock will have identical rights. We do not intend to list Class B common stock on any stock exchange.

Corporate and other information.

Our offices are located at 6940 Beach Blvd. Suite D-705, Buena Park, CA 90621. Our website is www.yoshiharuramen.com and our telephone number is (714) 694-2400. We expect to make our periodic reports and other information filed with or furnished to the Securities and Exchange Commission, or the SEC, available free of charge through our website as soon as reasonably practicable after those reports and other information are electronically filed with or furnished to the SEC. Information on, or otherwise accessible through, our website or any other website is not incorporated by reference herein and does not constitute a part of this prospectus. You should not consider information contained on our website to be part of this prospectus or in deciding whether to purchase shares of our Class A common stock or warrants.

Risk Factors Summary

Investing in our securities involves significant risks. You should carefully consider the risks described in “Risk Factors” before making a decision to invest in our securities. If any of these risks actually occur, our business, financial condition and results of operations would likely be materially adversely affected. In such case, the trading price of our securities would likely decline, and you may lose all or part of your investment. In reviewing this prospectus, we stress that past experience is no indication of future performance, and “Special Note Regarding Forward-Looking Statements” contains a discussion of what types of statements are forward-looking statements, as well as the significance of such statements in the context of this prospectus. Below is a summary of some of the significant risks we face:

- we may not be able to successfully implement our growth strategy if we are unable to identify appropriate sites for restaurant locations, expand in existing and new markets, obtain favorable lease terms, attract guests to our restaurants or hire and retain personnel;
- we may not be able to maintain or improve our comparable restaurant sales growth;
- the restaurant industry is a highly competitive industry with many competitors;
- our limited number of restaurants, the significant expense associated with opening new restaurants, and the unit volumes of our new restaurants makes us susceptible to significant fluctuations in our results of operations;
- we have incurred operating losses and may not be profitable in the future. Our plans to maintain and increase liquidity may not be successful;
- we depend on our senior management team and other key employees, and the loss of one or more key personnel or an inability to attract, hire, integrate and retain highly skilled personnel could have an adverse effect on our business, financial condition or results of operations;
- our operating results and growth strategies will be closely tied to the success of our future franchise partners and we will have limited control with respect to their operations;
- we may face negative publicity or damage to our reputation, which could arise from concerns regarding food safety and foodborne illness or other matters;
- minimum wage increases and mandated employee benefits could cause a significant increase in our labor costs;
- events or circumstances could cause the termination or limitation of our rights to certain intellectual property critical to our business that is licensed from Yoshiharu Asset Co., or we could face infringements on our intellectual property rights and be unable to protect our brand name, trademarks and other intellectual property rights;
- challenging economic conditions may affect our business by adversely impacting numerous items that include, but are not limited to: consumer confidence and discretionary spending, the future cost and availability of credit and the operations of our third-party vendors and other service providers;
- we, or our point of sale and restaurant management platform partners, may fail to secure guests' confidential, personally identifiable, debit card or credit card information or other private data relating to our employees or us;
- we will face increased costs as a result of being a public company; and
- the impact of the COVID-19 pandemic, or a similar public health threat, on global capital and financial markets, general economic conditions in the United States, and our business and operations.

Emerging Growth Company Status

We are an "emerging growth company" as defined in the JOBS Act. For as long as we are an emerging growth company, unlike other public companies that do not meet those qualifications, we are not required to:

- provide an auditor's attestation report on management's assessment of the effectiveness of our system of internal control over financial reporting pursuant to Section 404(b) of Sarbanes-Oxley Act of 2002, as amended, or the Sarbanes-Oxley Act;
- provide more than two years of audited financial statements and related management's discussion and analysis of financial condition and results of operations in a registration statement on Form S-1;
- comply with any new requirements adopted by the Public Company Accounting Oversight Board, or the PCAOB, requiring mandatory audit firm rotation or a supplement to the auditor's report in which the auditor would be required to provide additional information about the audit and the financial statements of the issuer;
- provide certain disclosure regarding executive compensation required of larger public companies or hold shareholder advisory votes on executive compensation required by the Dodd-Frank Wall Street Reform and Consumer Protection Act, or the Dodd-Frank Act; or
- obtain shareholder approval of any golden parachute payments not previously approved.

We will cease to be an "emerging growth company" upon the earliest of:

- the last day of the fiscal year in which we have $1.07 billion or more in annual gross revenues;
- the date on which we become a "large accelerated filer" (which means the year-end at which the total market value of our common equity securities held by non-affiliates is $700 million or more as of the last business day of our most recently completed second fiscal quarter);
- the date on which we have issued more than $1 billion of non-convertible debt securities over a three-year period; and
- the last day of the fiscal year following the fifth anniversary of our initial public offering.

In addition, Section 107 of the JOBS Act provides that an emerging growth company can take advantage of the extended transition period provided in Section 7(a)(2)(B) of the Securities Act of 1933, as amended (the "Securities Act"), for complying with new or revised accounting standards, but we have irrevocably opted out of the extended transition period and, as a result, we will adopt new or revised accounting standards on the relevant dates in which adoption of such standards is required for other public companies.

THE OFFERING

Units offered	4,000,000 units (or 4,600,000 units, if the underwriters exercise in full their option to purchase additional units), each unit consisting of one Class A common share and one warrant to purchase one Class A common share.
Class A common stock outstanding before the offering	9,000,000 shares.
Class A common stock outstanding after the offering	13,000,000 shares (or 13,600,000 shares if the underwriters exercise their option to purchase additional shares of Class A common stock in full).
Class B common stock outstanding after the offering	1,000,000 shares.
Over-allotment option	We have granted to the underwriters a 45-day option to purchase from us up to an additional 15% of the shares of Class A common stock and/or warrants sold in the offering in any combination thereof, solely to cover over-allotments, if any, at the initial public offering price, less the underwriting discounts.
Representative's warrants	We have agreed to issue to the representative of the several underwriters warrants to purchase the number of shares of Class A common stock in the aggregate equal to 5% of the shares of Class A common stock to be issued and sold in this offering (including any shares of Class A common stock sold upon exercise of the over-allotment option). The warrants are exercisable for a price per share equal to 125% of the public offering price. The warrants are exercisable at any time and from time to time, in whole or in part, during the four-and-a-half-year period commencing six (6) months from the date of commencement of sales of the offering.
Use of proceeds	We expect to receive approximately $16,380,000 of the net proceeds from this offering (assuming an initial public offering price of $4.50 per unit, which is the midpoint of the price range set forth on the cover of this prospectus) from the sale of the units offered by us (or approximately $18,837,000 if the underwriters exercise in full their option to purchase additional units) after deducting underwriter discounts and commissions and estimated offering expenses payable by us. Each $1.00 change in the assumed initial public offering price would change our net proceeds by approximately $3,640,000 after deducting estimated underwriting discounts and commissions and estimated offering expenses payable by us. We intend to use the net proceeds we receive from this offering to fund our expansion and development of new corporate-owned locations, expand our distribution capabilities, develop our franchise program and for general corporate purposes. See "Use of Proceeds".

Voting rights	Each share of Class A common stock will entitle its holder to one vote on all matters to be voted on by stockholders generally. James Chae will hold all of the outstanding shares of our Class B common stock and will also hold 7,110,900 shares of our Class A common stock. Each share of Class B common stock will entitle its holder to 10 votes on all matters to be voted on by stockholders generally. Upon completion of this offering, we will be controlled by James Chae, which will hold approximately 74.4% of the combined voting power of our outstanding Class A common stock and Class B common stock, or approximately 72.3% if the underwriters exercise their option to an additional 15% of the shares of Class A common stock and/or warrants sold in the offering in any combination thereof. Holders of our Class A common stock and Class B common stock will generally vote together as a single class, unless otherwise required by applicable law or our amended and restated certificate of incorporation. See "Description of Securities" for more information.
Conversion rights	Our Class B common stock is convertible as follows: ● at such time as any shares of Class B common stock cease to be beneficially owned by James Chae, such shares of Class B common stock will be automatically converted into shares of Class A common stock on a one-for-one basis; ● all of the Class B common stock will automatically convert into Class A common stock on a one-for-one basis on such date when the number of shares of Class A and Class B common stock beneficially owned by James Chae represents less than 25% of the total number of shares of Class A and Class B common stock outstanding as set forth in the share exchange agreement; and ● at the election of the holder of Class B common stock, any share of Class B common stock may be converted into one share of Class A common stock.
Controlled company	Following this offering we will be a "controlled company" within the meaning of the corporate governance rules of the Nasdaq Stock Market. See "Risk Factors—Risks Related to Our Organizational Structure" and "Management—Controlled Company."
Lock-up	We, all of our directors and officers and all of our existing shareholders have agreed with the underwriters, subject to certain exceptions, not to sell, transfer or dispose of, directly or indirectly, any of our Class A common stock, Class B common stock or securities convertible into or exercisable or exchangeable for our Class A or Class B common stock for a period of 12 months after the date of the final prospectus. See "Underwriting" for more information.
Dividend policy	We do not anticipate paying any cash dividends to holders of our Class A common stock or Class B common stock in the foreseeable future. See "Dividend Policy" for additional information.

Risk factors	See "Risk Factors" for a discussion of factors that you should consider carefully before deciding whether to purchase shares of our securities.
Proposed Nasdaq Capital Market symbols	In connection with this offering, we have filed an application to list our shares of Class A common stock under the symbol "YOSH" and our warrants under the symbol "YOSHW," both on the Nasdaq Capital Market. We do not intend that the units trade and we will not apply for listing of the units on any securities exchange or other nationally recognized trading system. Without an active trading market, the liquidity of the units will be limited. The closing of this offering is contingent upon the successful listing of our common stock and warrants on the Nasdaq Capital Market.

The number of Class A common stock and Class B common stock to be outstanding after this offering is based on 9,000,000 shares of Class A common stock and 1,000,000 shares of Class B common stock outstanding as of , 2022.

Except as otherwise indicated, the number of Class A common stock and Class B common stock to be outstanding after this offering referred to above and all other information in this prospectus:

- assumes the effectiveness of our certificate of incorporation and bylaws included as exhibits to the registration statement of which this prospectus forms a part, which we will adopt prior to the completion of this offering;
- assumes no exercise by the underwriters of their over-allotment option to purchase up to 600,000 additional shares of Class A common stock and/or warrants from us at an initial public offering price of $4.50 per unit, which represents the midpoint of the price range set forth on the cover of this prospectus;
- excludes [500,000] shares of common stock reserved for issuance under the [Yoshiharu Global Co. 2022 Equity Incentive Plan]; and
- excludes shares of common stock issuable upon the exercise of warrants and the representative's warrants.

SUMMARY HISTORICAL FINANCIAL AND OPERATING DATA

The following table summarizes our historical financial and operating data for the periods and as of the dates indicated. The statements of income data for the fiscal years ended December 31, 2019 and December 31, 2020 and the balance sheet data as of December 31, 2019 and December 31, 2020 have been derived from our audited financial statements included elsewhere in this prospectus. The statements of income data for the nine months ended September 30, 2020 and September 30, 2021 and the balance sheet data as of September 30, 2021 have been derived from our unaudited interim financial statements included elsewhere in this prospectus. The financial data presented includes all normal and recurring adjustments that we consider necessary for a fair presentation of the financial position and results of operations for such periods.

The historical results presented below are not necessarily indicative of the results to be expected for any future period. This information should be read in conjunction with "Risk Factors," "Selected Financial Data," "Management's Discussion and Analysis of Financial Condition and Results of Operations" and our audited financial statements and unaudited interim financial statements and the related notes included elsewhere in this prospectus.

	Years Ended December 31,		*Nine months ended September 30,*	
	2020	***2019***	***2021***	***2020***
Revenue:				
Food and beverage	$ 3,170,925	$ 4,058,739	$ 4,449,354	$ 1,918,930
Total revenue	3,170,925	4,058,739	4,449,354	1,918,930
Restaurant operating expenses:				
Food, beverages and supplies	903,313	1,533,959	1,344,672	909,670
Labor	1,542,796	1,241,075	1,999,084	1,075,751
Rent and utilities	437,972	504,430	465,677	280,837
Delivery and service fees	245,163	219,412	384,050	183,477
Depreciation	114,478	102,416	94,294	83,181
Total restaurant operating expenses	3,243,722	3,601,292	4,287,777	2,532,916
Net operating restaurant operating income	(72,797)	457,447	161,577	(613,986)
Operating expenses:				
General and administrative	330,739	501,192	428,926	324,416
Advertising and marketing	30,054	20,721	12,437	33,868
Total operating expenses	360,793	521,913	441,363	358,284
Loss from operations	(433,590)	(64,466)	(279,786)	(972,270)
Other income (expense):				
PPP loan forgiveness	-	-	269,887	-
Other income	53,929	16,934	25,000	40,718
Interest	(51,590)	(64,036)	(44,145)	(73,356)
Total other income (expense)	2,339	(47,102)	250,742	(32,638)
Income before income taxes	(431,251)	(111,568)	(29,044)	(1,004,908)
Income tax provision	18,877	22,557	13,924	9,978

Net loss	**$ (450,128)**	**$ (134,125)**	**$ (42,968)**	**$ (1,014,886)**
Loss per share:				
Basic and diluted	$ (0.36)	$ (0.13)	$ (0.01)	$ (0.84)
Weighted average number of common shares outstanding:				
Basic and diluted	1,236,836	1,035,959	3,131,740	1,205,000

	As of December 31,		*As of September 30,*
	2020	*2019*	*2021*
Cash	$ -	$ 78,117	$ 53,299
Total assets	$ 3,014,424	$ 2,134,165	$ 4,791,007
Total liabilities	$ 4,385,804	$ 2,450,223	$ 6,901,426
Total stockholders' deficit	$ (1,371,380)	$ (316,058)	$ (2,110,419)

	Years Ended December 31,		*Nine months ended September 30,*	
	2020	*2019*	*2021*	*2020*
Key Financial and Operational Metrics				
Restaurants at the end of period	5	4	6	5
Average unit volumes (1)	$ 904,745	$ 1,091,364	N/A	N/A
Comparable restaurant sales growth (2)	-29.3%	7.4%	63.4%	32.3%
EBITDA (3)	(265,183)	54,884	109,395	(848,371)
Adjusted EBITDA (3)	(265,183)	54,884	(167,318)	(848,371)
as a percentage of sales	-8.4%	1.4%	-3.8%	-44.2%
Operating income	(433,590)	(64,466)	(279,786)	(972,270)
Operating profit margin	-13.7%	-1.6%	-6.3%	-50.7%
Restaurant-level Contribution (3)	41,681	559,863	255,871	(530,805)
Restaurant-level Contribution Margin (3)	1.3%	13.8%	5.8%	-27.7%

(1) Average Unit Volumes (AUVs) consist of the average annual sales of all restaurants that have been open for 3 months or longer at the end of the fiscal year presented. The AUVs measure has been adjusted for restaurants that were not open for the entire fiscal year presented (such as a restaurant closed for renovation) to annualize sales for such period of time. Since AUVs are calculated based on annual sales for the fiscal year presented, they are not shown on an interim basis for the nine-months ended September 30, 2020 and 2021. See "Additional Financial Measures and Other Data" for the definition of AUVs.

(2) Comparable restaurant sales growth represents the change in year-over-year sales for restaurants open for at least 3 months prior to the start of the accounting period presented, including those temporarily closed for renovations during the year. The comparable restaurant sales growth measure is calculated excluding the West Hollywood and Lynwood, California restaurants, which closed in fiscal year 2019 due to under performance.

(3) EBITDA, Adjusted EBITDA, Restaurant-level Contribution and Restaurant-level Contribution margin are intended as supplemental measures of our performance that are neither required by, nor presented in accordance with, GAAP. We are presenting EBITDA, Adjusted EBITDA, Restaurant-level Contribution and Restaurant-level Contribution margin because we believe that they provide useful information to management and investors regarding certain financial and business trends relating to our financial condition and operating results. Additionally, we present Restaurant-level Contribution because it excludes the impact of general and administrative expenses which are not incurred at the restaurant-level. We also use Restaurant-level Contribution to measure operating performance and returns from opening new restaurants.

The following table presents a reconciliation of net income to EBITDA and Adjusted EBITDA:

	Years Ended December 31,		*Nine months ended September 30,*	
	2020	*2019*	*2021*	*2020*
Net loss, as reported	$ (450,128)	$ (134,125)	$ (42,968)	$ (1,014,886)
Interest, net	51,590	64,036	44,145	73,356
Taxes	18,877	22,557	13,924	9,978
Depreciation and amortization	114,478	102,416	94,294	83,181
EBITDA	(265,183)	54,884	109,395	(848,371)
PPP loan forgiveness (a)	-	-	(276,713)	-
Adjusted EBITDA	$ (265,183)	$ 54,884	$ (167,318)	$ (848,371)

(a) Represents income recorded upon the forgiveness of payroll protection loans from the SBA.

The following table presents a reconciliation of net restaurant operating income (loss) to Restaurant-level Contribution:

	Years Ended December 31,		*Nine months ended September 30,*	
	2020	*2019*	*2021*	*2020*
Net restaurant operating income (loss), as reported	$ (72,797)	$ 457,447	$ 161,577	$ (613,986)
Depreciation and amortization	114,478	102,416	94,294	83,181
Restaurant-level Contribution	$ 41,681	$ 559,863	$ 255,871	$ (530,805)
Operating profit margin	-13.7%	-1.6%	-6.3%	-50.7%
Restaurant-level Contribution Margin	1.3%	13.8%	5.8%	-27.7%

RISK FACTORS

An investment in our Class A common stock and warrants, which we refer to in this prospectus as our "securities," involves a high degree of risk. You should carefully consider the risks and uncertainties described below before deciding whether to purchase shares of our Class A common stock. In assessing these risks, you should also refer to the other information contained in this prospectus, including our financial statements and related notes. If any of the risks described below actually occur, our business, financial condition or results of operations could be materially adversely affected. In any such case, the trading price of our Class A common stock or warrants could decline and you could lose all or part of your investment. The risks below are not the only risks we face. Additional risks and uncertainties not currently known to us or those we currently view to be immaterial also may materially and adversely affect our business, properties, operating results or financial condition.

Risks Related to Our Business and Industry

Our long-term success is highly dependent on our ability to successfully identify and secure appropriate sites and timely develop and expand our operations in existing and new markets.

One of the key means of achieving our growth strategies will be through opening and operating new restaurants on a profitable basis for the foreseeable future. We opened one new restaurant in fiscal year 2019 and one new restaurant in fiscal year 2020 by utilizing approximately 25% of the net proceeds of this offering. We have opened one new restaurant in fiscal year 2021. We currently have 3 locations under construction, and we expect to open an additional 8 new restaurants (4 of which have been identified) in fiscal year 2022. We identify target markets where we can enter or expand, taking into account numerous factors such as the locations of our current restaurants, demographics, traffic patterns and information gathered from various sources. We may not be able to open our planned new restaurants within budget or on a timely basis, if at all, given the uncertainty of these factors, which could adversely affect our business, financial condition and results of operations. As we operate more restaurants, our rate of expansion relative to the size of our restaurant base will eventually decline.

The number and timing of new restaurants opened during any given period may be negatively impacted by a number of factors including, without limitation:

- identification and availability of locations with the appropriate size, traffic patterns, local retail and business attractions and infrastructure that will drive high levels of guest traffic and sales per unit;
- competition in existing and new markets, including competition for restaurant sites;
- the ability to negotiate suitable lease terms;
- the lack of development and overall decrease in commercial real estate due to a macroeconomic downturn;
- recruitment and training of qualified personnel in the local market;
- our ability to obtain all required governmental permits, including zonal approvals, on a timely basis;
- our ability to control construction and development costs of new restaurants;
- landlord delays;
- the proximity of potential sites to an existing restaurant, and the impact of cannibalization on future growth;
- anticipated commercial, residential and infrastructure development near our new restaurants; and
- the cost and availability of capital to fund construction costs and pre-opening costs.

Accordingly, we cannot assure you that we will be able to successfully expand as we may not correctly analyze the suitability of a location or anticipate all of the challenges imposed by expanding our operations. Our growth strategy, and the substantial investment associated with the development of each new restaurant, may cause our operating results to fluctuate and be unpredictable or adversely affect our business, financial condition or results of operations. If we are unable to expand in existing markets or penetrate new markets, our ability to increase our sales and profitability may be materially harmed or we may face losses.

Our restaurant base is geographically concentrated in California, and we could be negatively affected by conditions specific to California.

Adverse changes in demographic, unemployment, economic, regulatory or weather conditions in California have had, and may continue to have, material adverse effects on our business, financial condition or results of operations. As a result of our concentration in California, we have been, and in the future may be, disproportionately affected by adverse conditions in this specific market compared to other chain restaurants with a national footprint.

Our expansion into new markets may present increased risks due in part to our unfamiliarity with the areas and may make our future results unpredictable.

As of September 30, 2021, we have opened one new restaurant in fiscal year 2021 and we currently have 3 locations under construction. We plan to continue to increase the number of our restaurants in the next several years as part of our expansion strategy and expect to open an additional 8 new restaurants (4 of which have been identified) in 2022 by utilizing approximately 25% of the net proceeds of this offering. We may in the future open restaurants in markets where we have little or no operating experience. This growth strategy and the substantial investment associated with the development of each new restaurant may cause our operating results to fluctuate and be unpredictable or adversely affect our business, financial condition or results of operations. Restaurants we open in new markets may take longer to reach expected sales and profit levels on a consistent basis and may have higher construction, occupancy or operating costs than restaurants we open in existing markets, thereby affecting our overall profitability. New markets may have competitive conditions, consumer tastes and discretionary spending patterns that are more difficult to predict or satisfy than our existing markets and there may be little or no market awareness of our brand in these new markets. We may need to make greater investments than we originally planned in advertising and promotional activity in new markets to build brand awareness. We also may find it more difficult in new markets to hire, motivate and keep qualified employees who share our vision, passion and business culture. If we do not successfully execute our plans to enter new markets, our business, financial condition or results of operations could be materially adversely affected.

New restaurants, once opened, may not be profitable, and the increases in average restaurant sales and comparable restaurant sales that we have experienced in the past may not be indicative of future results.

New restaurants may not be profitable and their sales performance may not follow historical patterns. In addition, our average restaurant sales and comparable restaurant sales

may not increase at the rates achieved over the past several years. Our ability to operate new restaurants profitably and increase average restaurant sales and comparable restaurant sales will depend on many factors, some of which are beyond our control, including:

- consumer awareness and understanding of our brand;
- general economic conditions, which can affect restaurant traffic, local labor costs and prices we pay for the food products and other supplies we use;
- changes in consumer preferences and discretionary spending;
- competition, either from our competitors in the restaurant industry or our own restaurants;
- temporary and permanent site characteristics of new restaurants; and
- changes in government regulation.

If our new restaurants do not perform as planned, our business and future prospects could be harmed. In addition, if we are unable to achieve our expected average restaurant sales, our business, financial condition or results of operations could be adversely affected.

Our sales and profit growth could be adversely affected if comparable restaurant sales are less than we expect.

The level of comparable restaurant sales growth, which represents the change in year-over-year sales for restaurants open for at least 3 months, could affect our sales growth. Our ability to increase comparable restaurant sales depends in part on our ability to successfully implement our initiatives to build sales. It is possible such initiatives will not be successful, that we will not achieve our target comparable restaurant sales growth or that the change in comparable restaurant sales could be negative, which may cause a decrease in our profitability and would materially adversely affect our business, financial condition or results of operations. See "Management's Discussion and Analysis of Financial Condition and Results of Operations."

Our failure to manage our growth effectively could harm our business and operating results.

Our growth plan includes opening new restaurants. Our existing restaurant management systems, financial and management controls and information systems may be inadequate to support our planned expansion. Managing our growth effectively will require us to continue to enhance these systems, procedures and controls and to hire, train and retain managers and team members. We may not respond quickly enough to the changing demands that our expansion will impose on our management, restaurant teams and existing infrastructure which could harm our business, financial condition or results of operations.

Our limited number of restaurants, the significant expense associated with opening new restaurants, and the unit volumes of our new restaurants makes us susceptible to significant fluctuations in our results of operations.

As of September 30, 2021, we operate 6 restaurants. We opened one new restaurant in fiscal year 2019 and one new restaurant in fiscal year 2020. We have opened one new restaurant in fiscal year 2021. We currently have 3 locations under construction, and we expect to open 8 new restaurants (4 of which have been identified) in fiscal year 2022 by utilizing approximately 25% of the net proceeds of this offering. The capital resources required to develop each new restaurant are significant. On average, we estimate that our restaurants require a cash build-out cost of approximately $350,000-$550,000 per restaurant, net of landlord tenant improvement allowances and pre-opening costs and assuming that we do not purchase the underlying real estate. Actual costs may vary significantly depending upon a variety of factors, including the site and size of the restaurant and conditions in the local real estate and labor markets. The combination of our relatively small number of existing restaurants, the significant investment associated with each new restaurant, variance in the operating results in any one restaurant, or a delay or cancellation in the planned opening of a restaurant could materially affect our business, financial condition or results of operations.

A decline in visitors to any of the retail centers, shopping malls, lifestyle centers, or entertainment centers where our restaurants are located could negatively affect our restaurant sales.

Our restaurants are primarily located in high-activity areas such as retail centers, shopping malls, lifestyle centers, and entertainment centers. We depend on high visitor rates at these centers to attract guests to our restaurants. Factors that may result in declining visitor rates include economic or political conditions, anchor tenants closing in retail centers or shopping malls in which we operate, changes in consumer preferences or shopping patterns, changes in discretionary consumer spending, increasing petroleum prices, or other factors, which may adversely affect our business, financial condition or results of operations.

We have incurred operating losses and may not be profitable in the future. Our plans to maintain and increase liquidity may not be successful. The report of the independent registered public accounting firm includes a going concern uncertainty explanatory paragraph.

We incurred a net loss of $42,968 for the nine months ended September 20, 2021 and had an accumulated deficit of $2,586,790 and cash of $53,299 on September 30, 2021. These factors raise substantial doubt as to our ability to continue as a going concern, and our independent registered public accounting firm has included a going concern uncertainty explanatory paragraph in their report dated December 15, 2021. The Company currently generates its cash flow through its operating profit, sales of common shares and borrowings from banks. The Company also had cash flow from operations of $591,452 for the nine months ended September 30, 2021 and $82,354 for the year ended December 31, 2020. As of the date of this prospectus, the Company has not experienced any difficulty in raising funds through bank loans, and has not experienced any liquidity problems in settling payables in the normal course of business and repaying bank loans when they fall due. Successful renewal of our bank loans, however, is subject to numerous risks and uncertainties. In addition, the increasingly competitive industry conditions under which we operate have negatively impacted our results of operations and cash flows and may continue to do so in the future. These factors raise substantial doubt about our ability to continue as a going concern.

We depend on our senior management team and other key employees, and the loss of one or more key personnel or an inability to attract, hire, integrate and retain highly skilled personnel could have an adverse effect on our business, financial condition or results of operations.

Our success depends largely upon the continued services of our key executives, including James Chae. We also rely on our leadership team in setting our strategic direction, operating our business, identifying, recruiting and training key personnel, identifying expansion opportunities, arranging necessary financing, and for general and administrative functions. From time to time, there may be changes in our executive management team resulting from the hiring or departure of executives, which could disrupt our business. The loss or replacement of one or more of our executive officers or other key employees could have a serious adverse effect on our business, financial condition or results of operations.

To continue to execute our growth strategy, we also must identify, hire and retain highly skilled personnel. We might not be successful in continuing to attract and retain qualified personnel. Failure to identify, hire and retain necessary key personnel could have a material adverse effect on our business, financial condition or results of operations.

Opening new restaurants in existing markets may negatively affect sales at our existing restaurants.

The consumer target area of our restaurants varies by location, depending on a number of factors, including population density, other local retail and business attractions, area demographics and geography. As a result, the opening of a new restaurant in or near markets in which we already have restaurants could adversely affect the sales of these existing restaurants and thereby adversely affect our business, financial condition or results of operations. Existing restaurants could also make it more difficult to build our consumer base for a new restaurant in the same market. Our core business strategy does not entail opening new restaurants that we believe will materially affect sales at our existing restaurants, but we may selectively open new restaurants in and around areas of existing restaurants that are operating at or near capacity to effectively serve our guests. Sales cannibalization between our restaurants may become significant in the future as we continue to expand our operations and could affect our sales growth, which could, in turn, materially adversely affect our business, financial condition or results of operations.

Our operating results and growth strategies will be closely tied to the success of our future franchise partners and we will have limited control with respect to their operations. Additionally, our franchise partners' interests may conflict or diverge with our interests in the future, which could have a negative impact on our business.

As we grow, we will depend on the financial success and cooperation of our future franchise partners for our success. Our franchise partners will be independent business operators and will not be our employees, and as such we have limited control over how our franchise partners will run their businesses, and their inability to operate successfully could adversely affect our operating results.

We will receive royalties, franchise fees, contributions to our marketing development fund, and other fees from our franchise partners. Additionally, we will sell proprietary products to our franchise partners at a markup over our cost to produce. We expect to establish operational standards and guidelines for our franchise partners; however, we will have limited control over how our franchise partners' businesses are run, including day to day operations. Even with these operation standards and guidelines, the quality of franchised stores may be diminished by any number of factors beyond our control. Consequently, our franchise partners may not successfully operate stores in a manner consistent with our standards and requirements, such as quality, service and cleanliness, or may not hire and train qualified store managers and other store personnel or may not implement marketing programs and major initiatives such as store remodels or equipment or technology upgrades, which may require financial investment. Even if such unsuccessful operations do not rise to the level of breaching the related franchise documents, they may be attributed by customers to our brand and could have a negative impact on our business.

Our franchise partners may not be able to secure adequate financing to open or continue operating their stores. If they incur too much debt or if economic or sales trends deteriorate such that they are unable to repay existing debt, our franchise partners could experience financial distress or even bankruptcy. If a significant number of our franchise partners were to become financially distressed, it could harm our operating results through reduced royalty revenue, marketing fees, and proprietary product sales and the impact on our profitability could be greater than the percentage decrease in these revenue streams.

While we are responsible for ensuring the success of our entire system of stores and for taking a longer term view with respect to system improvements, our franchise partners will have individual business strategies and objectives, which might conflict with our interests. Our future franchise partners may from time to time disagree with us and our strategies and objectives regarding the business or our interpretation of our respective rights and obligations under the franchise agreement and the terms and conditions of the franchise partner relationship. This may lead to disputes with our franchise partners and we expect such disputes to occur from time to time in the future. Such disputes may result in legal action against us. To the extent we have such disputes, the attention, time and financial resources of our management and our future franchise partners will be diverted from our stores, which could harm our business even if we have a successful outcome in the dispute.

Actions or omissions by our future franchise partners in violation of various laws may be attributed to us or result in negative publicity that affects our overall brand image, which may decrease consumer demand for our products. Franchise partners may engage in online activity via social media or activity in their personal lives that negatively impacts public perception of our franchise partners' or our operations or our brand as a whole. This activity may negatively affect franchise partners' sales and in turn impact our revenue.

In addition, various state and federal laws govern our relationship with our future franchise partners and our potential sale of a franchise. A future franchise partner and/or a government agency may bring legal action against us based on the franchisee/franchisor relationships that could result in the award of damages to a franchise partner and/or the imposition of fines or other penalties against us.

Operating results at our restaurants could be significantly affected by competition in the restaurant industry in general and, in particular, within the dining segments of the restaurant industry in which we compete.

We face significant competition from a variety of restaurants offering both Asian and non-Asian cuisine, as well as takeout offerings from grocery stores and other outlets where Asian food is sold. These segments are highly competitive with respect to, among other things, product quality, dining experience, ambience, location, convenience, value perception, and price. Our competition continues to intensify as competitors increase the breadth and depth of their product offerings and open new locations. These competitors may have, among other things, chefs who are widely known to the public that may generate more notoriety for those competitors as compared to our brand. We also compete with many restaurant and retail establishments for site locations and restaurant-level employees.

Several of our competitors offering Asian and related choices may look to compete with us on price, quality and service. Any of these competitive factors may materially adversely affect our business, financial condition or results of operations.

Negative publicity relating to one of our restaurants could reduce sales at some or all of our other restaurants.

Our success is dependent in part upon our ability to maintain and enhance the value of our brand and consumers' connection to our brand. We may, from time to time, be faced with negative publicity relating to food quality, restaurant facilities, guest complaints or litigation alleging illness or injury, health inspection scores, integrity of our or our suppliers' food processing, employee relationships or other matters, regardless of whether the allegations are valid or whether we are held to be responsible. The negative impact of adverse publicity relating to one restaurant may extend far beyond the restaurant involved to affect some or all of our other restaurants, thereby causing an adverse effect on our business, financial condition or results of operations. A similar risk exists with respect to unrelated food service businesses, if consumers associate those businesses with our own operations.

The considerable expansion in the use of social media over recent years can further amplify any negative publicity that could be generated by such incidents. Many social media platforms immediately publish the content their subscribers and participants post, often without filters or checks on accuracy of the content posted. Information posted on such platforms may be adverse to our interests and/or may be inaccurate. The dissemination of inaccurate or irresponsible information online could harm our business, reputation, prospects, financial condition, or results of operations, regardless of the information's accuracy. The damage may be immediate without affording us an opportunity for redress or correction.

Additionally, employee claims against us based on, among other things, wage and hour violations, discrimination, harassment or wrongful termination may also create negative publicity that could adversely affect us and divert our financial and management resources that would otherwise be used to benefit the future performance of our operations. A significant increase in the number of these claims or an increase in the number of successful claims could materially adversely affect our business, financial condition or results of operations. Consumer demand for our restaurants and our brand's value could diminish significantly if any such incidents or other matters create negative publicity or otherwise erode consumer confidence in us or our restaurants, which would likely result in lower sales and could materially adversely affect our business, financial condition or results of operations.

Food safety and foodborne illness concerns could have an adverse effect on our business, financial condition or results of operations.

We cannot guarantee that our internal controls and training will be fully effective in preventing all food safety issues at our restaurants, including any occurrences of foodborne illnesses such as salmonella, E. coli and hepatitis A. In addition, there is no guarantee that our restaurant locations will maintain the high levels of internal controls and training we require at our restaurants. Furthermore, we rely on third-party vendors, making it difficult to monitor food safety compliance and increasing the risk that foodborne illness would affect multiple locations rather than a single restaurant. Some foodborne illness incidents could be caused by third-party vendors and transporters outside of our control. New illnesses resistant to our current precautions may develop in the future, or diseases with long incubation periods could arise, that could give rise to claims or allegations on a retroactive basis. One or more instances of foodborne illness in any of our restaurants or markets or related to food products we sell could negatively affect our restaurant sales nationwide if highly publicized on national media outlets or through social media. This risk exists even if it were later determined that the illness was wrongly attributed to us or one of our restaurants. A number of other restaurant chains have experienced incidents related to foodborne illnesses that have had a material adverse effect on their operations. The occurrence of a similar incident at one or more of our restaurants, or negative publicity or public speculation about an incident, could materially adversely affect our business, financial condition or results of operations.

Governmental regulation may adversely affect our ability to open new restaurants or otherwise adversely affect our business, financial condition or results of operations.

We are subject to various federal, state and local regulations. Our restaurants are subject to state and local licensing and regulation by health, alcoholic beverage, sanitation, food and occupational safety and other agencies. We may experience material difficulties or failures in obtaining the necessary licenses, approvals or permits for our restaurants, which could delay planned restaurant openings or affect the operations at our existing restaurants. In addition, stringent and varied requirements of local regulators with respect to zoning, land use and environmental factors could delay or prevent development of new restaurants in particular locations.

We are subject to the U.S. Americans with Disabilities Act and similar state laws that give civil rights protections to individuals with disabilities in the context of employment, public accommodations and other areas, including our restaurants. We may in the future have to modify restaurants, for example, by adding access ramps or redesigning certain architectural fixtures, to provide service to or make reasonable accommodations for disabled persons. The expenses associated with these modifications could be material.

Our operations are also subject to the U.S. Occupational Safety and Health Act, which governs worker health and safety, the U.S. Fair Labor Standards Act, which governs such matters as minimum wages and overtime, and a variety of similar federal, state and local laws that govern these and other employment law matters. In addition, federal, state and local proposals related to paid sick leave or similar matters could, if implemented, materially adversely affect our business, financial condition or results of operations.

We rely significantly on certain vendors and suppliers, which could adversely affect our business, financial condition or results of operations.

Our ability to maintain consistent price and quality throughout our restaurants depends in part upon our ability to acquire specified food products and supplies in sufficient quantities from third-party vendors and suppliers at a reasonable cost. We do not control the businesses of our vendors and suppliers and our efforts to specify and monitor the standards under which they perform may not be successful. Furthermore, certain food items are perishable, and we have limited control over whether these items will be delivered to us in appropriate condition for use in our restaurants. If any of our vendors or other suppliers are unable to fulfill their obligations to our standards, or if we are unable to find replacement providers in the event of a supply or service disruption, we could encounter supply shortages and incur higher costs to secure adequate supplies, which could materially adversely affect our business, financial condition or results of operations.

In addition, we use various third-party vendors to provide, support and maintain most of our management information systems. We also outsource certain accounting, payroll and human resource functions to business process service providers. The failure of such vendors to fulfill their obligations could disrupt our operations. Additionally, any changes we may make to the services we obtain from our vendors, or new vendors we employ, may disrupt our operations. These disruptions could materially adversely affect our business, financial condition or results of operations.

Changes in food and supply costs could adversely affect our business, financial condition or results of operations.

Our profitability depends in part on our ability to anticipate and react to changes in food and supply costs, especially in light of recent supply chain disruptions. For example, we believe that the cost of certain essential supplies (i.e. gloves and canola oil) has increased as a result of lower supply attributable to supply chain interruptions. Shortages or interruptions in the availability of certain supplies caused by unanticipated demand, problems in production or distribution, food contamination, inclement weather or other conditions could adversely affect the availability, quality and cost of our ingredients, which could harm our operations. Any further increase in the prices of the food products most critical to our menu, such as canola oil, rice, meats, fish and other seafood, as well as fresh vegetables, could materially and adversely affect our business, financial condition or results from operations. Although we try to manage the impact that these fluctuations have on our operating results, we remain susceptible to continued increases in food and other essential supply costs as a result of factors beyond our control, such as the current supply chain interruptions, general economic conditions, seasonal fluctuations, weather conditions, demand, food safety concerns, generalized infectious diseases, product recalls and government regulations.

If any of our distributors or suppliers performs inadequately, or our distribution or supply relationships are disrupted for any reason, our business, financial condition, results of operations or cash flows could be adversely affected. If we cannot replace or engage distributors or suppliers who meet our specifications in a short period of time, that could increase our expenses and cause shortages of food and other items at our restaurants, which could cause a restaurant to remove items from its menu. If that were to happen, affected restaurants could experience significant reductions in sales during the shortage or thereafter, if guests change their dining habits as a result. In addition, because we provide moderately priced food, we may choose not to, or may be unable to, pass along commodity price increases to consumers. These potential changes in food and supply costs could materially adversely affect our business, financial condition or results of operations.

Failure to receive frequent deliveries of fresh food ingredients and other supplies could harm our business, financial condition or results of operations.

Our ability to maintain our menu depends in part on our ability to acquire ingredients that meet our specifications from reliable suppliers. To date, notwithstanding the current supply chain disruptions which we believe have attributed to increased costs, deliveries have been consistent and not a source of material disruption to our business. However, shortages or interruptions in the supply of ingredients caused by unanticipated demand, problems in production or distribution, food contamination, inclement weather or other conditions could adversely affect the availability and quality of our ingredients in the future, which could harm our business, financial condition or results of operations. If any of our distributors or suppliers performs inadequately, or our distribution or supply relationships are materially disrupted for any reason, our business, financial condition or results of operations could be adversely affected. If we cannot replace or engage distributors or suppliers who meet our specifications in a short period of time, that could increase our expenses and cause shortages of food and other items at our restaurants, which could cause a restaurant to remove items from its menu. If that were to happen, affected restaurants could experience significant reductions in sales during the shortage or thereafter, if guests change their dining habits as a result. This reduction in sales could materially adversely affect our business, financial condition or results of operations.

In addition, our approach to competing in the restaurant industry depends in large part on our continued ability to provide authentic and traditional Japanese cuisine that is free from artificial ingredients. As we increase our use of these ingredients, the ability of our suppliers to expand output or otherwise increase their supplies to meet our needs may be constrained. We could face difficulties to obtain a sufficient and consistent supply of these ingredients on a cost-effective basis.

Labor disputes may disrupt our operations and affect our profitability, thereby causing a material adverse effect on our business, financial condition or results of

operations.

As an employer, we are presently, and may in the future be, subject to various employment-related claims, such as individual or class actions or government enforcement actions relating to alleged employment discrimination, employee classification and related withholding, wage-hour, labor standards or healthcare and benefit issues. Any future actions if brought against us and successful in whole or in part, may affect our ability to compete or could materially adversely affect our business, financial condition or results of operations.

The minimum wage, particularly in California, continues to increase and is subject to factors outside of our control.

We have a substantial number of hourly employees who are paid wage rates based on the applicable federal or state minimum wage. Since January 1, 2021, the State of California has a minimum wage of $14.00 per hour. Effective January 1, 2022, the State of California will have a minimum wage of $15.00 per hour. Moreover, municipalities may set minimum wages above the applicable state standards, including in the municipalities in which we operate.

The federal minimum wage has been $7.25 per hour since July 24, 2009. Any of federally-mandated, state-mandated or municipality-mandated minimum wages may be raised in the future which could have a materially adverse effect on our business, financial condition or results of operations. If menu prices are increased by us to cover increased labor costs, the higher prices could adversely affect sales and thereby reduce our margins and adversely affect our business, financial condition or results of operations.

Changes in employment laws may adversely affect our business, financial condition, results of operations or cash flow.

Various federal and state labor laws govern the relationship with our employees and affect operating costs. These laws include employee classification as exempt/non-exempt for overtime and other purposes, minimum wage requirements, tips and gratuity payments, unemployment tax rates, workers' compensation rates, immigration status and other wage and benefit requirements. Significant additional government-imposed increases in the following areas could materially affect our business, financial condition, operating results or cash flow:

- minimum wages;
- tips and gratuities;
- mandatory health benefits;
- vacation accruals;
- paid leaves of absence, including paid sick leave; and
- tax reporting.

If we face labor shortages, increased labor costs or unionization activities, our growth, business, financial condition and operating results could be adversely affected.

Labor is a primary component in the cost of operating our restaurants. We are currently experiencing labor shortages which is a risk that we share with our competitors. Availability of qualified employees is scarce. Additionally, labor costs have increased due to recent minimum wage increases in California and the fact that we employ fewer employees who are working extended hours and therefore we are experiencing an increase of overtime payable to such employees, If we continue to face labor shortages or increased labor costs because of these factors or as a result of increased competition for employees, higher employee turnover rates, additional increases in federal, state or local minimum wage rates or other employee benefits costs (including costs associated with health insurance coverage), our operating expenses could increase and our growth could be adversely affected. In addition, our success depends in part upon our ability to attract, motivate and retain a sufficient number of well-qualified restaurant operators and management personnel, as well as a sufficient number of other qualified employees, to keep pace with our expansion schedule. Qualified individuals needed to fill these positions are in short supply in some geographic areas. In addition, restaurants have traditionally experienced relatively high employee turnover rates. We are experiencing problems in recruiting and retaining employees, and our ability to recruit and retain such individuals may delay the planned openings of new restaurants or result in higher employee turnover in existing restaurants, which could have a material adverse effect on our business, financial condition or results of operations.

If we are unable to recruit and retain sufficiently qualified individuals, our business and our growth could be adversely affected, thereby adversely affecting or business, financial condition or results of operations. Competition for these employees could require us to pay higher wages, which could result in higher labor costs. In addition, additional increases in the minimum wage would increase our labor costs. Additionally, costs associated with workers' compensation are rising, and these costs may continue to rise in the future. We may be unable to increase our menu prices in order to pass these increased labor costs on to consumers, in which case our margins would be negatively affected, which could materially adversely affect our business, financial condition or results of operations.

Although none of our employees are currently covered under collective bargaining agreements, our employees may elect to be represented by labor unions in the future. If a significant number of our employees were to become unionized and collective bargaining agreement terms were significantly different from our current compensation arrangements, it could adversely affect our business, financial condition or results of operations.

Our business could be adversely affected by a failure to obtain visas or work permits or to properly verify the employment eligibility of our employees.

Although we require all workers to provide us with government-specified documentation evidencing their employment eligibility, some of our employees may, without our knowledge, be unauthorized workers. Unauthorized workers are subject to deportation and may subject us to fines or penalties, and if any of our workers are found to be unauthorized, we could experience adverse publicity that may negatively impact our brand and may make it more difficult to hire and keep qualified employees. Termination of a significant number of employees who are unauthorized employees may disrupt our operations, cause temporary increases in our labor costs as we train new employees and result in adverse publicity. We could also become subject to fines, penalties and other costs related to claims that we did not fully comply with all recordkeeping obligations of federal and state immigration compliance laws. These factors could materially adversely affect our business, financial condition or results of operations.

Compliance with environmental laws may negatively affect our business.

We are subject to federal, state and local laws and regulations concerning waste disposal, pollution, protection of the environment, and the presence, discharge, storage, handling, release and disposal of, and exposure to, hazardous or toxic substances. These environmental laws provide for significant fines and penalties for noncompliance and liabilities for remediation, sometimes without regard to whether the owner or operator of the property knew of, or was responsible for, the release or presence of hazardous toxic substances. Third parties may also make claims against owners or operators of properties for personal injuries and property damage associated with releases of, or actual or alleged exposure to, such hazardous or toxic substances at, on or from our restaurants. Environmental conditions relating to releases of hazardous substances at prior, existing or future restaurant sites could materially adversely affect our business, financial condition or results of operations. Further, environmental laws, and the administration, interpretation and enforcement thereof, are subject to change and may become more stringent in the future, each of which could materially adversely affect our business,

financial condition or results of operations.

Changes in economic conditions could materially affect our ability to maintain or increase sales at our restaurants or open new restaurants.

The restaurant industry depends on consumer discretionary spending. The United States in general or the specific markets in which we operate may suffer from depressed economic activity, recessionary economic cycles, higher fuel or energy costs, low consumer confidence, high levels of unemployment, reduced home values, increases in home foreclosures, investment losses, personal bankruptcies, reduced access to credit or other economic factors that may affect consumers' discretionary spending. Sales in our restaurants could decline if consumers choose to dine out less frequently or reduce the amount they spend on meals while dining out. Negative economic conditions might cause consumers to make long-term changes to their discretionary spending behavior, including dining out less frequently on a permanent basis. If restaurant sales decrease, our profitability could decline as we spread fixed costs across a lower level of sales. Reductions in staff levels, asset impairment charges and potential restaurant closures could result from prolonged negative restaurant sales, which could materially adversely affect our business, financial condition or results of operations.

New information or attitudes regarding diet and health could result in changes in regulations and consumer consumption habits that could adversely affect our business, financial condition or results of operations.

Changes in attitudes regarding diet and health or new information regarding the adverse health effects of consuming certain foods could result in changes in government regulation and consumer eating habits that may impact our business, financial condition or results of operations. These changes have resulted in, and may continue to result in, laws and regulations requiring us to disclose the nutritional content of our food offerings, and they have resulted in, and may continue to result in, laws and regulations affecting permissible ingredients and menu offerings. For example, a number of jurisdictions have enacted menu labeling laws requiring multi-unit restaurant operators to disclose to consumers certain nutritional information, or have enacted legislation restricting the use of certain types of ingredients in restaurants. These requirements may be different or inconsistent with requirements we are subject to under the Patient Protection and Affordable Care Act of 2010, as amended by the Health Care and Education Reconciliation Act, collectively, the "ACA," which establishes a uniform, federal requirement for certain restaurants to post nutritional information on their menus. Specifically, the ACA requires chain restaurants with 20 or more locations operating under the same name and offering substantially the same menus to publish the total number of calories of standard menu items on menus and menu boards, along with a statement that puts this calorie information in the context of a total daily calorie intake. The ACA also requires covered restaurants to provide to consumers, upon request, a written summary of detailed nutritional information for each standard menu item, and to provide a statement on menus and menu boards about the availability of this information upon request. Unfavorable publicity about, or guests' reactions to, our menu ingredients, the size of our portions or the nutritional content of our menu items could negatively influence the demand for our offerings, thereby adversely affecting our business, financial condition or results of operations.

Compliance with current and future laws and regulations regarding the ingredients and nutritional content of our menu items may be costly and time-consuming. Additionally, if consumer health regulations or consumer eating habits change significantly, we may be required to modify or discontinue certain menu items, and we may experience higher costs associated with the implementation of those changes, as well as adversely affect the attractiveness of our restaurants to new or returning guests. We cannot predict the impact of any new nutrition labeling requirements. The risks and costs associated with nutritional disclosures on our menus could also impact our operations, particularly given differences among applicable legal requirements and practices within the restaurant industry with respect to testing and disclosure, ordinary variations in food preparation among our own restaurants, and the need to rely on the accuracy and completeness of nutritional information obtained from third-party suppliers.

We may not be able to effectively respond to changes in consumer health perceptions or successfully implement the nutrient content disclosure requirements and to adapt our menu offerings to trends in eating habits. The imposition of menu labeling laws and an inability to keep up with consumer eating habits could materially adversely affect our business, financial condition or results of operations, as well as our position within the restaurant industry in general.

Failure to comply with antibribery or anticorruption laws could adversely affect our reputation, business, financial condition or results of operations.

The U.S. Foreign Corrupt Practices Act and other similar applicable laws prohibiting bribery of government officials and other corrupt practices are the subject of increasing emphasis and enforcement around the world. Although we have implemented policies and procedures designed to promote compliance with these laws, there can be no assurance that our employees, contractors, agents, or other third parties will not take actions in violation of our policies or applicable law. Any such violations or suspected violations could subject us to civil or criminal penalties, including substantial fines and significant investigation costs, and could also materially damage our reputation, brands, international expansion efforts and growth prospects, business, financial condition and results of operations. Publicity relating to any noncompliance or alleged noncompliance could also harm our reputation and adversely affect our business, financial condition or results of operations.

We may need capital in the future, and we may not be able to raise that capital on favorable terms.

Developing our business will require significant capital in the future. To meet our capital needs, we expect to rely on equipment financing and facility improvements, cash flows from operations, the proceeds from this offering, future offerings and other third-party financing. Third-party financing in the future may not, however, be available on terms favorable to us, or at all. Our ability to obtain additional funding will be subject to various factors, including market conditions, our operating performance, lender sentiment. These factors may make the timing, amount, or terms and conditions of additional financings unattractive. Our inability to raise capital could impede our growth and could materially adversely affect our business, financial condition or results of operations.

The Company, from time to time, has received borrowings from a related party controlled by James Chae, the Company's Chairman and Chief Executive Officer, which may become repayable on demand. Any unexpected calls for repayment of a significant amount of such borrowings may adversely affect our business.

The Company, from time to time, has received unsecured borrowings from APIIS Financial Group, a company controlled by our Chairman and Chief Executive Officer, Mr. Chae, which is unsecured, non-interest bearing, and is repayable on demand. As of September 30, 2021 and December 31, 2020, the balance was $1,337,590 and $911,411, respectively. If APIIS Financial Group chooses to call for repayment of a significant of such borrowings, the Company may be unable to procure the cash necessary and may need to liquidate some of its assets in order to make such payment, which may adversely impact our operations. Any failure to service such indebtedness or comply with any such obligations may also cause us to incur legal fees if lender brings an action for breach of contract, or otherwise adversely affect our business, financial condition, results of operation and prospects.

We are subject to all of the risks associated with leasing space subject to long-term non-cancelable leases.

We do not own any real property. Payments under our operating leases account for a significant portion of our operating expenses and we expect the new restaurants we open in the future will similarly be leased. The majority of our operating leases have lease terms of 10 years, inclusive of customary extensions which are at the option of the Company. Most of our leases require a fixed annual rent which generally increases each year, and some require the payment of additional rent if restaurant sales exceed a negotiated amount. Generally, our leases are "net" leases, which require us to pay all of the cost of insurance, taxes, maintenance and utilities. We generally cannot cancel these leases. Additional sites that we lease are likely to be subject to similar long-term non-cancelable leases. If an existing or future restaurant is not profitable, and we decide to close it, we may nonetheless be committed to perform our obligations under the applicable lease including, among other things, paying the base rent for the balance of the lease term. In addition, as each of our leases expires, we may fail to negotiate renewals, either on commercially acceptable terms or at all, which could cause us to pay increased occupancy costs or to close restaurants in desirable locations. If we fail to negotiate renewals, we may have to dispose of assets at such restaurant locations and incur closure costs as well as impairment of property and equipment. Furthermore, if we fail to negotiate renewals, we may incur additional costs associated with moving transferable furniture, fixtures and equipment. These potential increased occupancy and moving costs, as well as closures of restaurants, could materially adversely affect our business, financial condition or results of operations.

Macroeconomic conditions, including economic downturns, may cause landlords of our leases to be unable to obtain financing or remain in good standing under their existing financing arrangements, resulting in failures to pay required tenant improvement allowances or satisfy other lease covenants to us. In addition, tenants at shopping centers in which we are located or have executed leases, or to which our locations are near, may fail to open or may cease operations. Decreases in total tenant occupancy in shopping centers in which we are located, or to which our locations are near, may affect traffic at our restaurants. All of these factors could have a material adverse impact on our business, financial condition or results of operations.

We may become involved in lawsuits involving Yoshiharu Asset Co. as the owner of intellectual property, or us as a licensee of intellectual property from Yoshiharu Asset Co., to protect or enforce intellectual property rights, which could be expensive, time consuming, and unsuccessful.

Third parties may sue Yoshiharu Asset Co., our wholly owned subsidiary, or us for alleged infringement of their proprietary rights. The party claiming infringement might have greater resources than we do to pursue its claims, and we could be forced to incur substantial costs and devote significant management resources to defend against such litigation, even if the claims are meritless and even if we ultimately prevail. If the party claiming infringement were to prevail, we could be forced to pay significant damages, or enter into expensive royalty or licensing arrangements with the prevailing party. In addition, any payments we are required to make, and any injunction we are required to comply with as a result of such infringement, could harm our reputation and our business, financial condition or results of operations.

Infringements on Yoshiharu Asset Co.'s intellectual property rights, including Yoshiharu Asset Co.'s service marks and trade secrets, could result in additional expense and could devalue our brand equity, as well as substantially affect our business, financial condition or results of operations.

Other parties may infringe on our intellectual property rights, including those which we develop or otherwise license to use, and may thereby dilute our brand in the marketplace. Any such infringement of our intellectual property rights would also likely result in a commitment of our time and resources to protect these rights through litigation or otherwise.

Our business prospects depend in part on our ability to develop favorable consumer recognition of the Yoshiharu name. Although the "YOSHIHARU RAMEN" word and design marks are federally registered marks owned by Yoshiharu Asset Co., such marks could be imitated in ways that we or Yoshiharu Asset Co. cannot prevent. Alternatively, third parties may attempt to cause us to change our name or not operate in a certain geographic region if our name is confusingly similar to their name. In addition, we rely on trade secrets, proprietary know-how, concepts, and recipes, some of which we license from Yoshiharu Asset Co. Our methods or Yoshiharu Asset Co.'s methods of protecting this information may not be adequate. Moreover, we or Yoshiharu Asset Co. may face claims of misappropriation or infringement of third parties' rights that could interfere with our use of this information. Defending these claims may be costly and, if unsuccessful, may prevent us from continuing to use this proprietary information in the future, and may result in a judgment or monetary damages. We do not maintain confidentiality and non-competition agreements with all of our executives, key personnel, or suppliers. If competitors independently develop or otherwise obtain access to the trade secrets, proprietary know-how, concepts, or recipes we rely upon to operate our restaurants, some of which we license from Yoshiharu Asset Co., the appeal of our restaurants could be significantly reduced and our business, financial condition or results of operations could be adversely affected.

A breach of security of confidential consumer information related to our electronic processing of credit and debit card transactions, as well as a breach of security of our employee information, could substantially affect our reputation, business, financial condition of results of operations.

The majority of our restaurant sales are by credit or debit cards. Other restaurants and retailers have experienced security breaches in which credit and debit card information has been stolen. We may in the future become subject to claims for purportedly fraudulent transactions arising out of the actual or alleged theft of credit or debit card information, and we may also be subject to lawsuits or other proceedings relating to these types of incidents. We may ultimately be held liable for the unauthorized use of a cardholder's card number in an illegal activity and be required by card issuers to pay charge-back fees. In addition, most states have enacted legislation requiring notification of security breaches involving personal information, including credit and debit card information. Any such claim or proceeding could cause us to incur significant unplanned expenses, which could have an adverse impact on our business, financial condition or results of operations. Further, adverse publicity resulting from these allegations may have a material adverse effect on us and could substantially affect our reputation and business, financial condition or results of operations.

In addition, our business requires the collection, transmission and retention of large volumes of guest and employee data, including personally identifiable information, in various information technology systems that we maintain and in those maintained by third parties with whom we contract to provide services. The collection and use of such information is regulated at the federal and state levels, as well as at the international level, in which regulatory requirements have been increasing. As our environment continues to evolve in the digital age and reliance upon new technologies becomes more prevalent, it is imperative we secure the privacy and sensitive information we collect. Failure to do so, whether through fault of our own information systems or those of outsourced third-party providers, could not only cause us to fail to comply with these laws and regulations, but also could cause us to face litigation and penalties that could adversely affect our business, financial condition or results of operations. Our brand's reputation and image as an employer could also be harmed by these types of security breaches or regulatory violations.

We rely significantly on information technology, and any material failure, weakness, interruption or breach of security could prevent us from effectively operating our business.

We rely significantly on information systems, including point-of-sale processing in our restaurants for management of our supply chain, payment of obligations, collection of cash, credit and debit card transactions and other processes and procedures. Our ability to efficiently and effectively manage our business depends significantly on the reliability and capacity of these systems. Failures of these systems to operate effectively, maintenance problems, upgrading or transitioning to new platforms, or a breach in security of these systems could result in delays in customer service and reduce efficiency in our operations. Remediation of such problems could result in significant, unplanned capital investments.

Our marketing programs may not be successful, and our new menu items, advertising campaigns and restaurant designs and remodels may not generate increased sales or profits.

We incur costs and expend other resources in our marketing efforts on new menu items, advertising campaigns and restaurant designs and remodels to raise brand awareness and attract and retain guests. These initiatives may not be successful, resulting in expenses incurred without the benefit of higher sales. Additionally, some of our competitors have greater financial resources, which enable them to spend significantly more on marketing and advertising and other initiatives than we are able to. Should our competitors increase spending on marketing and advertising and other initiatives or our marketing funds decrease for any reason, or should our advertising, promotions, new menu items and restaurant designs and remodels be less effective than our competitors, there could be a material adverse effect on our business, financial condition or results of operations.

Our inability or failure to recognize, respond to and effectively manage the accelerated impact of social media could materially adversely impact our business, financial condition or results of operations.

Our marketing efforts rely heavily on the use of social media. In recent years, there has been a marked increase in the use of social media platforms, including weblogs (blogs), mini-blogs, chat platforms, social media websites, and other forms of Internet-based communications which allow individuals access to a broad audience of consumers and other interested persons. Many of our competitors are expanding their use of social media, and new social media platforms are rapidly being developed, potentially making more traditional social media platforms obsolete. As a result, we need to continuously innovate and develop our social media strategies in order to maintain broad appeal with

guests and brand relevance. We also continue to invest in other digital marketing initiatives that allow us to reach our guests across multiple digital channels and build their awareness of, engagement with, and loyalty to our brand. These initiatives may not be successful, resulting in expenses incurred without the benefit of higher sales or increased brand recognition.

We could be party to litigation that could adversely affect us by distracting management, increasing our expenses or subjecting us to material money damages and other remedies.

Our guests may file complaints or lawsuits against us alleging we caused an illness or injury they suffered at or after a visit to our restaurants, or that we have problems with food quality or operations. We may also be subject to a variety of other claims arising in the ordinary course of our business, including personal injury claims, contract claims and claims alleging violations of federal and state law regarding workplace and employment matters, equal opportunity, discrimination and similar matters, and we are presently subject to class action and other lawsuits with regard to certain of these matters and could become subject to additional class action or other lawsuits related to these or different matters in the future. Regardless of whether any claims against us are valid, or whether we are ultimately held liable, claims may be expensive to defend and may divert time and money away from our operations and hurt our performance. A judgment in excess of our insurance coverage for any claims could materially and adversely affect our business, financial condition or results of operations. Any adverse publicity resulting from these allegations may also materially and adversely affect our reputation or prospects, which in turn could materially adversely affect our business, financial condition or results of operations.

We are subject to state and local "dram shop" statutes, which may subject us to uninsured liabilities. These statutes generally allow a person injured by an intoxicated person to recover damages from an establishment that wrongfully served alcoholic beverages to the intoxicated person. Because a plaintiff may seek punitive damages, which may not be fully covered by insurance, this type of action could have an adverse impact on our business, financial condition or results of operations. A judgment in such an action significantly in excess of, or not covered by, our insurance coverage could adversely affect our business, financial condition or results of operations. Further, adverse publicity resulting from any such allegations may adversely affect our business, financial condition or results of operations.

Our current insurance may not provide adequate levels of coverage against claims.

There are types of losses we may incur that cannot be insured against or that we believe are not economically reasonable to insure. Such losses could have a material adverse effect on our business, financial condition or results of operations. In addition, our current insurance policies may not be adequate to protect us from liabilities that we incur in our business in areas such as workers' compensation, general liability, auto and property. In the future, our insurance premiums may increase, and we may not be able to obtain similar levels of insurance on reasonable terms, or at all. Any substantial inadequacy of, or inability to obtain, insurance coverage could materially adversely affect our business, financial condition and results of operations. As a public company, we intend to obtain directors' and officers' insurance. While we expect to obtain such coverage, we may not be able to obtain such coverage at all or at a reasonable cost now or in the future. Failure to obtain and maintain adequate directors' and officers' insurance would likely adversely affect our ability to attract and retain qualified officers and directors.

Failure to obtain and maintain required licenses and permits or to comply with alcoholic beverage or food control regulations could lead to the loss of our liquor and food service licenses and, thereby, harm our business, financial condition or results of operations.

The restaurant industry is subject to various federal, state and local government regulations, including those relating to the sale of food and alcoholic beverages. Such regulations are subject to change from time to time. The failure to obtain and maintain licenses, permits and approvals relating to such regulations could adversely affect our business, financial condition or results of operations. Typically, licenses must be renewed annually and may be revoked, suspended or denied renewal for cause at any time if governmental authorities determine that our conduct violates applicable regulations. Difficulties or failure to maintain or obtain the required licenses and approvals could adversely affect our existing restaurants and delay or result in our decision to cancel the opening of new restaurants, which would adversely affect our business, financial condition or results of operations.

Alcoholic beverage control regulations generally require our restaurants to apply to a state authority and, in certain locations, county or municipal authorities for a license that must be renewed annually and may be revoked or suspended for cause at any time. Alcoholic beverage control regulations relate to numerous aspects of daily operations of our restaurants, including minimum age of patrons and employees, hours of operation, advertising, trade practices, wholesale purchasing, other relationships with alcohol manufacturers, wholesalers and distributors, inventory control and handling, storage and dispensing of alcoholic beverages. Any future failure to comply with these regulations and obtain or retain liquor licenses could adversely affect our business, financial condition or results of operations.

If we fail to develop and maintain an effective system of internal control over financial reporting, we may not be able to accurately report our financial results in a timely manner, which may adversely affect investor confidence in our company.

If material weaknesses or control deficiencies occur in the future, we may be unable to report our financial results accurately on a timely basis, which could cause our reported financial results to be materially misstated and result in the loss of investor confidence or delisting and cause the market price of our common stock to decline.

We have not performed an evaluation of our internal control over financial reporting, such as required by Section 404 of the Sarbanes-Oxley Act, nor have we engaged our independent registered public accounting firm to perform an audit of our internal control over financial reporting as of any balance sheet date or for any period reported in our financial statements.

Changes to accounting rules or regulations may adversely affect our business, financial condition or results of operations.

Changes to existing accounting rules or regulations may impact our business, financial condition or results of operations. Other new accounting rules or regulations and varying interpretations of existing accounting rules or regulations have occurred and may occur in the future. For instance, accounting regulatory authorities have recently issued new accounting rules which require lessees to capitalize operating leases in their financial statements in the next few years. When adopted, such change would require us to record significant operating lease obligations on our balance sheet and make other changes to our financial statements. This and other future changes to accounting rules or regulations could materially adversely affect our business, financial condition or results of operations.

We will incur increased costs as a result of being a public company.

As a public company, we expect to incur significant legal, accounting and other expenses that we did not incur as a private company, particularly after we are no longer an "emerging growth company" as defined under the JOBS Act. In addition, new and changing laws, regulations and standards relating to corporate governance and public disclosure, including the Dodd-Frank Act and the rules and regulations promulgated and to be promulgated thereunder, as well as under the Sarbanes-Oxley Act and the JOBS Act, have created uncertainty for public companies and increased costs and time that boards of directors and management must devote to complying with these rules and regulations. The Sarbanes-Oxley Act and related rules of the SEC and the Nasdaq Stock Market regulate corporate governance practices of public companies. We expect compliance with these rules and regulations to increase our legal and financial compliance costs and lead to a diversion of management time and attention from sales-generating activities. For example, we will be required to adopt new internal controls and disclosure controls and procedures. In addition, we will incur additional expenses associated with our SEC reporting requirements and increased compensation for our management team. We cannot predict or estimate the amount of additional costs we will incur as a public company or the specific timing of such costs.

We are an "emerging growth company," and we cannot be certain if the reduced reporting and disclosure requirements applicable to emerging growth companies will make our common stock less attractive to investors.

For as long as we remain an "emerging growth company" as defined in the JOBS Act, we may take advantage of certain exemptions from various reporting requirements that are applicable to other public companies that are not "emerging growth companies." These exceptions provide for, but are not limited to, relief from the auditor attestation requirements of Section 404 of the Sarbanes-Oxley Act, less extensive disclosure obligations regarding executive compensation in our periodic reports and proxy statements, exemptions from the requirements to hold a nonbinding advisory vote on executive compensation and stockholder approval of any golden parachute payments not previously approved and an extended transition period for complying with new or revised accounting standards. We may take advantage of these reporting exemptions until we are no longer an "emerging growth company." We will remain an "emerging growth company" until the earliest of: (i) the last day of the fiscal year in which we have $1.07 billion or more in annual gross revenues; (ii) the date on which we become a "large accelerated filer" (which means the year-end at which the total market value of our common equity securities held by non-affiliates is $700 million or more as of the last business day of our most recently completed second fiscal quarter); (iii) the date on which we have issued more than $1 billion of non-convertible debt securities over a three-year period; and (iv) the last day of the fiscal year following the fifth anniversary of our initial public offering. We cannot predict if investors will find our common stock less attractive because we may rely on these exemptions. If some investors find our common stock to be less attractive as a result, there may be a less active trading market for our common stock and the market price of our common stock may be more volatile.

Our management does not have experience managing a U.S. public company and our current resources may not be sufficient to fulfill our public company obligations.

Following the closing of this offering, we will be subject to various regulatory requirements, including those of the SEC and Nasdaq Stock Market. These requirements include recordkeeping, financial reporting and corporate governance rules and regulations. Our management team does not have experience in managing a U.S. public company and, historically, has not had the resources typically found in a public company. Our internal infrastructure may not be adequate to support our increased reporting obligations and we may be unable to hire, train or retain necessary staff and may be reliant on engaging outside consultants or professionals to overcome our lack of experience or employees. Our business, financial condition or results of operations could be adversely affected if our internal infrastructure is inadequate, including if we are unable to engage outside consultants or are otherwise unable to fulfill our public company obligations.

Pursuant to the JOBS Act, our independent registered public accounting firm will not be required to attest to the effectiveness of our internal control over financial reporting pursuant to Section 404 of the Sarbanes-Oxley Act for so long as we are an "emerging growth company."

Section 404 of the Sarbanes-Oxley Act requires annual management assessments of the effectiveness of our internal control over financial reporting, starting with the second annual report that we file with the SEC as a public company, and generally requires in the same report a report by our independent registered public accounting firm on the effectiveness of our internal control over financial reporting. However, under the JOBS Act, our independent registered public accounting firm will not be required to attest to the effectiveness of our internal control over financial reporting pursuant to Section 404 of the Sarbanes-Oxley Act until we are no longer an "emerging growth company." We will be an "emerging growth company" until the earliest of: (i) the last day of the fiscal year in which we have $1.07 billion or more in annual gross revenues; (ii) the date on which we become a "large accelerated filer" (which means the year-end at which the total market value of our common equity securities held by non-affiliates is $700 million or more as of the last business day of our most recently completed second fiscal quarter); (iii) the date on which we have issued more than $1 billion of non-convertible debt securities over a three-year period; and (iv) the last day of the fiscal year following the fifth anniversary of our initial public offering.

In addition, Section 107 of the JOBS Act also provides that an "emerging growth company" can take advantage of the extended transition period provided in Section 7(a)(2)(B) of the Securities Act for complying with new or revised accounting standards. An "emerging growth company" can therefore delay the adoption of certain accounting standards until those standards would otherwise apply to private companies. However, we are choosing to "opt out" of such extended transition period and, as a result, we will comply with new or revised accounting standards on the relevant dates on which adoption of such standards is required for non-emerging growth companies. Section 107 of the JOBS Act provides that our decision to opt out of the extended transition period for complying with new or revised accounting standards is irrevocable.

The ongoing COVID-19 pandemic has adversely affected, and may continue to adversely affect, our operations, financial condition, liquidity and financial results.

Our business has been significantly adversely affected by the COVID-19 outbreak in the United States. This contagious virus, which has continued to spread, has adversely affected workforces, customers, economies and financial markets globally. In response to this outbreak, many state and local authorities had mandated the temporary closure of non-essential businesses and dine-in restaurant activity or limited indoor dining capacities. The Company felt direct impact through reduced revenues through periods of time in 2020 and 2021 when restaurant locations were forced into closure or into limited capacities. Revenues were $3.2 million for the year ended December 31, 2020, compared to $4.1 million for the year ended December 31, 2019. The three restaurant locations that were open through all of 2020 each experienced significant sales declines. Combined average monthly sales for these locations decreased 36.8% for the year ended December 31, 2020. The Company attempted to mitigate the impact of reduced inside dining through expansion of food delivery operations during the pandemic affected periods.

A prolonged occurrence of COVID-19 may result in restaurant re-closures, prohibition on indoor dining, and further restrictions, including possible travel restrictions and additional restrictions on the restaurant industry. Our efforts to mitigate the effect of COVID-19 on our business or the economic downturn may be unsuccessful, and we may not be able to commence operations in a timeframe that is sufficient or otherwise take actions in response to developments with regard to the pandemic. The future sales levels of our restaurants and our ability to implement our growth strategy remain highly uncertain, as the full impact and duration of the COVID-19 pandemic continues to evolve.

Risks Related to Ownership of Our Securities

There may be an adverse effect on the value and liquidity of our Class A common stock and our warrants due to the disparate voting rights of our Class A common stock and our Class B common stock.

With the exception of voting rights and certain conversion rights for the Class B common stock, holders of our Class A common stock and Class B common stock have identical rights. On all matters to be voted on by stockholders, holders of our Class A common stock are entitled to one vote per share while holders of our Class B common stock are entitled to 10 votes per share. The difference in the voting rights of our Class A common stock and Class B common stock could adversely affect the value of the Class A common stock to the extent that any investor or potential future purchaser of our Class A common stock ascribes value to the superior voting rights of our Class B common stock. The existence of two separate classes of common stock could result in less liquidity for our Class A common stock than if there were only one class of our common stock. In addition, if we issue additional shares of Class B common stock in the future, there will be further dilution to investors or potential future purchasers of our Class A common stock. See "Description of Capital Stock" for a description of our Class A common stock and Class B common stock and the rights associated with them.

There is no existing market for our common stock or our warrants and we do not know if one will develop. Even if a market does develop, the stock prices in the market may not exceed the offering price.

Prior to this offering, there has not been a public market for our securities or any of our equity interests. We cannot predict the extent to which investor interest in our company will lead to the development of an active trading market on the Nasdaq Capital Market, or how liquid that market may become. An active public market for our Class A common stock or warrants may not develop or be sustained after the offering. If an active trading market does not develop or is not sustained, you may have difficulty selling

any shares that you buy.

The initial public offering price for the units will be determined by negotiations among us and the representative of the underwriters based upon several factors, including prevailing market conditions, our historical performance, estimates of our business potential and earnings prospects, and the market valuations of similar companies, and may not be indicative of prices that will prevail in the open market following this offering. The price at which our securities are traded after this offering may decline below the initial public offering price, meaning that you may experience a decrease in the value of your Class A common stock and warrants regardless of our operating performance or prospects.

Our quarterly operating results may fluctuate significantly and could fall below the expectations of securities analysts and investors due to seasonality and other factors, some of which are beyond our control, resulting in a decline in our stock price.

- Our quarterly operating results may fluctuate significantly because of several factors, including:
- the timing of new restaurant openings and related expense;
- restaurant operating costs for our newly-opened restaurants, which are often materially greater during the first several months of operation than thereafter;
- labor availability and costs for hourly and management personnel;
- profitability of our restaurants, especially in new markets;
- changes in interest rates;
- increases and decreases in Average Unit Volumes and comparable restaurant sales;
- impairment of long-lived assets and any loss on restaurant closures;

- macroeconomic conditions, both nationally and locally;
- negative publicity relating to the consumption of meat or seafood or other food products we serve;
- changes in consumer preferences and competitive conditions;
- expansion in existing and new markets;
- increases in infrastructure costs; and
- fluctuations in commodity prices.

Seasonal factors and the timing of holidays also cause our sales to fluctuate from quarter to quarter. As a result of these factors, our quarterly and annual operating results and comparable restaurant sales may fluctuate significantly. Accordingly, results for any one quarter are not necessarily indicative of results to be expected for any other quarter or for any year and comparable restaurant sales for any particular future period may decrease. In addition, as we expand by opening more restaurants in cold weather climates, the seasonality of our business may be amplified. In the future, operating results may fall below the expectations of securities analysts and investors. In that event, the price of our securities could be adversely impacted.

The price of our securities may be volatile and you may lose all or part of your investment.

The market price of our securities could fluctuate significantly, and you may not be able to resell your securities at or above the offering price. Those fluctuations could be based on various factors in addition to those otherwise described in this prospectus, including those described under "—Risks Related to Our Business and Industry" and the following:

- our operating performance and the performance of our competitors or restaurant companies in general;
- the public's reaction to our press releases, our other public announcements and our filings with the SEC;
- changes in earnings estimates or recommendations by research analysts who follow us or other companies in our industry;
- global, national or local economic, legal and regulatory factors unrelated to our performance;
- the number of securities to be publicly traded after this offering;
- future sales of our common stock or our equity interests by our officers, directors and significant stockholders;
- the arrival or departure of key personnel; and
- other developments affecting us, our industry or our competitors.

In addition, in recent years the stock market has experienced significant price and volume fluctuations. These fluctuations may be unrelated to the operating performance of particular companies. These broad market fluctuations may cause declines in the market price of our securities. The price of our securities could fluctuate based upon factors that have little or nothing to do with our business, financial condition or results of operations, and those fluctuations could adversely impact the market price of our securities.

Future sales of our common stock, or the perception that such sales may occur, could depress the market price of our securities.

Sales of a substantial number of shares of our common stock in the public market, or the perception that such sales may occur, following this offering could depress the market price of our securities. This would include sales by James Chae, as detailed below under "Risk Factors—Risks Related to Our Organizational Structure—Future sales of our shares by James Chae could depress the market price of our securities." Our executive officers and directors and holders of all of our options and equity interests, including James Chae, have agreed with the underwriters not to offer, sell, dispose of or hedge any shares of common stock or securities convertible into or exchangeable for shares of

common stock (including shares of our Class B common stock), subject to specified limited exceptions and extensions described elsewhere in this prospectus, during the period ending 12 months after the date of the final prospectus, except with the prior written consent of the representative of the underwriters. See "Underwriting."

Our certificate of incorporation authorizes us to issue up to 49,000,000 shares of Class A common stock and 1,000,000 shares of Class B common stock, of which, as of the date of this prospectus, 9,000,000 shares of Class A common stock and 1,000,000 shares of Class B common stock are outstanding. The shares of Class A common stock offered in this offering will be freely tradable without restriction under the Securities Act, except for any shares of our common stock that may be held or acquired by our directors, executive officers, a consultant and other affiliates, as that term is defined in the Securities Act, which will be restricted securities under the Securities Act. Restricted securities may not be sold in the public market unless the sale is registered under the Securities Act or an exemption from registration is available.

After the expiration of the lock-up agreements, shares of our Class A common stock and Class B common stock held by our affiliates will continue to be subject to the volume and other restrictions of Rule 144 under the Securities Act. The representative of the underwriters may, in its sole discretion and at any time without notice, release all or any portion of the shares subject to the lock-up. See "Underwriting."

The warrants may not have any value.

The warrants will be exercisable for five years from the date of initial issuance at an initial exercise price equal to 125% of the public offering price per unit set forth on the cover page of this prospectus. There can be no assurance that the market price of our shares of Class A common stock will ever equal or exceed the exercise price of the warrants. In the event that the stock price of our shares of Class A common stock does not exceed the exercise price of the warrants during the period when the warrants are exercisable, the warrants may not have any value.

Holders of warrants purchased in this offering will have no rights as stockholders until such holders exercise their warrants and acquire our shares of common stock.

Until holders of the warrants purchased in this offering acquire shares of common stock upon exercise thereof, such holders will have no rights with respect to the shares of common stock underlying the warrants. Upon exercise of the warrants, the holders will be entitled to exercise the rights of a stockholder only as to matters for which the record date occurs after the date they were entered in the register of members of the Company as a stockholder.

If you purchase shares of our common stock sold in this offering, you will incur immediate and substantial dilution.

If you purchase shares of our Class A common stock in this offering, you will incur immediate and substantial dilution in the amount of $3.15 per share (or $3.21 per share if the underwriters exercise their over-allotment option) because the initial public offering price of $4.50 per share is substantially higher than the pro forma net tangible book value per share of our outstanding Class A common stock. This dilution is due in large part to the fact that our first shareholders paid substantially less than the initial public offering price when they purchased their shares. See "Dilution."

If securities or industry analysts do not publish research or publish inaccurate or unfavorable research about our business, our market price and trading volume could decline.

The trading market for our securities will depend in part on the research and reports that securities or industry analysts publish about us or our business. We do not currently have and may never obtain research coverage by securities and industry analysts. If no securities or industry analysts commence coverage of our company, the trading price for our securities would be negatively impacted. If we obtain securities or industry analyst coverage and if one or more of the analysts who cover us downgrades our securities or publishes inaccurate or unfavorable research about our business, our market price would likely decline. If one or more of these analysts ceases coverage of us or fails to publish reports on us regularly, demand for our securities could decrease, which could cause our market prices and trading volume to decline.

We do not intend to pay dividends for the foreseeable future.

We may retain future earnings, if any, for future operations, expansion and debt repayment and have no current plans to pay any cash dividends for the foreseeable future. Any future determination to declare and pay cash dividends will be at the discretion of our board of directors and will depend on, among other things, our financial condition, results of operations, cash requirements, contractual restrictions and such other factors as our board of directors deems relevant. Our ability to pay dividends may also be limited by covenants under any future outstanding indebtedness we, our subsidiaries or affiliates incur. As a result, you may not receive any return on an investment in our common stock unless you sell our common stock for a price greater than that which you paid for it. See "Dividend Policy."

Provisions in our charter documents and Delaware law may delay or prevent our acquisition by a third party.

Our certificate of incorporation and bylaws, and Delaware law, contain several provisions that may make it more difficult for a third party to acquire control of us without the approval of our board of directors. These provisions may make it more difficult or expensive for a third party to acquire a majority of our outstanding equity interests. These provisions also may delay, prevent or deter a merger, acquisition, tender offer, proxy contest or other transaction that might otherwise result in our stockholders receiving a premium over the market price for their common stock. See "Description of Securities."

Our bylaws, each to be effective in connection with the completion of this offering, will contain an exclusive forum provision, which could limit a stockholder's ability to obtain a favorable judicial forum for disputes with us or our directors, officers or other employees.

Our bylaws, to be effective in connection with the completion of this offering, will contain an exclusive forum provision providing that the Court of Chancery of the State of Delaware will be the sole and exclusive forum for: (i) any derivative action or proceeding brought on our behalf, (ii) any action asserting a claim of breach of a fiduciary duty owed by, or other wrongdoing by, any of our directors, officers, employees, agents or stockholders, (iii) any action asserting a claim arising pursuant to any provision of the Delaware General Corporation Law, our certificate of incorporation or our bylaws, or (iv) any action asserting a claim that is governed by the internal affairs doctrine. However, Section 27 of the Exchange Act creates exclusive federal jurisdiction over all suits brought to enforce any duty or liability created by the Exchange Act or the rules and regulations thereunder. As a result, the exclusive forum provision will not apply to suits brought to enforce any duty or liability created by the Exchange Act or any other claim for which the federal courts have exclusive jurisdiction. In addition, Section 22 of the Securities Act creates concurrent jurisdiction for federal and state courts over all suits brought to enforce any duty or liability created by the Securities Act or the rules and regulations thereunder. As a result, the exclusive forum provisions will not apply to suits brought to enforce any duty or liability created by the Securities Act or any other claim for which the federal and state courts have concurrent jurisdiction, and our stockholders will not be deemed to have waived our compliance with the federal securities laws and the rules and regulations thereunder.

Any person purchasing or otherwise acquiring any interest in any shares of our capital stock shall be deemed to have notice of and to have consented to this provision of our bylaws which we will adopt prior to the completion of this offering. The exclusive forum provisions, if enforced, may limit a stockholder's ability to bring a claim in a judicial forum that it finds favorable for disputes with us or our directors, officers or other employees, which may discourage such lawsuits. Alternatively, if a court were to find the exclusive forum provisions to be inapplicable or unenforceable in an action, we may incur additional costs associated with resolving such action in other jurisdictions, which could have a material adverse effect on our business, financial condition, results of operations and growth prospects. For example, the Court of Chancery of the State of Delaware recently determined that a provision stating that U.S. federal district courts are the exclusive forum for resolving any complaint asserting a cause of action arising under the Securities Act is not enforceable.

Nasdaq may delist our securities from trading on its exchange, which could limit investors' ability to make transactions in our securities and subject us to additional trading restrictions.

We intend to apply to have our Class A common stock and warrants listed on the Nasdaq Capital Market. Although after giving effect to this offering we expect to meet, on a pro forma basis, the minimum initial listing standards set forth in the Nasdaq listing standards, we cannot assure you that our securities will be, or will continue to be, listed on Nasdaq in the future.

If Nasdaq delists our securities from trading on its exchange and we are not able to list our securities on another national securities exchange, we expect our securities could be quoted on an over-the-counter market. If this were to occur, we could face significant material adverse consequences, including:

- a limited availability of market quotations for our securities;
- reduced liquidity for our securities;
- a determination that our Class A common stock is a "penny stock" which will require brokers trading in our Class A common stock to adhere to more stringent rules and possibly result in a reduced level of trading activity in the secondary trading market for our securities;
- a limited amount of news and analyst coverage; and
- a decreased ability to issue additional securities or obtain additional financing in the future.

Our warrant agreement will designate the courts of the State of New York or the United States District Court for the Southern District of New York as the sole and exclusive forum for certain types of actions and proceedings that may be initiated by holders of our warrants which could limit the ability of warrant to obtain a favorable judicial forum for disputes with our Company.

Our warrant agreement will provide that, subject to applicable law, (i) any action, proceeding or claim against us arising out of or relating in any way to the warrant agreement, including under the Securities Act, will be brought and enforced in the courts of the State of New York or the United States District Court for the Southern District of New York, and (ii) that we irrevocably submit to such jurisdiction, which jurisdiction shall be the exclusive forum for any such action, proceeding or claim. We will waive any objection to such exclusive jurisdiction and that such courts represent an inconvenient forum.

Notwithstanding the foregoing, these provisions of the warrant agreement will not apply to suits brought to enforce any liability or duty created by the Exchange Act or any other claim for which the federal district courts of the United States of America are the sole and exclusive forum. Any person or entity purchasing or otherwise acquiring any interest in any of our warrants or rights shall be deemed to have notice of and to have consented to the forum provisions in our warrant agreement or rights agreement, as applicable. If any action, the subject matter of which is within the scope the forum provisions of the warrant agreement or rights agreement, is filed in a court other than a court of the State of New York or the United States District Court for the Southern District of New York (a "foreign action") in the name of any holder of our warrants or rights, such holder shall be deemed to have consented to: (x) the personal jurisdiction of the state and federal courts located in the State of New York in connection with any action brought in any such court to enforce the forum provisions (an "enforcement action"), and (y) having service of process made upon such warrant holder or right holder in any such enforcement action by service upon such warrant or right holder's counsel in the foreign action as agent for such warrant or right holder.

This choice-of-forum provision may limit a warrant holder's ability to bring a claim in a judicial forum that it finds favorable for disputes with our Company, which may discourage such lawsuits. Alternatively, if a court were to find this provision of our warrant agreement inapplicable or unenforceable with respect to one or more of the specified types of actions or proceedings, we may incur additional costs associated with resolving such matters in other jurisdictions, which could materially and adversely affect our business, financial condition and results of operations and result in a diversion of the time and resources of our management and board of directors.

Risks Related to Our Organizational Structure

We are controlled by James Chae, whose interests may differ from those of our other stockholders.

Immediately following this offering and the application of net proceeds from this offering, James Chae will control approximately 74.4% of the combined voting power of our equity interests through their ownership of both Class A common stock and Class B common stock. James Chae will, for the foreseeable future, have significant influence over corporate management and affairs, and will be able to control virtually all matters requiring stockholder approval so long as James Chae owns a majority of the combined voting power of our outstanding equity interests. Following this offering, if James Chae continues to own at least 1,000,000 shares of Class B common stock, James Chae will own a majority of the combined voting power of our outstanding equity interests, and effectively control the outcome of matters submitted to stockholders that require a majority vote assuming 13,000,000 shares of Class A common stock and 1,000,000 shares of Class B common stock outstanding as of the completion of this offering. James Chae is able to, subject to applicable law, elect a majority of the members of our board of directors and control actions to be taken by us and our board of directors, including amendments to our certificate of incorporation and bylaws and approval of significant corporate transactions, including, among other matters, mergers and sales of substantially all of our assets, as well as incurrence of indebtedness by us. The directors so elected will have the authority, subject to the terms of our indebtedness and applicable rules and regulations, to issue additional stock, implement stock repurchase programs, declare dividends and make other decisions. It is possible that the interests of James Chae may in some circumstances conflict with our interests and the interests of our other stockholders, including you. For example, James Chae may have different tax positions from us that could influence their decisions regarding whether and when to dispose of assets and whether and when to incur new or refinance existing indebtedness. Such indebtedness could contain covenants that prevent us from declaring dividends to stockholders. In addition, the determination of future tax reporting positions and the structuring of future transactions may take into consideration James Chae's tax or other considerations, which may differ from our considerations or our other stockholders. For additional information about our relationships with James Chae, you should read the information under the headings "Principal Stockholders" and "Certain Relationships and Related Party Transactions".

We are a "controlled company" within the meaning of the Nasdaq listing standards and, as a result, will qualify for, and intend to rely on, exemptions from certain corporate governance requirements. You will not have the same protections afforded to stockholders of companies that are subject to such requirements.

Immediately following this offering and the application of net proceeds from this offering, James Chae will control approximately 74.4% of the combined voting power of our equity interests through their ownership of both Class A common stock and Class B common stock. Because of the voting power of James Chae, we are considered a "controlled company" for the purposes of the Nasdaq Stock Market. As such, we are exempt from certain corporate governance requirements of the Nasdaq Stock Market, including the requirement that (i) a majority of our board of directors consist of independent directors, (ii) director nominees be selected or recommended to the board by independent directors or an independent nominating committee, and (iii) we have a compensation committee that is composed entirely of independent directors. While we have elected to comply with the requirements that a majority of our board consist of independent directors and that our compensation committee be composed entirely of independent directors, we will not have a Nominating and Corporate Governance Committee. Further, so long as we are considered a "controlled company" under the Nasdaq Stock Market requirements, our Compensation Committee may not always consist entirely of independent directors. Accordingly, you will not have the same protections afforded to stockholders of companies that are subject to all of the corporate governance requirements of the Nasdaq Stock Market.

The interests of James Chae may conflict with ours or yours in the future.

Various conflicts of interest between James Chae and us could arise. Ownership interests of directors or officers of James Chae in our common stock, could create or appear to create potential conflicts of interest when those directors and officers are faced with decisions that could have different implications for James Chae. These decisions could, for example, relate to:

- disagreement over corporate opportunities;

- management stock ownership;
- employee retention or recruiting;
- our dividend policy; and
- the services and arrangements from which we benefit as a result of its relationship with James Chae.

Potential conflicts of interest could also arise if we enter into any new commercial arrangements with James Chae in the future.

Future sales of our shares by James Chae could depress the price of our securities.

After this offering, and subject to the lock-up period described below, James Chae may sell all or a portion of the shares of our Class A common stock and Class B common stock that he owns (which shares of Class B common stock would be converted automatically into Class A shares in connection with any sale). Sales by James Chae in the public market could depress the price of our securities. James Chae is not subject to any contractual obligation to maintain any ownership position in our shares, except that it has agreed not to sell or otherwise dispose of any of our equity interests for a period ending 12 months after the date of the final prospectus without the prior written consent of the representative of the underwriters, subject to specified limited exceptions and extensions described in "Underwriting." Consequently, James Chae may decide not to maintain his ownership of our equity interests once the lock-up period expires.

SPECIAL NOTE REGARDING FORWARD-LOOKING STATEMENTS

This prospectus contains forward-looking statements that involve risks and uncertainties. The forward-looking statements are contained principally in "Prospectus Summary," "Risk Factors," "Management's Discussion and Analysis of Financial Condition and Results of Operations" and "Business." In some cases, you can identify forward-looking statements by terms such as "target," "may," "might," "will," "objective," "intend," "should," "could," "can," "would," "expect," "believe," "design," "estimate," "continue," "predict," "potential," "plan," "anticipate" or the negative of these terms, and similar expressions intended to identify forward-looking statements. These statements reflect our current views with respect to future events and are based on assumptions and subject to risks and uncertainties. Given these assumptions, risks and uncertainties, you should not place undue reliance on these forward-looking statements. All forward-looking statements are subject to risks and uncertainties that may cause actual results to differ materially from those that we expected, including:

- our ability to successfully maintain increases in our comparable restaurant sales and AUVs;
- our ability to successfully execute our growth strategy and open new restaurants that are profitable;
- our ability to expand in existing and new markets;
- our projected growth in the number of our restaurants;
- macroeconomic conditions and other economic factors;
- our ability to compete with many other restaurants;
- our ability to successfully implement a franchise program;
- our reliance on vendors, suppliers and distributors;
- concerns regarding food safety and foodborne illness;
- changes in consumer preferences and the level of acceptance of our restaurant concept in new markets;

- minimum wage increases and mandated employee benefits that could cause a significant increase in our labor costs;
- the failure of our automated equipment or information technology systems or the breach of our network security;
- the loss of key members of our management team;
- the impact of governmental laws and regulations; and
- volatility in the price of our listed securities.

We discuss many of these risks in this prospectus in greater detail under the heading "Risk Factors." Also, these forward-looking statements represent our estimates and assumptions only as of the date of this prospectus. Unless required by United States federal securities laws, we do not intend to update any of these forward-looking statements to reflect circumstances or events that occur after the statement is made.

The market data and certain other statistical information used throughout this prospectus are based on independent industry publications, governmental publications, reports by market research firms or other independent sources. Some data are also based on our good faith estimates. Although we believe these third-party sources are reliable, we have not independently verified the information attributed to these third-party sources and cannot guarantee its accuracy and completeness. Similarly, our estimates have not been verified by any independent source.

You should read this prospectus and the documents that we reference in this prospectus and have filed as exhibits to the registration statement, of which this prospectus is a part, completely and with the understanding that our actual future results may be materially different from what we expect. We qualify all of our forward-looking statements by these

cautionary statements.

USE OF PROCEEDS

We estimate that the net proceeds we will receive from this offering will be approximately $16,380,000 based on an assumed initial public offering price of $4.50 per unit, which is the midpoint of the price range set forth on the cover of this prospectus, after deducting the underwriting discounts and commissions and estimated offering expenses payable by us and excluding proceeds received from the exercise of our warrants. If the underwriters' option to purchase additional units in this offering from us is exercised in full, our net proceeds will be approximately $18,837,000 after deducting the underwriting discounts and commissions and estimated offering expenses payable by us and excluding proceeds received from the exercise of our warrants.

Each $1.00 increase (decrease) in the assumed initial public offering price of $4.50 per unit, after deducting estimated underwriting discounts and commissions and estimated offering expenses payable by us, would increase (decrease) net proceeds to us from this offering by approximately $3,640,000, that the number of units offered by us, as set forth on the cover page of this prospectus, remains the same. We may also increase or decrease the number of units we are offering. Each 100,000 increase (decrease) in the number of units we are offering would increase (decrease) the net proceeds to us from this offering by approximately $410,000, assuming no change in the assumed initial public offering price per unit.

We plan to use the net proceeds of this offering as follows:

- 25% of the net proceeds (approximately $4.4 million without the over-allotment option, or approximately $4.7 million with the over-allotment option) for our expansion and development of new corporate owned restaurant locations during the year ending December 31, 2022;
- 25% of the net proceeds (approximately $4.4 million without the over-allotment option, or approximately $4.7 million with the over-allotment option) for the expansion of our distribution capabilities, including centralized warehousing, storage and delivery;
- 25% of the net proceeds (approximately $4.4 million without the over-allotment option, or approximately $4.7 million with the over-allotment option) for the development of our franchise program. As of the date of this prospectus, we do not have a franchise program; and
- 25% of the net proceeds (approximately $4.4 million without the over-allotment option, or approximately $4.7 million with the over-allotment option) for general working capital and other corporate purposes.

Our expected use of net proceeds from this offering represents our current intentions based upon our present plans and business condition. As of the date of this prospectus, we cannot predict with certainty all of the particular uses for the net proceeds to be received upon the completion of this offering or the amounts that we will actually spend. The amounts and timing of our actual use of net proceeds will vary depending on numerous factors. As a result, our management will have broad discretion in the application of the net proceeds of this offering, and investors will be relying on our judgment regarding the application of the net proceeds.

Pending other uses, we intend to invest the proceeds to us in investment-grade, interest-bearing securities such as money market funds, certificates of deposit, or direct or guaranteed obligations of the U.S. government, or hold as cash. We cannot predict whether the proceeds invested will yield a favorable return.

DIVIDEND POLICY

No dividends have been declared or paid on our equity interests. We do not anticipate paying any cash dividends on shares of our Class A common stock or Class B common stock in the foreseeable future. We currently intend to retain any earnings to finance the development and expansion of our business. Any future determination to pay dividends will be at the discretion of our board of directors and will be dependent upon then-existing conditions, including our earnings, capital requirements, results of operations, financial condition, business prospects and other factors that our board of directors considers relevant. See "Management's Discussion and Analysis of Financial Condition and Results of Operations" and "Certain Relationships and Related Party Transactions" for additional information regarding our financial condition.

CAPITALIZATION

The following table sets forth our cash and cash equivalents and capitalization as of September 30, 2021:

- on an actual basis, effective immediately prior to the completion of this offering; and
- on an as adjusted basis, which gives effect to 1) the sale of 4,600,000 shares of Class A common stock in this offering, assuming no shares issuable upon exercise of warrants, at an assumed initial public offering price of $4.50 per unit (the midpoint of the price range set forth on the cover page of this prospectus) after deducting estimated underwriting discounts and estimated offering expenses payable by us, and the application of the net proceeds thereof; and 2) the compensation expense to be recorded upon the issuance of 549,100 shares of Class A common stock to directors and consultants.

You should read the following table in conjunction with the sections entitled "Use of Proceeds," "Selected Financial Data," "Management's Discussion and Analysis of Financial Condition and Results of Operations" and our financial statements and related notes included in this prospectus.

	As of September 30, 2021	
	Actual	***As Adjusted***
Cash	**$ 53,299**	$ 18,890,299
Debt (current and non-current):		
Bank notes payables	1,195,569	
Loan payable, PPP	385,900	
Loan payable, EIDL	450,000	
Due to related party	1,337,590	
Restaurant revitalization fund	700,454	
Stockholders' Deficit		
Class A Common Stock - $0.0001 par value; 49,000,000 authorized shares; no shares issued and outstanding; 13,600,000 pro forma adjusted shares at September 30, 2021	-	1,360

Class B Common Stock - $0.0001 par value; 1,000,000 authorized shares; no shares issued and outstanding; 1,000,000 pro forma adjusted shares at September 30, 2021	-	100
Additional paid-in-capital	476,371	21,782,861
Accumulated deficit	(2,586,790)	(5,057,740)
Total stockholders' deficit	(2,110,419)	16,726,581

DILUTION

Currently we have, and upon completion of this offering we will have, two classes of equity interests issued and outstanding: Class A common stock, which is being sold in this offering and to which we refer in this prospectus as "common stock," and Class B common stock. Dilution is the amount by which the initial public offering price paid by purchasers of shares of our equity interests exceeds the net tangible book value per share of our equity interests immediately following the completion of the offering. Net tangible book value represents the amount of our total tangible assets reduced by our total liabilities. Net tangible book value per share represents our net tangible book value divided by the number of shares of our equity interests outstanding. For purposes of dilution calculations, the number of outstanding shares after the IPO includes the 1,000,000 shares of Class B common stock as it would be exchangeable on a one-to-one basis into Class A shares and would reflect maximum dilution at that time. The Company defines total tangible assets as total assets less intangible assets (including deferred tax assets and deferred offering costs). As of September 30, 2021, prior to giving effect to the offering, our net tangible book value was $2,506,926 and our net tangible book value per share was $0.25.

After giving effect to the issuance and sale of the 4,000,000 units offered in this offering and the application of the estimated net proceeds of the offering received by us, as described in "Use of Proceeds," based upon an assumed initial public offering price of $4.50 per unit, which is the midpoint of the price range set forth on the cover of this prospectus, and assuming that no warrants are exercised, our net tangible book value as of September 30, 2021 would have been approximately $18,887,000, or $1.35 per share of equity interest. This represents an immediate increase in net tangible book value to our existing stockholders (including James Chae) of $1.10 per share and an immediate dilution to new investors in this offering of $3.15 per share. The following table illustrates this per share dilution net tangible book value to new investors after giving effect to this offering:

Assumed initial public offering price per unit			$ 4.50
Net tangible book value per share as of September 30, 2021	$	0.25	
Increase in net tangible book value per share attributable to new investors	$	1.10	
Adjusted net tangible book value per share after this offering			$ 1.35
Dilution per share to new investors			$ 3.15

A $1.00 increase (decrease) in the assumed initial public offering price of $4.5 per unit would increase (decrease) our net tangible book value by $3,640,000, the net tangible book value per share after this offering by $0.26 and the dilution per share to new investors by $0.74, assuming the number of shares offered by us, as set forth on the cover page of this prospectus, remains the same, and after deducting the estimated underwriting discounts and commissions and estimated offering expenses payable by us.

If the underwriters exercise their over-allotment option in full, the net tangible book value per share of our Class A common stock after giving effect to this offering would be $1.29 per share, which amount represents an immediate increase in net tangible book value of $1.04 per share to existing stockholders (including James Chae) and the immediate dilution in net tangible book value per share to new investors in this offering of $3.21 per share.

The following table presents, as of September 30, 2021, the differences between the number of shares purchased from us, the total consideration paid to us, and the average price per share paid by existing stockholders (including James Chae) and by new investors purchasing Class A common stock at the assumed initial offering price of $4.50 per unit, which is the midpoint of the price range set forth on the cover page of this prospectus, before deducting estimated underwriting discounts and commissions and estimated offering expenses payable by us.

	Shares Purchased		Total Consideration		Average Price
	Number	Percent	Amount	Percent	Per Share
Existing stockholders (including James Chae)		%	$	%	$
New investors					
Total		%	$	%	$

If the underwriters were to fully exercise their option to purchase 600,000 additional shares of our Class A common stock, the percentage of shares of our Class A common stock held by James Chae after this offering would be 51.9%, and the percentage of shares of our Class A common stock held by new investors after this offering would be 33.8%.

To the extent any outstanding options or other equity awards are exercised or become vested or any additional options or other equity awards are granted and exercised or become vested or other issuances of shares of our common stock are made, there may be further economic dilution to new investors.

SELECTED FINANCIAL DATA

The following table summarizes our historical financial and operating data for the periods and as of the dates indicated. The statements of income data for the fiscal years ended December 31, 2019 and December 31, 2020 and the balance sheet data as of December 31, 2019 and December 31, 2020 have been derived from our audited financial statements included elsewhere in this prospectus. We have derived the statements of income data for the nine months ended September 30, 2020 and September 30, 2021 and the balance sheet data as of September 30, 2021 from our unaudited interim financial statements included elsewhere in this prospectus. The financial data presented includes all normal and recurring adjustments that we consider necessary for a fair presentation of the financial position and results of operations for such periods.

The historical results presented below are not necessarily indicative of the results to be expected for any future period. This information should be read in conjunction with "Risk Factors," "Management's Discussion and Analysis of Financial Condition and Results of Operations" and our audited financial statements and unaudited interim financial statements and the related notes included elsewhere in this prospectus.

	Years Ended December 31,		*Nine months ended September 30,*	
	2020	*2019*	*2021*	*2020*
Revenue:				
Food and beverage	$ 3,170,925	$ 4,058,739	$ 4,449,354	$ 1,918,930
Total revenue	3,170,925	4,058,739	4,449,354	1,918,930

Restaurant operating expenses:				
Food, beverages and supplies	903,313	1,533,959	1,344,672	909,670
Labor	1,542,796	1,241,075	1,999,084	1,075,751
Rent and utilities	437,972	504,430	465,677	280,837
Delivery and service fees	245,163	219,412	384,050	183,477
Depreciation	114,478	102,416	94,294	83,181
Total restaurant operating expenses	3,243,722	3,601,292	4,287,777	2,532,916
Net operating restaurant operating income	(72,797)	457,447	161,577	(613,986)
Operating expenses:				
General and administrative	330,739	501,192	428,926	324,416
Advertising and marketing	30,054	20,721	12,437	33,868
Total operating expenses	360,793	521,913	441,363	358,284
Loss from operations	(433,590)	(64,466)	(279,786)	(972,270)
Other income (expense):				
PPP loan forgiveness	-	-	269,887	-
Other income	53,929	16,934	25,000	40,718
Interest	(51,590)	(64,036)	(44,145)	(73,356)
Total other income (expense)	2,339	(47,102)	250,742	(32,638)
Income before income taxes	(431,251)	(111,568)	(29,044)	(1,004,908)
Income tax provision	18,877	22,557	13,924	9,978
Net loss	**$ (450,128)**	**$ (134,125)**	**$ (42,968)**	**$ (1,014,886)**
Loss per share:				
Basic and diluted	$ (0.36)	$ (0.13)	$ (0.01)	$ (0.84)
Weighted average number of common shares outstanding:				
Basic and diluted	1,236,836	1,035,959	3,131,740	1,205,000

	As of December 31,		*As of September 30,*
	2020	***2019***	***2021***
Cash	$ -	$ 78,117	$ 53,299
Total assets	$ 3,014,424	$ 2,134,165	$ 4,791,007
Total liabilities	$ 4,385,804	$ 2,450,223	$ 6,901,426
Total stockholders' deficit	$ (1,371,380)	$ (316,058)	$ (2,110,419)

	Years Ended December 31,		*Nine months ended September 30,*	
	2020	***2019***	***2021***	***2020***
Key Financial and Operational Metrics				
Restaurants at the end of period	5	4	6	5
Average unit volumes (1)	$ 904,745	$ 1,091,364	N/A	N/A
Comparable restaurant sales growth (2)	-29.3%	7.4%	63.4%	32.3%
EBITDA (3)	(265,183)	54,884	109,395	(848,371)
Adjusted EBITDA (3)	(265,183)	54,884	(167,318)	(848,371)
as a percentage of sales	-8.4%	1.4%	-3.8%	-44.2%
Operating income	(433,590)	(64,466)	(279,786)	(972,270)
Operating profit margin	-13.7%	-1.6%	-6.3%	-50.7%
Restaurant-level Contribution (3)	41,681	559,863	255,871	(530,805)
Restaurant-level Contribution Margin (3)	1.3%	13.8%	5.8%	-27.7%

(1) Average Unit Volumes (AUVs) consist of the average annual sales of all restaurants that have been open for 3 months or longer at the end of the fiscal year presented. The AUVs measure has been adjusted for restaurants that were not open for the entire fiscal year presented (such as a restaurant closed for renovation) to annualize sales for such period of time. Since AUVs are calculated based on annual sales for the fiscal year presented, they are not shown on an interim basis for the nine-months ended September 30, 2020 and 2021. See "Additional Financial Measures and Other Data" for the definition of AUVs.

(2) Comparable restaurant sales growth represents the change in year-over-year sales for restaurants open for at least 3 months prior to the start of the accounting period presented, including those temporarily closed for renovations during the year. The comparable restaurant sales growth measure is calculated excluding the West Hollywood and Lynwood, California restaurants, which closed in fiscal year 2019 due to underperformance.

(3) EBITDA, Adjusted EBITDA, Restaurant-level Contribution and Restaurant-level Contribution margin are intended as supplemental measures of our performance that are neither required by, nor presented in accordance with, GAAP. We are presenting EBITDA, Adjusted EBITDA, Restaurant-level Contribution and Restaurant-level Contribution margin because we believe that they provide useful information to management and investors regarding certain financial and business trends relating to our financial condition and operating results. Additionally, we present Restaurant-level Contribution because it excludes the impact of general and administrative expenses which are not incurred at the restaurant-level. We also use Restaurant-level Contribution to measure operating performance and returns from opening new restaurants.

EBITDA is calculated as net income before interest expense, provision (benefit) for income taxes and depreciation and amortization. Adjusted EBITDA further adjusts EBITDA to reflect the additions and eliminations described in the table below. Restaurant-level Contribution represents operating income plus depreciation and amortization, stock-based compensation expense, non-cash rent expense, asset disposals, closure costs and restaurant impairments, general and administrative expenses, less corporate-level stock-based compensation expense. Restaurant-level Contribution margin is defined as Restaurant-level Contribution divided by sales.

We believe that the use of EBITDA, Adjusted EBITDA, Restaurant-level Contribution and Restaurant-level Contribution margin provides an additional tool for investors to use in evaluating ongoing operating results and trends and in comparing the Company's financial measures with those of comparable companies, which may present similar non-

GAAP financial measures to investors. However, you should be aware that Restaurant-level Contribution and Restaurant-level Contribution margin are financial measures which are not indicative of overall results for the Company, and Restaurant-level Contribution and Restaurant-level Contribution margin do not accrue directly to the benefit of stockholders because of corporate-level expenses excluded from such measures. In addition, you should be aware when evaluating EBITDA, Adjusted EBITDA, Restaurant-level Contribution and Restaurant-level Contribution margin that in the future we may incur expenses similar to those excluded when calculating these measures. Our presentation of these measures should not be construed as an inference that our future results will be unaffected by unusual or non-recurring items. Our computation of EBITDA, Adjusted EBITDA, Restaurant-level Contribution and Restaurant-level Contribution margin may not be comparable to other similarly titled measures computed by other companies, because all companies may not calculate EBITDA, Adjusted EBITDA, Restaurant-level Contribution and Restaurant-level Contribution margin in the same fashion.

Because of these limitations, EBITDA, Adjusted EBITDA, Restaurant-level Contribution and Restaurant-level Contribution margin should not be considered in isolation or as a substitute for performance measures calculated in accordance with GAAP. We compensate for these limitations by relying primarily on our GAAP results and using EBITDA, Adjusted EBITDA, Restaurant-level Contribution and Restaurant-level Contribution margin on a supplemental basis. Our management recognizes that EBITDA, Adjusted EBITDA, Restaurant-level Contribution and Restaurant-level Contribution margin have limitations as analytical financial measures, including the following:

- EBITDA, Adjusted EBITDA, Restaurant-level Contribution and Restaurant-level Contribution margin do not reflect our capital expenditures or future requirements for capital expenditures;
- EBITDA, Adjusted EBITDA, Restaurant-level Contribution and Restaurant-level Contribution margin do not reflect interest expense or the cash requirements necessary to service interest or principal payments associated with our indebtedness;

- EBITDA, Adjusted EBITDA, Restaurant-level Contribution and Restaurant-level Contribution margin do not reflect depreciation and amortization, which are non-cash charges, although the assets being depreciated and amortized will likely have to be replaced in the future, and do not reflect cash requirements for such replacements;
- Adjusted EBITDA, Restaurant-level Contribution and Restaurant-level Contribution margin do not reflect the costs of stock-based compensation expense, non-cash rent expense, and asset disposals, closure costs and restaurant impairments;
- Adjusted EBITDA, Restaurant-level Contribution and Restaurant-level Contribution margin do not reflect changes in, or cash requirements for, our working capital needs; and
- other companies in our industry may calculate these measures differently, limiting their usefulness as comparative measures.

A reconciliation of net income to EBITDA and Adjusted EBITDA is provided below:

	Years Ended December 31,		*Nine months ended September 30,*	
	2020	***2019***	***2021***	***2020***
Net loss, as reported	$ (450,128)	$ (134,125)	$ (42,968)	$ (1,014,886)
Interest, net	51,590	64,036	44,145	73,356
Taxes	18,877	22,557	13,924	9,978
Depreciation and amortization	114,478	102,416	94,294	83,181
EBITDA	(265,183)	54,884	109,395	(848,371)
PPP loan forgiveness (a)	-	-	(276,713)	-
Adjusted EBITDA	$ (265,183)	$ 54,884	$ (167,318)	$ (848,371)

(a) Represents income recorded upon the forgiveness of payroll protection loans from the SBA.

The following table presents a reconciliation of net restaurant operating income (loss) to Restaurant-level Contribution:

	Years Ended December 31,		*Nine months ended September 30,*	
	2020	***2019***	***2021***	***2020***
Net restaurant operating income (loss), as reported	$ (72,797)	$ 457,447	$ 161,577	$ (613,986)
Depreciation and amortization	114,478	102,416	94,294	83,181
Restaurant-level Contribution	$ 41,681	$ 559,863	$ 255,871	$ (530,805)
Operating profit margin	-13.7%	-1.6%	-6.3%	-50.7%
Restaurant-level Contribution Margin	1.3%	13.8%	5.8%	-27.7%

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

You should read the following discussion and analysis of our financial condition and results of operations together with the "Selected Financial Data" and our financial statements and the related notes and other financial information included elsewhere in this prospectus. Some of the information contained in this discussion and analysis or set forth elsewhere in this prospectus, including information with respect to our plans and strategy for our business, includes forward-looking statements that involve risks and uncertainties. You should review the "Special Note Regarding Forward-Looking Statements" and "Risk Factors" sections of this prospectus for a discussion of important factors that could cause actual results to differ materially from the results described in or implied by the forward-looking statements contained in the following discussion and analysis.

Overview of Yoshiharu

Yoshiharu is a fast-growing Japanese restaurant operator and was borne out the idea of introducing the modernized Japanese dining experience to customers all over the world. Specializing in authentic Japanese ramen, Yoshiharu gained recognition as a leading ramen restaurant in Southern California within six months of our 2016 debut and has continued to expand our top-notch restaurant service across Southern California, currently owning and operating 6 restaurant stores with an additional 3 in development and 8 expected to open in 2022.

We take pride in our warm, hearty, smooth, and rich bone broth, which is slowly boiled for over 12 hours. Customers can taste and experience supreme quality and deep flavors. Combining the broth with the fresh, savory, and highest-quality ingredients, Yoshiharu serves the perfect, ideal ramen, as well as offers customers a wide variety of sushi, bento

menu and other favorite Japanese cuisine. Our acclaimed signature Tonkotsu Black Ramen has become a customer favorite with its slow cooked pork bone broth and freshly made, tender chashu (braised pork belly).

Our mission is to bring ramen and Japanese cuisine to the mainstream, by providing a meal that customers find comforting. Since the inception of the business, we have been making our own ramen broth and other key ingredients such as pork chashu and flavored eggs from scratch, whereby upholding the quality and taste of our foods, including the signature texture and deep, rich flavor of our handcrafted broth. Moreover, we believe that slowly cooking the bone broth makes it high in collagen and rich in nutrients. Yoshiharu also strives to present food that is not only healthy, but also affordable. We feed, entertain and delight our customers, with our active kitchens and bustling dining rooms providing happy hours, student and senior discounts, and special holiday events. As a result of our vision, customers can comfortably enjoy our food in a friendly and welcoming atmosphere.
Our success has resulted in strong financial results as illustrated by the following:

- Revenue grew from $1.9 million for the nine months ended September 30, 2020, to $4.4 million for the nine months ended September 30, 2021.

- We continue to accelerate the pace of new "corporate-owned" (i.e., directly owned by Yoshiharu Holdings) restaurant openings and expect to operate over 20 corporate-owned locations by year end 2022.

- We operate in a large and rapidly growing market. We believe the consumer appetite for Asian cuisine is widespread across many demographics and have an opportunity to expand in both existing and new U.S. markets, as well as internationally. In 2022, we expect to open 8 new corporate-owned restaurants by utilizing approximately 25% of the net proceeds of this offering. Based on our experience and our internal analysis, we believe that over the long-term we have the potential to grow our current domestic corporate-owned restaurants and international footprint to at least 250 restaurants domestically and at least 750 restaurants internationally by opening corporate-owned restaurants in new and existing markets. The rate of future restaurant growth in any particular period is inherently uncertain and is subject to numerous factors that are outside of our control. As a result, we do not currently have an anticipated timeframe for such expansion.

- Yoshiharu is in the process of registering its franchise program (which it expects to be complete by the end of 2022) , and once that is complete, we plan on providing franchisee opportunities to open both domestically and internationally. In the U.S., we believe there is a potential to open 20 stores per year by franchisees. Globally, we are also exploring the idea of granting country-wide exclusivity to franchisees, which we believe will help expand our global footprint considerably. As of the date of this prospectus, we do not have a franchise program.

- Average sales per guest is moderate and increasing. During the year ended December 31, 2019, the average sales per guest in our stores was $13.51, which grew 15.4% to $15.59 during the year ended December 31, 2020. For the nine months ended September 30, 2021, average sales per guest in our restaurants was $15.74.

Our flexible physical footprint, which has allowed us to open restaurants in size ranging from 1,500 to 2,500 square feet, allows us to open in-line and end-cap restaurant formats at strip malls and shopping centers and penetrate markets in both suburban and urban areas.

Our Growth Strategies

Pursue New Restaurant Development.

We have pursued a disciplined new corporate owned growth strategy. Having expanded our concept and operating model across varying restaurant sizes and geographies, we plan to leverage our expertise opening new restaurants to fill in existing markets and expand into new geographies. While we currently aim to achieve in excess of 100% annual unit growth rate over the next three to five years, we cannot predict the time period of which we can achieve any level of restaurant growth or whether we will achieve this level of growth at all. Our ability to achieve new restaurant growth is impacted by a number of risks and uncertainties beyond our control, including those described under the caption "Risk Factors." In particular, see "Risk Factors—Our long-term success is highly dependent on our ability to successfully identify and secure appropriate sites and timely develop and expand our operations in existing and new markets" for specific risks that could impede our ability to achieve new restaurant growth in the future. We believe there is a significant opportunity to employ this strategy to open additional restaurants in our existing markets and in new markets with similar demographics and retail environments.

Deliver Consistent Comparable Restaurant Sales Growth.

We have achieved positive comparable restaurant sales growth in recent periods. We believe we will be able to generate future comparable restaurant sales growth by growing traffic through increased brand awareness, consistent delivery of a satisfying dining experience, new menu offerings, and restaurant renovations. We will continue to manage our menu and pricing as part of our overall strategy to drive traffic and increase average check. We are also exploring initiatives to grow sales of alcoholic beverages at our restaurants, including the potential of a larger format restaurant with a sake bar concept.

Franchise Program Development.

We expect to initiate sales of franchises beginning in 2022. We expect to submit an application for franchise registration in California, and we expect to submit franchise applications in additional states over the next few months. While our initial franchise development will focus on the United States, we also believe the Yoshiharu concept will attract future franchise partners around the world.

Increase Profitability.

We have invested in our infrastructure and personnel, which we believe positions us to continue to scale our business operations. As we continue to grow, we expect to drive higher profitability by taking advantage of our increasing buying power with suppliers and leveraging our existing support infrastructure. Additionally, we believe we will be able to optimize labor costs at existing restaurants as our restaurant base matures and AUVs increase. We believe that as our restaurant base grows, our general and administrative costs will increase at a slower rate than our sales.

Heighten Brand Awareness.

We intend to continue to pursue targeted local marketing efforts and plan to increase our investment in advertising. We also are exploring the development of instant ramen noodles which we would distribute through retail channels. We intend to explore partnerships with grocery retailers to provide for small-format Yoshiharu kiosks in stores to promote a limited selection of Yoshiharu cuisine.

Corporate Overview

In December 2021, Yoshiharu Holdings was formed by James Chae as an S corporation for the purpose of acquiring all of the equity in each of the 6 restaurant store entities which were previously founded and wholly owned directly by James Chae in exchange for an issuance of 10,000,000 shares to James Chae, which constituted all of the issued and outstanding equity in Yoshiharu Holdings Co.

Yoshiharu Global Co. was incorporated on December 9, 2021 in Delaware by James Chae for purposes of effecting this offering. On December 9, 2021, James Chae contributed 100% of the equity in Yoshiharu Holdings Co. to Yoshiharu Global Co. in exchange for the issuance by Yoshiharu Global Co. of 9,450,900 shares of Class A common stock to James Chae. On December 10, 2021, the Company redeemed 670,000 shares of Class A common stock from James Chae at par ($0.0001 per share). In December 2021, the Company conducted a private placement solely to accredited investors and sold 670,000 shares of Class A common stock at $2.00 per share, which the Company's board of directors determined to reflect the then current fair market value of the Company's Class A common stock. The Company shall exchange 1,000,000 shares held by James Chae into 1,000,000 shares of Class B common stock immediately prior to the execution of the underwriting agreement.

Following the closing of this offering, James Chae will own all of our Class B common stock (1,000,000) and 7,110,900 shares of our Class A common stock, representing approximately 74.4% of the combined voting power of our outstanding capital stock, or 72.3% if the underwriters exercise their option to purchase additional units. See "Principal Stockholders." As a result, we will be a "controlled company" within the meaning of the corporate governance rules of the Nasdaq Stock Market, and James Chae will be able to exert significant voting influence over fundamental and significant corporate matters and transactions and may have interests that differ from yours. See "Risk Factors—Risks Related to Our Organizational Structure."

On all matters to be voted on by stockholders, holders of our Class A common stock are entitled to one vote per share while holders of our Class B common stock are entitled to 10 votes per share. Each share of Class B common stock is convertible into one share of Class A common stock at the option of the holder, upon transfer or in certain specified circumstances. With the exception of voting rights and conversion rights, holders of Class A and Class B common stock will have identical rights. We do not intend to list Class B common stock on any stock exchange.

COVID-19 Impact on Concentration of Risk

The COVID-19 pandemic has significantly impacted health and economic conditions throughout the United States and globally, as public concern about becoming ill with the virus has led to the issuance of recommendations and/or mandates from federal, state and local authorities to practice social distancing or self-quarantine. The Company felt direct impact through reduced revenues through periods of time in 2020 and 2021 when restaurant locations were forced into closure or into limited capacities. Revenues were $3.2 million for the year ended December 31, 2020, compared to $4.1 million for the year ended December 31, 2019. The three restaurant locations that were open through all of 2020 each experienced significant sales declines. Combined average monthly sales for these locations decreased 36.8% for the year ended December 31, 2020. The Company attempted to mitigate the impact of reduced inside dining through expansion of food delivery operations during the pandemic affected periods. The Company intends to continue selling through these delivery channels, even with a return to full capacity inside dining. Revenues were $4.4 million for the nine months ended September 30, 2021, compared to $1.9 million for the nine months ended September 30, 2020, so the Company has already experienced significant recovery from the impact of the pandemic on customer traffic during 2020. The combined average monthly sales for the 4 restaurant locations that were open through all of 2020 increased 71.7% for the nine-month period ended September 30, 2021, from the comparable period in the prior year.

Key Performance Indicators

Sales

Sales represents sales of food and beverages in restaurants, as shown on our statements of income. Several factors affect our restaurant sales in any given period including the number of restaurants in operation, guest traffic and average check.

EBITDA and Adjusted EBITDA

The following table presents a reconciliation of net income to EBITDA and Adjusted EBITDA:

	Years Ended December 31,		*Nine months ended September 30,*	
	2020	*2019*	*2021*	*2020*
Net loss, as reported	$ (450,128)	$ (134,125)	$ (42,968)	$ (1,014,886)
Interest, net	51,590	64,036	44,145	73,356
Taxes	18,877	22,557	13,924	9,978
Depreciation and amortization	114,478	102,416	94,294	83,181
EBITDA	(265,183)	54,884	109,395	(848,371)
PPP loan forgiveness (a)	-	-	(276,713)	-
Adjusted EBITDA	$ (265,183)	$ 54,884	$ (167,318)	$ (848,371)

(a) Represents income recorded upon the forgiveness of payroll protection loans from the SBA.

Restaurant-level Contribution and Restaurant-level Contribution Margin

Restaurant-level Contribution and Restaurant-level Contribution margin are intended as supplemental measures of our performance that are neither required by, nor presented in accordance with, GAAP. We believe that Restaurant-level Contribution and Restaurant-level Contribution margin provide useful information to management and investors regarding certain financial and business trends relating to our financial condition and operating results. We expect Restaurant-level Contribution to increase in proportion to the number of new restaurants we open and our comparable restaurant sales growth.

We present Restaurant-level Contribution because it excludes the impact of general and administrative expenses, which are not incurred at the restaurant-level. We also use Restaurant-level Contribution to measure operating performance and returns from opening new restaurants. Restaurant- level Contribution margin allows us to evaluate the level of Restaurant-level Contribution generated from sales.

However, you should be aware that Restaurant-level Contribution and Restaurant-level Contribution margin are financial measures which are not indicative of overall results for the Company, and Restaurant-level Contribution and Restaurant-level Contribution margin do not accrue directly to the benefit of stockholders because of corporate-level expenses excluded from such measures.

In addition, when evaluating Restaurant-level Contribution and Restaurant-level Contribution margin, you should be aware that in the future we may incur expenses similar to those excluded when calculating these measures. Our presentation of these measures should not be construed as an inference that our future results will be unaffected by unusual or non-recurring items. Our computation of Restaurant-level Contribution and Restaurant- level Contribution margin may not be comparable to other similarly titled measures computed by other companies, because all companies may not calculate Restaurant-level Contribution and Restaurant-level Contribution margin in the same fashion. Restaurant-level Contribution and Restaurant- level Contribution margin have limitations as analytical tools, and you should not consider it in isolation or as a substitute for analysis of our results as reported under GAAP.

The following table reconciles operating income to Restaurant-level Contribution and Restaurant-level Contribution margin for the fiscal years ended December 31, 2019 and December 31, 2020, and for the nine months ended September 30, 2020 and September 30, 2021, respectively:

	Years Ended December 31,		Nine months ended September 30,	
	2020	2019	2021	2020
Net restaurant operating income (loss), as reported	$ (72,797)	$ 457,447	$ 161,577	$ (613,986)
Depreciation and amortization	114,478	102,416	94,294	83,181
Restaurant-level Contribution	$ 41,681	$ 559,863	$ 255,871	$ (530,805)
Operating profit margin	-13.7%	-1.6%	-6.3%	-50.7%
Restaurant-level Contribution Margin	1.3%	13.8%	5.8%	-27.7%

Average Unit Volumes (AUVs)

"Average Unit Volumes" or "AUVs" consist of the average annual sales of all restaurants that have been open for 3 months or longer at the end of the fiscal year presented. AUVs are calculated by dividing (x) annual sales for the fiscal year presented for all such restaurants by (y) the total number of restaurants in that base. We make fractional adjustments to sales for restaurants that were not open for the entire fiscal year presented (such as a restaurant closed for renovation) to annualize sales for such period of time. This measurement allows management to assess changes in consumer spending patterns at our restaurants and the overall performance of our restaurant base. The AUVs measure is calculated excluding the West Hollywood and Lynwood, California restaurants, which closed in fiscal year 2019 due to underperformance. Since AUVs are calculated based on annual sales for the fiscal year presented, they are not presented in this prospectus on an interim basis for the nine-months ended September 30, 2020 and 2021.

The following table shows the AUVs for the fiscal years for the fiscal years ended December 31, 2019 and December 31, 2020, respectively:

	Years ended December 31,	
	2020	2019
Average Unit Volumes	$ 904,745	$ 1,091,364

Comparable Restaurant Sales Growth

Measuring our comparable restaurant sales growth allows us to evaluate the performance of our existing restaurant base. Various factors impact comparable restaurant sales, including:

- consumer recognition of our brand and our ability to respond to changing consumer preferences;
- overall economic trends, particularly those related to consumer spending;
- our ability to operate restaurants effectively and efficiently to meet consumer expectations;
- pricing;
- guest traffic;
- per-guest spend and average check;
- marketing and promotional efforts;
- local competition; and
- opening of new restaurants in the vicinity of existing locations.

The following table shows the comparable restaurant sales growth for the fiscal years ended December 31, 2019 and December 31, 2020, and for the nine months ended September 30, 2020 and September 30, 2021, respectively

	Years ended December 31,		Nine months ended September 30,	
	2020	2019	2021	2020
Comparable restaurant sales growth (%)	-29.3%	7.4%	63.4%	-32.3%
Comparable restaurant base	4	6	5	4

Number of Restaurant Openings

The following table shows the growth in our restaurant base for the fiscal years ended December 31, 2019 and December 31, 2020, and for the nine months ended September 30, 2020 and September 30, 2021, respectively:

	Years ended December 31,		Nine months ended September 30,	
	2020	2019	2021	2020
Restaurant activity:				
Beginning of period	4	5	5	4
Openings	1	1	1	1
Closing	-	(2)	-	-
End of period	5	4	6	5

Key Financial Definitions

Revenues. Revenues represent sales of food and beverages in restaurants. Restaurant sales in a given period are directly impacted by the number of restaurants we operate and comparable restaurant sales growth.

Food and beverage. Food and beverage costs are variable in nature, change with sales volume and are influenced by menu mix and subject to increases or decreases based on fluctuations in commodity costs. Other important factors causing fluctuations in food and beverage costs include seasonality and restaurant-level management of food waste. Food and beverage costs are a substantial expense and are expected to grow proportionally as our sales grows.

Labor. Labor includes all restaurant-level management and hourly labor costs, including wages, employee benefits and payroll taxes. Similar to the food and beverage costs that we incur, labor and related expenses are expected to grow proportionally as our sales increase. Factors that influence fluctuations in our labor and related expenses include minimum wage and payroll tax legislation, the frequency and severity of workers' compensation claims, healthcare costs and the performance of our restaurants.

Rent and utilities. Rent and utilities include rent for all restaurant locations and related taxes.

Depreciation and amortization expenses. Depreciation and amortization expenses are periodic non-cash charges that consist of depreciation of fixed assets, including equipment and capitalized leasehold improvements. Depreciation is determined using the straight-line method over the assets' estimated useful lives, ranging from three to ten years.

Delivery and service fees. The Company's customers may order online through third party service providers such as Uber Eats, Door Dash, Grubhub and others. These third-party service providers charge delivery and order fees to the Company.

General and administrative expenses. General and administrative expenses include expenses associated with corporate and regional supervision functions that support the operations of existing restaurants and development of new restaurants, including compensation and benefits, travel expenses, stock-based compensation expenses for corporate-level employees, legal and professional fees, marketing costs, information systems, corporate office rent and other related corporate costs. General and administrative expenses are expected to grow as our sales grows, including incremental legal, accounting, insurance and other expenses incurred as a public company.

Advertising and marketing expenses. Advertising and marketing expenses include expenses associated with marketing campaigns and periodic advertising. Advertising and marketing expenses are expected to grow leading up to planned openings of restaurant locations and is expected to stabilize as an average by location as our sales grows.

Interest expense. Interest expense includes non-cash charges related to our capital lease obligations and bank notes payable.

Income tax provision (benefit). Provision for income taxes represents federal, state and local current and deferred income tax expense.

Results of Operations

Nine months ended September 30, 2020 Compared to Nine months ended September 30, 2021

The following table presents selected comparative results of operations from our unaudited financial statements for the nine months ended September 30, 2020 compared to nine months ended September 30, 2021. Our financial results for these periods are not necessarily indicative of the financial results that we will achieve in future periods. Certain totals for the table below may not sum to 100% due to rounding.

	Nine months ended September 30,		*Increase / (Decrease)*	
	2021	***2020***	***Dollars***	***Percentage***
Revenue	$ 4,449,354	$ 1,918,930	$ 2,530,424	131.9%
Restaurant operating expenses:				
Food, beverages and supplies	1,344,672	909,670	435,002	47.8%
Labor	1,999,084	1,075,751	923,333	85.8%
Rent and utilities	465,677	280,837	184,840	65.8%
Delivery and service fees	384,050	183,477	200,573	109.3%
Depreciation	94,294	83,181	11,113	13.4%
Total restaurant operating expenses	4,287,777	2,532,916	1,754,861	69.3%
Net operating restaurant operating income (loss)	161,577	(613,986)	775,563	-126.3%
General and administrative	428,926	324,416	104,510	32.2%
Advertising and marketing	12,437	33,868	(21,431)	-63.3%
Total operating expenses	441,363	358,284	83,079	23.2%
Loss from operations	(279,786)	(972,270)	692,484	-71.2%
Other income (expense):				
PPP loan forgiveness	269,887	-	269,887	n/a
Other income	25,000	40,718	(15,718)	-38.6%
Interest	(44,145)	(73,356)	29,211	-39.8%
Income before income taxes	(29,044)	(1,004,908)	975,864	-97.1%
Income tax provision	13,924	9,978	3,946	39.5%
Net income (loss)	**$ (42,968)**	**$ (1,014,886)**	**$ 971,918**	**-95.8%**

	Nine months ended September 30,	
	2021	***2020***
	(as a percentage of revenues)	
Revenue	100.0%	100.0%
Restaurant operating expenses:		
Food, beverages and supplies	30.2%	47.4%
Labor	44.9%	56.1%
Rent and utilities	10.5%	14.6%
Delivery and service fees	8.6%	9.6%

Depreciation	2.1%	4.3%
Total restaurant operating expenses	96.4%	132.0%
Net operating restaurant operating income (loss)	3.6%	-32.0%
General and administrative	9.6%	16.9%
Advertising and marketing	0.3%	1.8%
Total operating expenses	9.9%	18.7%
Loss from operations	-6.3%	-50.7%
Other income (expense):		
PPP loan forgiveness	6.1%	0.0%
Other income	0.6%	2.1%
Interest	-1.0%	-3.8%
Income before income taxes	-0.7%	-52.4%
Income tax provision	0.3%	0.5%
Net income (loss)	**-1.0%**	**-52.9%**

Revenues. Revenues were $4.4 million for the nine months ended September 30, 2021 compared to $1.9 million for the nine months ended September 30, 2020, representing an increase of approximately $2.5 million, or 131.9%. The increase in sales for the nine-month period was primarily driven by $1.4 million in sales for the period from two new restaurants opened in August 2020 and July 2021. The location that opened in 2020 accounted for approximately $117,000 of revenue during the nine months ended September 30, 2020. The remainder of the increase is considered to be attributable to recovery from the impact of the pandemic on customer traffic during 2020. The four restaurant locations that were open through all of 2020 each experienced significant sales growth in the current year. Combined average monthly sales for these locations increased 71.7% for the nine month period ended September 30, 2021 from the comparable period in the prior year.

Food, beverage and supplies. Food, beverage and supplies costs were $1.3 million for the nine months ended September 30, 2021 compared to $0.9 million for the nine months ended September 30, 2020, representing an increase of approximately $0.4 million, or 47.8%. The increase in costs for the nine month period was primarily driven by increases in revenues from two new restaurants opened and from the recovery from lower volume experienced during the pandemic. As a percentage of sales, food, beverage and supplies costs decreased to 30.2% in the nine months ended September 30, 2021 compared to 47.4% in the nine month ended September 30, 2020. The decrease in costs as a percentage of sales was primarily driven by the increases in our menu prices and seasonal fluctuations in cost of ingredients.

Labor. Labor and related costs were $2.0 million for the nine months ended September 30, 2021 compared to $1.1 million for the nine months ended September 30, 2020, representing an increase of approximately $923,000, or 85.8%. The increase in costs was largely driven by additional labor costs incurred with respect to two new restaurants opened. As a percentage of sales, labor and related costs decreased to 44.9% in the nine months ended September 30, 2021 compared to 56.1% in the nine months ended September 30, 2020. The decrease in costs as a percentage of sales was primarily driven by recovery in sales volume from levels experienced during the pandemic without commensurate increases in labor costs. This is largely a result of the Company maintaining staffing levels through the pandemic effected period, partially funded by pandemic assistance made available in the form of loans from government entities.

Rent and utilities. Rent and utilities expenses were approximately $466,000 for the nine months ended September 30, 2021 compared to $281,000 for the nine months ended September 30, 2020, representing an increase of approximately $185,000, or 65.8%. The increase was primarily a result of additional occupancy expenses incurred with respect to two new restaurants opened. As a percentage of sales, rent and utilities expenses decreased to 10.5% in the nine months ended September 30, 2021, compared to 14.6% for the nine months ended September 30, 2020. The decrease in costs as a percentage of sales was primarily driven by the increases in sales and relatively fixed occupancy costs for established locations.

Depreciation and amortization expenses. Depreciation and amortization expenses incurred were approximately $94,000 for the nine months ended September 30, 2021 compared to $83,000 for the nine months ended September 30, 2020, representing an increase of approximately $11,000, or 13.4%. The increase was primarily due to increased depreciation for the two new restaurants opened. As a percentage of sales, depreciation and amortization expenses decreased to 2.1% for the nine months ended September 30, 2021 compared to 4.3% for the comparable period in the prior year. The change is largely driven by the increases in sales from period to period.

Delivery and service fees. Delivery and service fees incurred were approximately $384,000 for the nine months ended September 30, 2021 compared to $183,000 for the nine months ended September 30, 2020, representing an increase of approximately $201,000, or 109.3%. The increase is primarily due to the significant growth of the food delivery operations during the pandemic affected period when inside dining operations were limited and continued into the recovery period. As a percentage of sales, delivery and service fees decreased to 8.6% for the nine months ended September 30, 2021 compared to 9.6% for the comparable period in the prior year. The change is largely driven by the increases in sales from period to period.

General and administrative expenses. General and administrative expenses were approximately $429,000 for the nine months ended September 30, 2021 compared to $324,000 for the nine months ended September 30, 2020, representing an increase of approximately $104,000, or 32.2%. This increase in general and administrative expenses was primarily due to the hiring of additional administrative employees, increases in professional services and corporate-level costs to support growth plans, the opening of new restaurants, as well as costs associated with outside administrative, legal and professional fees and other general corporate expenses associated with preparing to become a public company. As a percentage of sales, general and administrative expenses decreased to 9.6% in the nine months ended September 30, 2021 from 16.9% in the nine months ended September 30, 2020, primarily due to the significant increase in sales outpacing the increase in necessary corporate costs mentioned above.

Results of Operations

Fiscal Year Ended December 31, 2019 Compared to Fiscal Year Ended December 31, 2020

The following table presents selected comparative results of operations from our audited financial statements for the fiscal year ended December 31, 2019 compared to the fiscal year ended December 31, 2020. Our financial results for these periods are not necessarily indicative of the financial results that we will achieve in future periods. Certain totals for the table below may not sum to 100% due to rounding.

	Years Ended December 31,		*Increase / (Decrease)*	
	2020	***2019***	***Dollars***	***Percentage***
Revenue	$ 3,170,925	$ 4,058,739	$ (887,814)	-21.9%
Restaurant operating expenses:				
Food, beverages and supplies	903,313	1,533,959	(630,646)	-41.1%
Labor	1,542,796	1,241,075	301,721	24.3%
Rent and utilities	437,972	504,430	(66,458)	-13.2%
Delivery and service fees	245,163	219,412	25,751	11.7%
Depreciation	114,478	102,416	12,062	11.8%
Total restaurant operating expenses	3,243,722	3,601,292	(357,570)	-9.9%
Net operating restaurant operating income (loss)	(72,797)	457,447	(530,244)	-115.9%

General and administrative	330,739	501,192	(170,453)	-34.0%
Advertising and marketing	30,054	20,721	9,333	45.0%
Total operating expenses	360,793	521,913	(161,120)	-30.9%
Loss from operations	(433,590)	(64,466)	(369,124)	572.6%
Other income (expense):				
Other income	53,929	16,934	36,995	218.5%
Interest	(51,590)	(64,036)	12,446	-19.4%
Income before income taxes	(431,251)	(111,568)	(319,683)	286.5%
Income tax provision	18,877	22,557	(3,680)	-16.3%
Net income (loss)	**$ (450,128)**	**$ (134,125)**	**$ (316,003)**	**235.6%**

	Years Ended December 31,	
	2020	***2019***
	(as a percentage of revenues)	
Revenue	100.0%	100.0%
Restaurant operating expenses:		
Food, beverages and supplies	28.5%	37.8%
Labor	48.7%	30.6%
Rent and utilities	13.8%	12.4%
Delivery and service fees	7.7%	5.4%
Depreciation	3.6%	2.5%
Total restaurant operating expenses	102.3%	88.7%
Net operating restaurant operating income (loss)	-2.3%	11.3%
General and administrative	10.4%	12.3%
Advertising and marketing	0.9%	0.5%
Total operating expenses	11.4%	12.9%
Loss from operations	-13.7%	-1.6%
Other income (expense):		
Other income	1.7%	0.4%
Interest	-1.6%	-1.6%
Income before income taxes	-13.6%	-2.7%
Income tax provision	0.6%	0.6%
Net income (loss)	**-14.2%**	**-3.3%**

Revenues. Revenues were $3.2 million for the year ended December 31, 2020 compared to $4.1 million for the year ended December 31, 2019, representing a decrease of approximately $0.9 million, or 21.9%. The decrease in sales for the year was primarily driven by closures and reduced customer traffic as a result of the pandemic. The Company also closed two stores in mid-2019 and opened one new store in August 2020, so there was a net decrease of one location from year to year. The three restaurant locations that were open through all of 2020 each experienced significant sales declines in the current year. Combined average monthly sales for these locations decreased 36.8% for the year ended December 31, 2020 from prior year.

Food, beverage and supplies. Food, beverage and supplies costs were approximately $900,000 for the year ended December 31, 2020 compared to $1.5 million for the year ended December 31, 2019, representing a decrease of approximately $0.6 million, or 41.3%. The decrease in costs for the year was primarily driven by decrease in sales for the year. As a percentage of sales, food, beverage and supplies costs decreased to 28.4% in the year ended December 31, 2020 compared to 37.7% in the year ended December 31, 2019. The decrease in costs as a percentage of sales was primarily driven by the increases in our menu prices and seasonal fluctuations in cost of ingredients.

Labor. Labor and related costs were $1.5 million for the year ended December 31, 2020 compared to $1.2 million for the year ended December 31, 2019, representing an increase of approximately $302,000, or 24.3%. The increase in costs was largely driven by additional labor costs incurred with respect to one new restaurant opened while maintaining staffing at other locations despite pandemic pressures. As a percentage of sales, labor and related costs increased to 48.7% in the year ended December 31, 2020 compared to 30.6% in year ended December 31, 2019. The increase in costs as a percentage of sales was primarily driven by the decline in sales volume during the pandemic without commensurate decreases in labor costs. This is largely a result of the Company maintaining staffing levels through the pandemic effected period, partially funded by pandemic assistance made available in the form of loans from government entities.

Rent and utilities. Rent and utilities expenses were approximately $438,000 for the year ended December 31, 2020 compared to $504,000 for the year ended December 31, 2019, representing a decrease of approximately $66,000, or 13.2%. The decrease was primarily a result of reduced occupancy expenses from the net decrease of one restaurant location. As a percentage of sales, rent and utilities expenses increased to 13.8% in the year ended December 31, 2020, compared to 12.4% for the year ended December 31, 2019, The increase in costs as a percentage of sales was primarily driven by the decreases in sales outpacing the and relatively fixed occupancy costs for established locations.

Depreciation and amortization expenses. Depreciation and amortization expenses incurred were approximately $114,000 for the year ended December 31, 2020 compared to $102,000 for the year ended December 31, 2019, representing an increase of approximately $12,000, or 11.8%. The increase was primarily due to continued depreciation of equipment additions for locations in the prior year. As a percentage of sales, depreciation and amortization expenses increased to 3.6% for the year ended December 31, 2020 compared to 2.5% for the comparable period in the prior year. The change is largely driven by the decreases in sales from period to period.

Delivery and service fees. Delivery and service fees incurred were approximately $245,000 for the year ended December 31, 2020 compared to $219,000 for the year ended December 31, 2019, representing an increase of approximately $26,000, or 11.7%. The increase is primarily due to the significant growth of the food delivery operations during the pandemic affected period when inside dining operations were limited and continued into the recovery period. As a percentage of sales, delivery and service fees increased to 7.7% for the year ended December 31, 2020 compared to 5.4% for the comparable period in the prior year. The change is largely driven by the increased costs despite decreases in sales from period to period.

General and administrative expenses. General and administrative expenses were approximately $331,000 for the year ended December 31, 2020 compared to $501,000 for the year ended December 31, 2019, representing a decrease of approximately $170,000, or 34.0%. This decrease in general and administrative expenses was primarily due to more conservative spending during the uncertain pandemic affected period. Management purposely reduced discretionary expenses to focus available funding on restaurant operations. As a percentage of sales, general and administrative expenses decreased to 10.4% in the year ended December 31, 2020 from 12.3% in the year ended December 31, 2019, primarily due to the purposeful decrease in administrative expenditures as mentioned above.

Quarterly Results of Operations

The following tables summarize our selected unaudited quarterly statements of operations data for each of the 11 fiscal quarters through the period ended September 30, 2021. The information for each of these fiscal quarters has been prepared on a basis consistent with our audited financial statements and, in the opinion of management, includes all adjustments of a normal, recurring nature that are necessary for the fair statement of the results of operations for these periods in accordance with GAAP. The data should be read in conjunction with our audited financial statements included elsewhere in this prospectus. Our historical results are not necessarily indicative of the results that may be expected for a full year or in any future period.

	Three months ended (amounts in thousands)						
	Sep. 30, 2021	***Jun. 30, 2021***	***Mar. 31, 2021***	***Dec. 31, 2020***	***Sep. 30, 2020***	***Jun. 30, 2020***	***Mar. 31, 2020***
Revenue:							
Food and beverage	$ 1,842	$ 1,382	$ 1,225	$ 1,252	$ 696	$ 355	$ 868
Total revenue	1,842	1,382	1,225	1,252	696	355	868
Restaurant operating expenses:							
Food, beverages and supplies	588	382	375	(7)	432	197	281
Rent and utilities	197	130	139	157	131	68	82
Labor	923	572	504	467	519	214	343
Delivery and service fees	131	126	127	62	81	60	42
Depreciation	32	31	31	31	29	27	27
Total restaurant operating expenses	1,871	1,241	1,176	710	1,192	566	775
Operating expenses:							
General and administrative	194	117	118	7	189	71	64
Advertising and marketing	10	2	-	(4)	22	4	8
Total operating expenses	204	119	118	3	211	75	72
Total restaurant and operating expenses	2,075	1,360	1,294	713	1,403	641	847
Loss from operations	(233)	22	(69)	539	(707)	(286)	21
Other income (expense):							
PPP loan forgiveness	270	-	-	-	-	-	-
Other income	-	25	-	13	31	10	-
Interest	(14)	(17)	(13)	22	(41)	(17)	(16)
Total other income (expense)	256	8	(13)	35	(10)	(7)	(16)
Income before income taxes	23	30	(82)	574	(717)	(293)	5
Income tax provision	7	7	-	9	9	-	1
Net income (loss)	**$ 16**	**$ 23**	**$ (82)**	**$ 565**	**$ (726)**	**$ (293)**	**$ 4**

The following table sets forth our unaudited quarterly results of operations data for each of the periods indicated as a percentage of sales:

	Three months ended						
	Sep. 30, 2021	***Jun. 30, 2021***	***Mar. 31, 2021***	***Dec. 31, 2020***	***Sep. 30, 2020***	***Jun. 30, 2020***	***Mar. 31, 2020***
Revenue:							
Food and beverage	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Total revenue	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Restaurant operating expenses:							
Food, beverages and supplies	31.9%	27.6%	30.6%	-0.6%	62.1%	55.5%	32.4%
Rent and utilities	10.7%	9.4%	11.3%	12.5%	18.8%	19.2%	9.4%
Labor	50.1%	41.4%	41.1%	37.3%	74.6%	60.3%	39.5%
Delivery and service fees	7.1%	9.1%	10.4%	5.0%	11.6%	16.9%	4.8%
Depreciation	1.7%	2.2%	2.5%	2.5%	4.2%	7.6%	3.1%
Total restaurant operating expenses	101.6%	89.8%	96.0%	56.7%	171.3%	159.4%	89.3%
Operating expenses:							
General and administrative	10.5%	8.5%	9.6%	0.6%	27.2%	20.0%	7.4%
Advertising and marketing	0.5%	0.1%	0.0%	-0.3%	3.2%	1.1%	0.9%
Total operating expenses	11.1%	8.6%	9.6%	0.2%	30.3%	21.1%	8.3%
Total restaurant and operating expenses	112.6%	98.4%	105.6%	56.9%	201.6%	180.6%	97.6%
Loss from operations	-12.6%	1.6%	-5.6%	43.1%	-101.6%	-80.6%	2.4%
Other income (expense):							
PPP loan forgiveness	14.7%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Other income	0.0%	1.8%	0.0%	1.0%	4.5%	2.8%	0.0%
Interest	-0.8%	-1.2%	-1.1%	1.8%	-5.9%	-4.8%	-1.8%

Total other income (expense)	13.9%	0.6%	-1.1%	2.8%	-1.4%	-2.0%	-1.8%
Income before income taxes	1.2%	2.2%	-6.7%	45.8%	-103.0%	-82.5%	0.6%
Income tax provision	0.4%	0.5%	0.0%	0.7%	1.3%	0.0%	0.1%
Net income (loss)	**0.9%**	**1.7%**	**-6.7%**	**45.1%**	**-104.3%**	**-82.5%**	**0.5%**

Quarterly Sales Trends

We experienced a decline in total sales in the early part of 2020, primarily driven by closures and reduced customer traffic as a result of the pandemic. The Company also closed two stores in mid-2019 and opened one new store in August 2020, so there was a net decrease of one location when comparing quarterly results from 2020 to comparable periods in 2019. However, our sales started to increase again in the third quarter of 2020 and throughout 2021 primarily attributable to recovery from the impact of the pandemic on customer traffic experienced in early part of 2020 and to the addition of one additional location in July 2021. The four restaurant locations that were open through all of 2020 each experienced significant sales growth the first three quarters of 2021, resulting in comparable period sales growth of 63.4% when compared to the comparable period in the prior year. Sales for the three months ended September 30, 2021 were 33.4% higher than the prior quarter and 164.8% higher than the comparable period in the prior year, even though there was only a net increase of one location over these periods. The Irvine location had just opened during the three months ended September 30, 2021 and the sales for this store are considered to still be in an early growth stage. Once the sales for this location reach its expectation and we open the additional planned locations, sales are expected to continue to trend upward.

Quarterly Restaurant Operating Expense Trends

Our total quarterly operating restaurant expenses decreased in the early part of 2020 primarily due to reduced customer traffic as a result of the pandemic and the net reduction of one location. However, the costs did not decrease at a rate consistent with sales. As a percentage of sales, costs increased over the early part of 2020 and then decreased back to expected levels as sales increased as discussed above. For the three month periods ended June 30 and September 30, 2020, the restaurant operating expenses as a percentage of sales were 159.4% and 171.3%, respectively. For comparison, for the three months ended June 30 and September 30, 2021, these expenses as a percentage of sales were 89.8% and 101.6%. This is largely attributable to maintaining staffing at locations despite pandemic pressures.

Quarterly General and Administrative Trends

The overall increase in quarterly general and administrative expenses over the course of the periods presented was primarily due to the hiring of additional administrative employees, increases in professional services and corporate-level costs to support growth plans, the opening of new restaurants, as well as costs associated with outside administrative, legal and professional fees and other general corporate expenses associated with preparing to become a public company. The decrease in general and administrative expenses in the early part of 2020 was primarily due to more conservative spending during the uncertain pandemic affected period. Management purposely reduced discretionary expenses to focus available funding on restaurant operations.

Quarterly Depreciation and Amortization Trends

Depreciation and amortization expenses remained relatively consistent through the quarters presented, primarily to the consistency in the number of operating locations. The company closed two stores in 2019, and then opened one new location in each of 2020 and 2021 to date, thus the number of operating stores had not net change over the periods presented.

Liquidity and Capital Resources

Our primary uses of cash are for operational expenditures and capital investments, including new restaurants, costs incurred for restaurant remodels and restaurant fixtures. Historically, our main sources of liquidity have been cash flows from operations, borrowings from banks, and sales of common shares. In recent periods, the Company received significant assistance from governmental funds available in response to closures and impact on the business as a result of the pandemic. During the year ended December 31, 2020, the Company received approximately $723,000 in loans from these government assistance programs, and received additional loans amounting to approximately $1,360,000 during the nine-month period ended September 30, 2021. Certain of these loans are eligible for forgiveness under the government plans. During the nine months ended September 30, 2021, PPP loans amounting to approximately $277,000 were forgiven. See Note 4 (Bank Note Payables) and Note 5 (Loan Payables, PPP) to the unaudited financial statements report for a more detailed discussion.

The Company has suffered recurring losses from operations and has a significant accumulated deficit. During the audited years ended December 31, 2019 and December 31, 2020, and the nine month period ended September 30, 2021, the Company had net loss of $134,125, $450,128 and $42,968, respectively. In addition, the company continues to experience negative cash flow from operations and has a significant accumulated deficit, which was $2,586,790 at September 30, 2021. These factors raise a substantial doubt about the company's ability to continue as a going concern, and our independent registered public accounting firm has included a going concern uncertainty explanatory paragraph in their report dated December 15, 2021.

The significant components of our working capital are liquid assets such as cash and short term receivables and inventories, reduced by accounts payable and accrued expenses. Our working capital position benefits from the fact that we generally collect cash from sales to guests the same day or, in the case of credit or debit card transactions, within several days of the related sale, while we typically have longer payment terms with our vendors.

We believe that expected cash flow from operations and the establishment of a credit facility will be adequate to fund operating lease obligations, capital expenditures and working capital obligations for at least the next 12 months. However, our ability to continue to meet these requirements and obligations will depend on, among other things, our ability to achieve anticipated levels of sales and cash flow and our ability to manage costs and working capital successfully. See "Risk Factors—Risks Related to Our Business and Industry—We may need capital in the future, and we may not be able to raise that capital on favorable terms."

Summary of Cash Flows

The following table summarizes our cash flows for the periods presented:

	Years ended December 31,		*Nine months ended September 30,*	
	2020	***2019***	***2021***	***2020***
Statement of Cash Flow Data:				
Net cash (used in) provided by operating activities	$ 82,354	$ 690,613	$ 591,452	$ (92,714)
Net cash used in investing activities	(545,235)	(52,550)	(814,163)	(514,315)

Net cash provided by (used in) financing activities	384,764	(624,329)	276,010	530,149

Cash Flows Provided by Operating Activities

Net cash provided by operating activities during the nine months ended September 30, 2021 was $584,626, which resulted from net loss of $42,968, non-cash charges of $94,294 for depreciation and amortization, and net cash in-flows of $533,300 from changes in operating assets and liabilities. The net cash in-flows from changes in operating assets and liabilities were primarily the result of increases in inventories of $14,499 and other assets of $65,732 and a decrease in payables to related parties of $426,179, partially offset by increases of $121,652 in accounts payable and accrued expenses and $65,700 in other payables. The decrease in payables to related parties was the result of repayment of expenditures incurred by the related parties in connection with the opening of new restaurants during 2019 and 2020 The increase in accounts payable was primarily due to the timing of cash payments.

Net cash used in operating activities during the nine months ended September 30, 2020 was $92,714, which resulted from net loss of $1,014,886, non-cash charges of $838,991 for depreciation and amortization, and net cash inflows of $838,991 from changes in operating assets and liabilities. The net loss was significantly higher for the period relative to prior periods as a result of closures and reduced customer traffic as a result of the pandemic. The net cash inflows from changes in operating assets and liabilities were primarily the result of increased payables to related parties of $921,102, partially offset by an increase of $5,452 in inventories and a decrease of $76,178 in accounts payable and accrued expenses. The increase in payables to related parties was the result of expenditures incurred by the related parties in connection with the opening of new restaurants. The decrease in accounts payable was primarily due to the timing of cash payments.

Net cash provided by operating activities during the year ended December 31, 2020 was $82,354, which resulted from net loss of $450,128, non-cash charges of $114,478 for depreciation and amortization, and net cash inflows of $418,004 from changes in operating assets and liabilities. The net loss was significantly higher for the period relative to prior periods as a result of closures and reduced customer traffic as a result of the pandemic. The net cash inflows from changes in operating assets and liabilities were primarily the result of increased payables to related parties of $535,265, partially offset by increases of $1,661 in inventories and $20,199 in other assets and a decrease of $94,920 in accounts payable and accrued expenses. The increase in payables to related parties was the result of expenditures incurred by the related parties in connection with the opening of new restaurants. The decrease in accounts payable was primarily due to the timing of cash payments.

Net cash provided by operating activities during the year ended December 31, 2019 was $772,308, which resulted from net loss of $134,125, non-cash charges of $102,416 for depreciation and amortization, and net cash inflows of $804,017 from changes in operating assets and liabilities. The net cash inflows from changes in operating assets and liabilities were primarily the result of increases in payables to related parties of $650,052, in accounts payable of $114,037, and in other payables of $23,218 and a decrease in inventories of $20,757, partially offset by a decrease of $4,047 in other assets. The increase in payables to related parties was the result of expenditures incurred by the related parties in connection with the opening of new restaurants. The increase in accounts payable was primarily due to the timing of cash payments.

Cash Flows Used in Investing Activities

Net cash used in investing activities during the nine months ended September 30, 2021 and 2020 was $814,163 and $514,315, respectively, and during the years ended December 31, 2020 and 2019 was $545,235 and $134,245, respectively. These expenditures in each period are primarily related to purchases of property and equipment in connection with current and future restaurant openings and maintaining our existing restaurants.

Cash Flows Provided by (Used in) Financing Activities

Net cash provided by financing activities during the nine months ended September 30, 2021 was $282,836, primarily due to $1.6 million cash received through borrowings from banks and from pandemic relief funds available from government agencies, offset by $294,974 of repayment of borrowings and a reduction of $276,713 related to the PPP loan forgiveness, and shareholder distributions of $696,071, net of shareholder contributions.

Net cash provided by financing activities during the nine months ended September 30, 2020 was $530,149, primarily due to $937,230 cash received through borrowings from banks and from pandemic relief funds available from government agencies, net of repayments. This was partially offset by $467,081 in shareholder distributions.

Net cash provided by financing activities during the year ended December 31, 2020 was $384,764, primarily due to approximately $961,000 cash received through borrowings from banks and from pandemic relief funds available from government agencies, net of repayments. This was partially offset by $605,194 in shareholder distributions, net of shareholder contributions.

Net cash used in financing activities during the year ended December 31, 2019 was $624,329, primarily due to $44,934 of repayment of borrowings and $684,396 of shareholder distributions, net of shareholder contributions.

Contractual Obligations

The following table presents our commitments and contractual obligations as of September 30, 2021, as well as our long-term obligations:

	Payments due by period as of September 30, 2021				
	Total	2021	2022-2023	2024-2025	Thereafter
Capital lease payments	$ 2,904,468	$ 98,933	$ 697,513	$ 739,366	$ 1,368,656
Bank note payables	1,191,429	51,284	468,288	453,222	218,096
PPP loan payables	385,900	7,718	185,232	185,232	7,718
EIDL loan payables	450,000	8.621	31,034	31,034	379,310
Restaurant revitalization fund loan payable	700,454	-	700,454	-	-
Total contractual obligations	**$ 5,632,251**	**$ 167,096**	**$ 2,082,521**	**$ 1,408,854**	**$ 1,973,780**

Off-Balance Sheet Arrangements

As of September 30, 2021, we did not have any material off-balance sheet arrangements

Quantitative and Qualitative Disclosure of Market Risks

Commodity and Food Price Risks

Our profitability is dependent on, among other things, our ability to anticipate and react to changes in the costs of key operating resources, including food and beverage and other commodities. We have been able to partially offset cost increases resulting from a number of factors, including market conditions, shortages or interruptions in supply due to weather or other conditions beyond our control, governmental regulations and inflation, by increasing our menu prices, as well as making other operational adjustments that

increase productivity. However, substantial increases in costs and expenses could impact our operating results to the extent that such increases cannot be offset by menu price increases or operational adjustments.

Inflation Risk

The primary inflationary factors affecting our operations are food and beverage costs, labor costs, and energy costs. Our restaurant operations are subject to federal and state minimum wage and other laws governing such matters as working conditions, overtime and tip credits. Significant numbers of our restaurant personnel are paid at rates related to the federal and/or state minimum wage and, accordingly, increases in the minimum wage increase our labor costs. To the extent permitted by competition and the economy, we have mitigated increased costs by increasing menu prices and may continue to do so if deemed necessary in future years. Substantial increases in costs and expenses could impact our operating results to the extent such increases cannot be passed through to our guests. Historically, inflation has not had a material effect on our results of operations. Severe increases in inflation, however, could affect the global and U.S. economies and could have an adverse impact on our business, financial condition or results of operations.

While we have been able to partially offset inflation and other changes in the costs of core operating resources by gradually increasing menu prices, coupled with more efficient purchasing practices, productivity improvements and greater economies of scale, there can be no assurance that we will be able to continue to do so in the future. From time to time, competitive conditions could limit our menu pricing flexibility. In addition, macroeconomic conditions could make additional menu price increases imprudent. There can be no assurance that future cost increases can be offset by increased menu prices or that increased menu prices will be fully absorbed by our guests without any resulting change to their visit frequencies or purchasing patterns. In addition, there can be no assurance that we will generate same sales growth in an amount sufficient to offset inflationary or other cost pressures.

Critical Accounting Policies and Estimates

Our discussion and analysis of operating results and financial condition are based upon our financial statements. The preparation of our financial statements in accordance with GAAP requires us to make estimates and assumptions that affect the reported amounts of assets, liabilities, sales, expenses and related disclosures of contingent assets and liabilities. We base our estimates on past experience and other assumptions that we believe are reasonable under the circumstances, and we evaluate these estimates on an ongoing basis.

Our critical accounting policies are those that materially affect our financial statements and involve subjective or complex judgments by management. Although these estimates are based on management's best knowledge of current events and actions that may impact us in the future, actual results may be materially different from the estimates. We believe the following critical accounting policies are affected by significant judgments and estimates used in the preparation of our financial statements and that the judgments and estimates are reasonable.

Operating and Capital Leases

We currently lease all of our restaurant locations, corporate offices, and some of the equipment used in our restaurants. In accordance with ASC 842, Leases, the Company determines whether an arrangement contains a lease at inception. A lease is a contract that provides the right to control an identified asset for a period of time in exchange for consideration. For identified leases, the Company determines whether it should be classified as an operating or finance lease. Operating leases are recorded in the balance sheet as: right-of-use asset ("ROU asset") and operating lease liability. ROU asset represents the Company's right to use an underlying asset for the lease term and lease liability represents the Company's obligation to make lease payments arising from the lease. ROU assets and operating lease liabilities are recognized at the commencement date of the lease and measured based on the present value of lease payments over the lease term. The ROU asset also includes deferred rent liabilities. The Company's lease arrangement generally do not provide an implicit interest rate. As a result, in such situations the Company uses its incremental borrowing rate based on the information available at commencement date in determining the present value of lease payments. The Company includes options to extend or terminate the lease when it is reasonably certain that it will exercise that option in the measurement of its ROU asset and liability. Lease expense for the operating lease is recognized on a straight-line basis over the lease term. The Company has a lease agreement with lease and non-lease components, which are accounted for as a single lease component.

Impairment of Long-Lived Assets

When circumstances, such as adverse market conditions, indicate that the carrying value of a long-lived asset may be impaired, the Company performs an analysis to review the recoverability of the asset's carrying value, which includes estimating the undiscounted cash flows (excluding interest charges) from the expected future operations of the asset. These estimates consider factors such as expected future operating income, operating trends and prospects, as well as the effects of demand, competition and other factors. If the analysis indicates that the carrying value is not recoverable from future cash flows, an impairment loss is recognized to the extent that the carrying value exceeds the estimated fair value. Any impairment losses are recorded as operating expenses, which reduce net income.

Jumpstart Our Business Startups Act of 2012

On April 5, 2012, the JOBS Act was enacted. Section 107 of the JOBS Act provides that an emerging growth company can take advantage of the extended transition period provided in Section 7(a)(2)(B) of the Securities Act for complying with new or revised accounting standards. In other words, an emerging growth company can delay the adoption of certain accounting standards until those standards would otherwise apply to private companies. We have irrevocably elected not to avail ourselves of this extended transition period and, as a result, we will adopt new or revised accounting standards on the relevant dates on which adoption of such standards is required for other non-emerging growth companies.

We are in the process of evaluating the benefits of relying on other exemptions and reduced reporting requirements provided by the JOBS Act. Subject to certain conditions set forth in the JOBS Act, if as an emerging growth company we choose to rely on such exemptions, we may not be required to, among other things, (i) provide an auditor's attestation report on our systems of internal controls over financial reporting pursuant to Section 404 of the Sarbanes-Oxley Act, (ii) provide all of the compensation disclosure that may be required of non-emerging growth public companies under the Dodd-Frank Act, (iii) comply with any requirement that may be adopted by the Public Company Accounting Oversight Board regarding mandatory audit firm rotation or a supplement to the auditor's report providing additional information about the audit and the financial statements (auditor discussion and analysis), and (iv) disclose certain executive compensation-related items such as the correlation between executive compensation and performance and comparisons of the Chief Executive Officer's compensation to median employee compensation. These exemptions will apply until we no longer meet the requirements of being an emerging growth company. We will remain an emerging growth company until the earliest of (1) the last day of the fiscal year following the fifth anniversary of the completion of our initial public offering, (2) the last day of the fiscal year in which we have total annual gross revenue of at least $1.07 billion, (3) the date on which we are deemed to be a large accelerated filer, which means year-end at which the total market value of our common equity securities held by non-affiliates exceeds $700 million as of the last business day of our most recently completed second fiscal quarter, and (4) the date on which we have issued more than $1.0 billion in non-convertible debt during the prior three-year period.

BUSINESS

Overview of Yoshiharu

Yoshiharu is a fast-growing Japanese restaurant operator and was borne out the idea of introducing the modernized Japanese dining experience to customers all over the world. Specializing in authentic Japanese ramen, Yoshiharu gained recognition as a leading ramen restaurant in Southern California within six months of our 2016 debut and has continued to expand our top-notch restaurant service across Southern California, currently operating 6 restaurants with an additional 3 in development and 8 expected to open in 2022. We take pride in our warm, hearty, smooth, and rich bone broth, which is slowly boiled for over 12 hours. Customers can taste and experience supreme quality and deep flavors. Combining the broth with the fresh, savory, and highest-quality ingredients, Yoshiharu serves the perfect, ideal ramen, as well as offers customers a wide variety of sushi, bento menu and other favorite Japanese cuisine. Our acclaimed signature Tonkotsu Black Ramen has become a customer favorite with its slow cooked pork bone broth and freshly made, tender chashu (braised pork belly).

Our mission is to bring ramen and Japanese cuisine to the mainstream, by providing a meal that customers find comforting. Since the inception of the business, we have been making our own ramen broth and other key ingredients such as pork chashu and flavored eggs from scratch, whereby upholding the quality and taste of our foods, including the signature texture and deep, rich flavor of our handcrafted broth. Moreover, we believe that slowly cooking the bone broth makes it high in collagen and rich in nutrients. Yoshiharu also strives to present food that is not only healthy, but also affordable. We feed, entertain and delight our customers, with our active kitchens and bustling dining rooms providing happy hours, student and senior discounts, and special holiday events. As a result of our vision, customers can comfortably enjoy our food in a friendly and welcoming atmosphere.

Our Strengths

Experienced Management Team Dedicated to Growth.

Our team is led by experienced and passionate senior management who are committed to our mission. We are led by our Chief Executive Officer, James Chae. Mr. Chae founded Yoshiharu in 2016 and has helped grow the business since that time. Mr. Chae leads a team of talented professionals with deep financial, operational, culinary, and real estate experience.

Compelling Value Proposition with Broad Appeal.

Guests can enjoy our signature ramen dishes or select from our variety of fresh sushi, bento, and other Japanese cuisine. The high-quality dishes at affordable prices are the result of our efficient operations. In addition, we believe our commitment to high-quality and fresh ingredients in our food is at the forefront of current dining trends as customers continue to seek healthy food options.

Attractive Restaurant-Level Economics.

At Yoshiharu, we believe our rapid customer turnover, combined with our ability to deliver in 2 major dayparts with lunch and dinner, allows for robust and efficient sales in each of our restaurants. Our average unit volume ("AUV", as defined herein) was $1.1 million in 2019 and $0.9 million in 2020.

Quality of Food and Excellence in Customer Service.

We place a premium on serving high quality authentic Japanese cuisine. We believe in customer convenience and satisfaction and have created strong, loyal and repeat customers who help expand the Yoshiharu network to their friends, family and co-workers.

Flexibility to Pivot to Online and Delivery.

During the onset of the Covid-19 pandemic, we were able to efficiently transition from primarily in-store sales to a diversified mix of channels including takeout and delivery. As our customers habits adapt post-pandemic, we intend to invest further in our delivery and takeout programs, which currently rely on third-party providers. Yoshiharu's ramen and Japanese cuisine is ideally suited for to-go packaging and transport. Due to our flexibility in pivoting to online and delivery, and we achieved out-of-store sales of $1.2 million for the nine months ended September 30, 2021, compared to $815,301 for the nine months ended September 30, 2020, or a growth rate of over 42.5%.

Our Growth Strategies

Pursue New Restaurant Development.

We have pursued a disciplined new corporate owned growth strategy. Having expanded our concept and operating model across varying restaurant sizes and geographies, we plan to leverage our expertise opening new restaurants to fill in existing markets and expand into new geographies. While we currently aim to achieve in excess of 100% annual unit growth rate over the next three to five years, we cannot predict the time period of which we can achieve any level of restaurant growth or whether we will achieve this level of growth at all. Our ability to achieve new restaurant growth is impacted by a number of risks and uncertainties beyond our control, including those described under the caption "Risk Factors." In particular, see "Risk Factors—Our long-term success is highly dependent on our ability to successfully identify and secure appropriate sites and timely develop and expand our operations in existing and new markets" for specific risks that could impede our ability to achieve new restaurant growth in the future. We believe there is a significant opportunity to employ this strategy to open additional restaurants in our existing markets and in new markets with similar demographics and retail environments.

Deliver Consistent Comparable Restaurant Sales Growth.

We have achieved positive comparable restaurant sales growth in recent periods. We believe we will be able to generate future comparable restaurant sales growth by growing traffic through increased brand awareness, consistent delivery of a satisfying dining experience, new menu offerings, and restaurant renovations. We will continue to manage our menu and pricing as part of our overall strategy to drive traffic and increase average check. We are also exploring initiatives to grow sales of alcoholic beverages at our restaurants, including the potential of a larger format restaurant with a sake bar concept. In addition to the strategies stated above, we expect to initiate sales of franchises in 2022.

Increase Profitability.

We have invested in our infrastructure and personnel, which we believe positions us to continue to scale our business operations. As we continue to grow, we expect to drive higher profitability both at a restaurant-level and corporate-level by taking advantage of our increasing buying power with suppliers and leveraging our existing support infrastructure. Additionally, we believe we will be able to optimize labor costs at existing restaurants as our restaurant base matures and AUVs increase. We believe that as our restaurant base grows, our general and administrative costs will increase at a slower rate than our sales.

Heighten Brand Awareness.

We intend to continue to pursue targeted local marketing efforts and plan to increase our investment in advertising. We also are exploring the development of instant ramen

noodles which we would distribute through retail channels. We intend to explore partnerships with grocery retailers to provide for small-format Yoshiharu kiosks in stores to promote a limited selection of Yoshiharu cuisine.

Experienced Management Team Dedicated to Growth.

Our team is led by experienced and passionate senior management who are committed to our mission. We are led by our Chief Executive Officer, James Chae. Mr. Chae founded Yoshiharu in 2016 and leads a team of talented professionals with deep financial, operational, culinary, and real estate experience.

Properties

As of September 30, 2021, we operate 6 restaurants in California. We operate a variety of restaurant formats, including in-line and end-cap restaurants located in retail centers of varying sizes. Our restaurants currently average approximately 1,578 square feet. We lease the property for our corporate offices and all of the properties on which we operate our restaurants.

The table below shows the locations of our restaurants as of January 21, 2022:

Store Location	Address	Year Launched
Orange	1891 N Tustin St, Orange, CA 92865	2016
Buena Park	6970 Beach Blvd, #F206 Buena Park, CA 90621	2017
Whittier	8426 Laurel Ave, STE A Whittier, CA 90605	2017
Chino	4004 Grand Ave STE C Chino, CA 91710	2019
Eastvale	4910 Hamner Ave STE 150, Eastvale, CA 91752	2020
Irvine	3935 Portola Pkwy, Irvine, CA 92602	2021
La Mirada	12806 La Mirada Blvd, La Mirada, CA 90638	1Q2022*
Corona	440 N Mckinley St STE 101, Corona, CA 92879	1Q 2022*
Cerritos	11533 South St, Cerritos, CA 90703	1Q 2022*

*Under construction.

We are obligated under non-cancelable leases for the majority of our restaurants, as well as our corporate offices. The majority of our restaurant leases have lease terms of 10 years, inclusive of customary extensions which are at the option of the Company. Our restaurant leases generally require us to pay a proportionate share of real estate taxes, insurance, common area maintenance charges, and other operating costs. Some restaurant leases provide for contingent rental payments based on sales thresholds, although we generally do not expect to pay significant rent on these properties based on the thresholds in those leases. We do not own any real property.

In fiscal year 2019, we opened one restaurant, and in fiscal year 2020, we opened one restaurant. We have opened one new restaurant in fiscal year 2021. We currently have 3 locations under construction, and we expect to open 8 new restaurants (4 of which have been identified) in fiscal year 2022 by utilizing approximately 25% of the net proceeds of this offering. The Company has entered into construction agreements with Life Construction Development, Inc. for certain tenant improvements to the La Mirada, Corona and Cerritos locations, respectively, including (i) Contract Agreement, dated February 23, 2021, for tenant improvements to the premises located at 12806 La Mirada Boulevard, La Mirada, California in the amount of $393,700, (ii) Contract Agreement, dated March 5, 2021, for tenant improvements to the premises located at 440 McKinley Street, Suite 101, Corona, California in the amount of $315,000; and (iii) Contract Agreement, dated July 30, 2021, for tenant improvements to the premises located at 11533 South Street, Cerritos California in the amount of $390,000. We have finalized site selection for 4 of the upcoming 2022 restaurants, and are in the process of negotiating the commercial lease terms for the following sites in Orange County: Menifee, Garden Grove, Laguna Niguel, and San Clemente. Site selection is still ongoing for the other 4 upcoming locations. In fiscal year 2019, we closed West Hollywood and Lynwood, California restaurants due to underperformance. We cannot provide assurance that we will be able to open any specific number of restaurants in any year. See “Risk Factors—Risks Related to Our Business and Industry—Our long-term success is highly dependent on our ability to successfully identify and secure appropriate sites and timely develop and expand our operations in existing and new markets.”

Site Development and Expansion

Site Selection Process

We consider site selection to be instrumental to our success. As part of our strategic site selection process, we receive potential site locations from networks of local brokers, which are then reviewed by our Development Team. This examination consists of an analysis of the lease terms and conditions, a profitability evaluation, as well as multiple site visits during all times of the day, e.g., lunch, late afternoon, dinner, weekdays and weekends, to test for traffic. The Development Team holds regular meetings for site approval with other members of our senior management team in order to get a balanced perspective on a potential site.

Our current real estate strategy focuses on high-traffic retail centers in markets with a diverse population and above-average household income for the state. We believe we are attractive lessees for landlords given our ability to drive strong traffic comprised of above-average household income guests, and we imagine our bargaining power will become stronger as we accumulate more stores. In site selection, we also consider factors such as residential and commercial population density, restaurant visibility, traffic patterns, accessibility, availability of suitable parking, proximity to highways, universities, shopping areas and office parks, the degree of competition within the market area, and general availability of restaurant-level employees. We also invest in site analytics tools for demographic analysis and data collection for both existing and new market areas, which we believe allows us to further understand the market area and determine whether to open new restaurants in that location.

Our flexible physical footprint, which has allowed us to open restaurants in size ranging from 1,500 to 2,500 square feet, allows us to open in-line and end-cap restaurant formats at strip malls and shopping centers and penetrate markets in both suburban and urban areas. We believe we have the ability to open additional restaurants in our existing metropolitan areas. We also believe there is significant opportunity to employ the strategy in new markets with similar demographics across the U.S. and globally.

Expansion Strategy

We plan to pursue a multi-facet expansion strategy by opening new corporate restaurants in both new and existing markets, as well as utilizing the franchise market. We believe this expansion will be crucial to executing our growth strategy and building awareness of Yoshiharu as a leading Japanese casual dining brand. Expansion into new markets occurs in parallel with ongoing evaluation of existing markets, with the goal of maintaining a pipeline of top-tier development opportunities. As described under Site Selection Process, we use a systematic approach to identify and review existing and new markets.

Upon selecting a new market, we typically build one restaurant to prove concept viability in that market. We have developed a remote management system whereby our senior operations team is able to monitor restaurants in real-time from our headquarters using approximately 20 to 30 cameras installed in each restaurant. We utilize this remote management system to maintain operational quality while minimizing inefficiencies caused by a lack of economies of scale in new markets.

Due to our relatively small restaurant count, new restaurants have an outsized impact on our financial performance. In order to mitigate risk, we look to expand simultaneously in new and existing markets. We base our site selection on our most successful existing restaurants and frequently reevaluate our strategy, pacing and markets. We believe we are in the early stages of our growth story and that our restaurant model is designed to generate strong cash flow, attractive restaurant-level financial results and high returns on invested capital, which we believe provides us with a strong foundation for expansion.

Restaurant Design

Restaurant design is handled by our Development Team in conjunction with outsourced vendor relationships, e.g., architects and general contractors. Our restaurant size currently averages approximately 1,500 square feet. Seating in our restaurant is comprised of a combination of table seating and bar seats with an average seating capacity of 40-50 guests.

We are developing two main restaurant layouts. The standard restaurants will be built using our current layout and design which we believe evokes a modern and on-trend Japanese dining atmosphere. The second layout is the larger plan where we will utilize a full service restaurant and bar. We believe the new layout achieves this atmosphere. We believe our see-through kitchens reflecting the cooks preparing first hand meals, amplify the lively bustle provided by the great casual atmosphere, and serve to highlight the ambiance of getting great food in a modern Japanese style ambiance.

Construction

Construction of a new restaurant takes approximately 12 to 24 weeks once construction permits (e.g., Health and City) are issued. Our Development Team oversees the build-out process from engaging architects and contractors to design and build out the restaurant. On average, we estimate our restaurant build-outs to cost approximately $350,000 - $550,000 per standard location, net of tenant allowances and pre-opening costs, but this figure could be significantly higher depending on the market, restaurant size, and condition of the premises upon delivery by landlord.

Restaurant Management and Operations

Restaurant Management and Employees

Our restaurants typically employ one restaurant manager, two to three supervisors, and approximately 8 to 12 additional team members. Managers, supervisors and management trainees are cross-trained throughout the restaurant in order to create competency across critical restaurant functions, both in the dining area and in the kitchen.

In addition, our senior operations team monitors restaurants in real-time from our headquarters using our remote management system of approximately 8 cameras installed in each restaurant. These team members are responsible for different components of the restaurant: cleanliness, service, and food quality.

Training and Employee Programs

We devote significant resources to identifying, selecting, and training restaurant-level employees. Our training covers leadership, team building, food safety certification, alcohol safety programs, sexual harassment training, and other topics. Management trainees undergo training for approximately 8 to 16 weeks in order to develop a deep understanding of our operations. In addition, we are developing extensive training manuals that cover all aspects of restaurant-level operations.

Our traveling “opening team” provides training to team members in advance of opening a new restaurant. We believe the opening team facilitates a smooth opening process and efficient restaurant operations from the first day a restaurant opens to the public. The opening team is typically on-site at new restaurants from two weeks before opening to four weeks after opening.

Food Preparation, Quality and Safety

We are committed to consistently providing our guests high quality, freshly prepared food. For other items we believe hand preparation achieves the best quality. Hand preparation of menu items includes, but is not limited to, frying tempura, slicing meat and fish and making pork bone broth. We believe guests can taste the difference in freshly prepared food and that adhering to these standards is a competitive advantage for our brand.

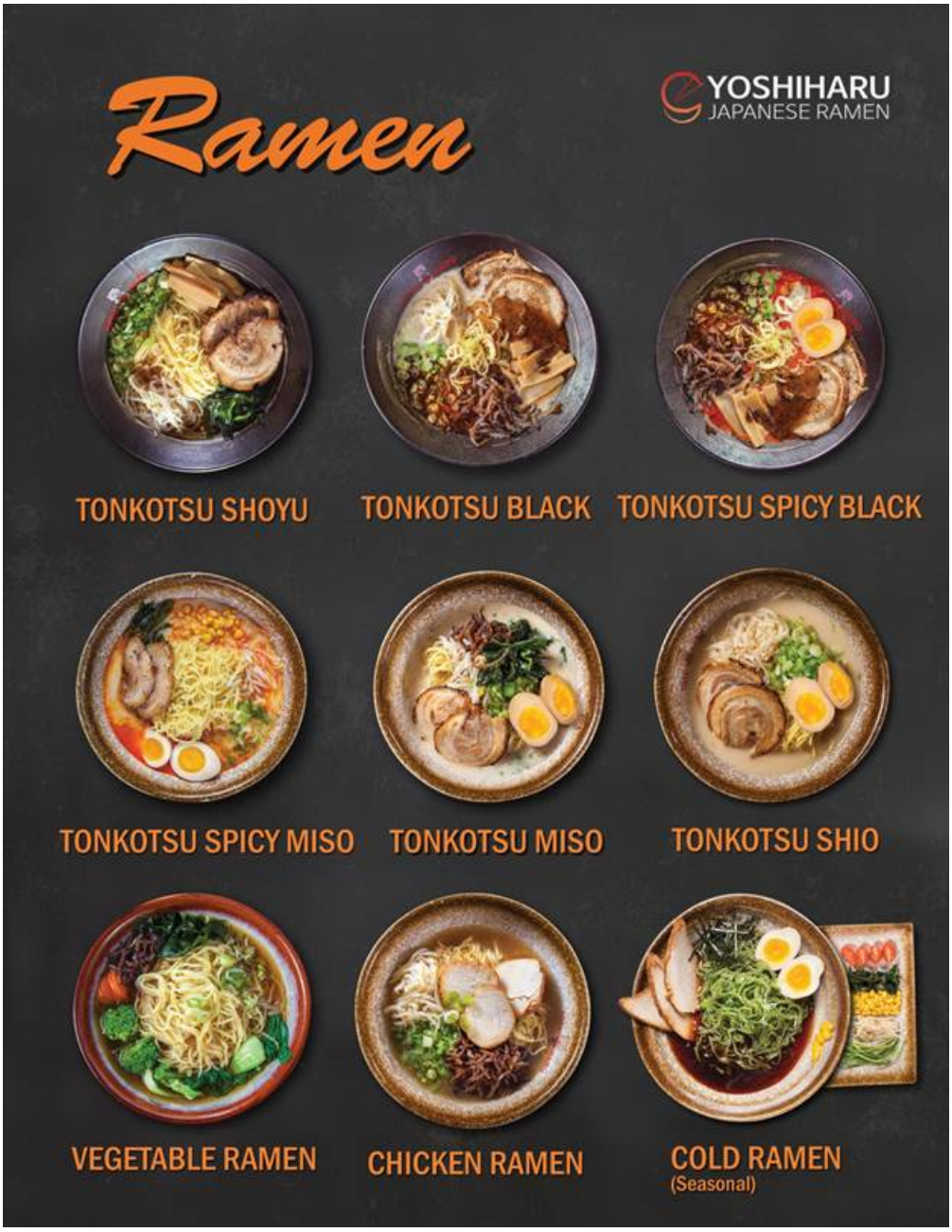
Food safety is essential to our success and we have established procedures to help ensure that our guests enjoy safe, quality food. We require each employee to complete food handler safety certification upon hiring. We have taken various additional steps to mitigate food quality and safety risks, including undergoing internal safety audits. We also consider food safety and quality assurance when selecting our distributors and suppliers.

Menu

We offer a diverse menu, including our signature ramen dishes, as well as sushi, bento boxes, and other Japanese cuisine. The menu appeals to a wide range of customers, and we continue to improve upon the quality, taste and presentation. Additionally, we are able to serve the menu in a delivery and pickup format, as our food is designed to be enjoyed on premise or at customers’ homes or offices. We have entered the catering business through relationships with businesses who place large format orders (i.e., Bento boxes for corporate meetings or office lunches), for delivery or pick-up. We expect that our catering business, which has a higher-than-average order value, to grow due to the early success we have experienced in the corporate channel.

New Menu Introductions

We focus advertising efforts on new menu offerings to broaden our appeal to guests and drive traffic. Our menu changes twice per year to introduce new items and remove underperforming items. We promote these new menu additions through various social media platforms, our website and in-restaurant signage.


Ramen
YOSHIHARU
JAPANESE RAMEN
TONKOTSU SHOYU
TONKOTSU BLACK
TONKOTSU SPICY BLACK
TONKOTSU SPICY MISO
TONKOTSU MISO
TONKOTSU SHIO
VEGETABLE RAMEN
CHICKEN RAMEN
COLD RAMEN
(Seasonal)

Appetizer


GYOZA


EDAMAME


SPICY GARLIC EDAMAME


TAKOYAKI


KARA AGE


IIDAKO KARA AGE


EBI TEMPURA


POTATO SHRIMP


IKA KARA AGE


EGG ROLL


KOROKKE


KAKI FRY


TOFU NUGGETS


SEAWEED SALAD

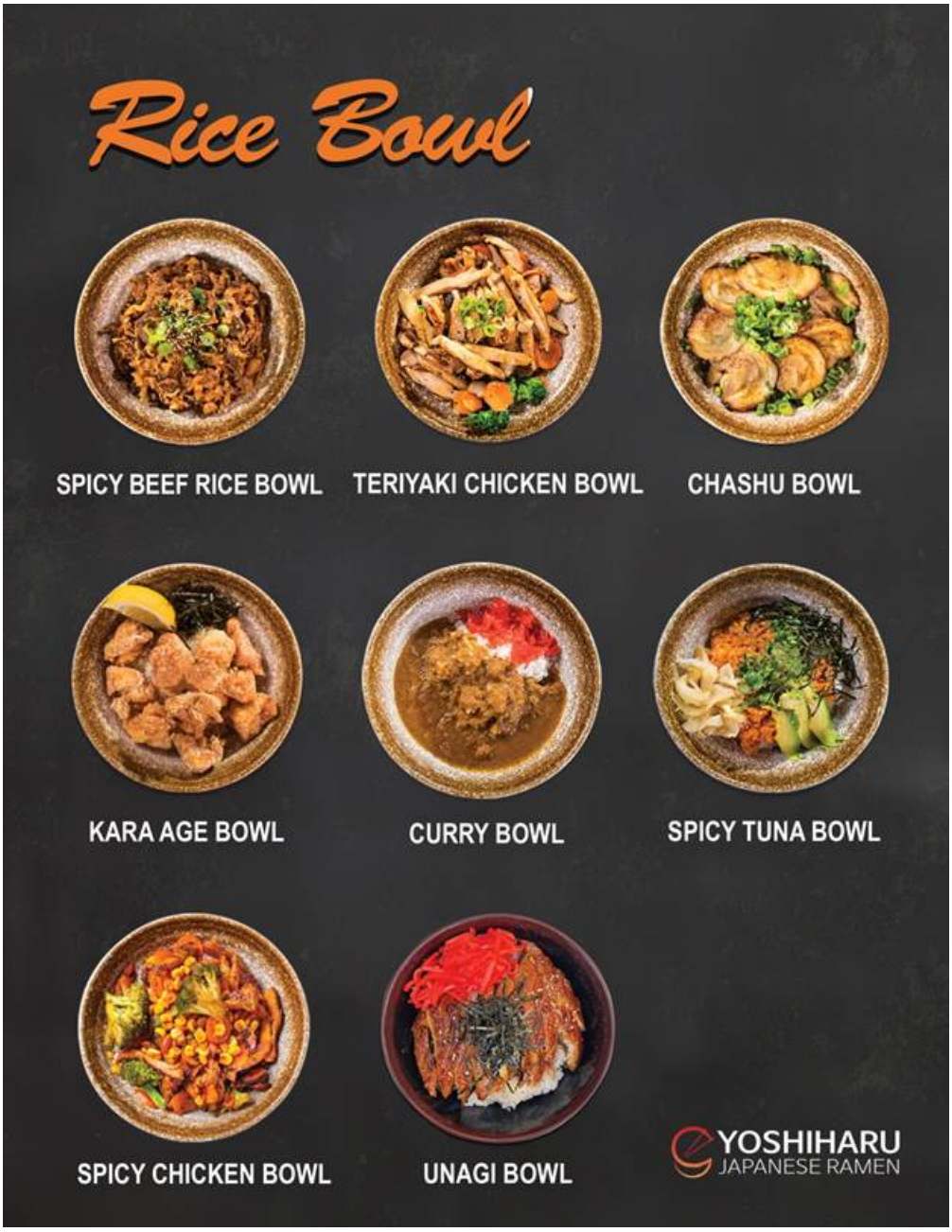

BIG PLATTER


CHICKEN SALAD


TOFU SALAD

YOSHIHARU
JAPANESE RAMEN


Bento
YOSHIHARU
JAPANESE RAMEN
DELUXE COMBINATION BENTO
BEEF STEAK BENTO
TERIYAKI CHICKEN BENTO
TONKATSU BENTO
(Pork Cutlet)
SALMON STEAK BENTO
SPICY BEEF BENTO


Rice Bowl
SPICY BEEF RICE BOWL
TERIYAKI CHICKEN BOWL
CHASHU BOWL
KARA AGE BOWL
CURRY BOWL
SPICY TUNA BOWL
SPICY CHICKEN BOWL
UNAGI BOWL
YOSHIHARU
JAPANESE RAMEN

Roll

YOSHIHARU
JAPANESE RAMEN

SALMON &
SHRIMP DYNAMITE ROLL

BAKED SALMON &
SHRIMP TEMPURA ROLL

BAKED SALMON ROLL

DELUXE SPICY
TUNA ROLL

SHRIMP TEMPURA ROLL

CLASSIC SPICY TUNA ROLL

CLASSIC CALIFORNIA
ROLL

SPICY CALIFORNIA ROLL

SPAM MUSUBI

Marketing and Advertising

We use a variety of marketing and advertising channels to build brand awareness, attract new guests, increase dining frequency, support new restaurant openings, and promote Yoshiharu as an authentic Japanese restaurant with high-quality cuisine and a distinctive dining experience. Our primary advertising channels include digital, social, and print.

Social Media

We maintain a presence on several social media platforms including Facebook and Instagram, allowing us to regularly communicate with guests, alert guests of new offerings, and conduct promotions. Our dining experience is built to provide our guests social media shareable moments, which we believe extends our advertising reach.

Suppliers

We carefully select suppliers based on product quality and authenticity and their understanding of our brand, and we seek to develop long-term relationships with them. All supply arrangements are negotiated and managed at the Yoshiharu corporate-level.

Food. Our Vice President of Operations identifies and procures high-quality ingredients at competitive prices. Each store separately makes an order to the specific vendor, and the invoices are submitted and paid by Yoshiharu at the corporate-level. We source mainly through the following Japanese-related distributors: JFC, a subsidiary of Kikkoman Corporation, Wismettac, a subsidiary of Nishimoto Co., Ltd., and Mutual Trading Co., Inc., a California corporation.

Paper. Our Vice President of Operations negotiates long term supply agreements for our logo-branded paper including takeout bags and bowls, chopsticks, as well as uniforms. We make a portion of our purchases annually in bulk at fixed prices, and deliver them to our warehouse in Anaheim, California. Each restaurant Manager receives the necessary paper supplies from our warehouse.

Management Information Systems

We utilize systems provided by Toast, Inc. for point of sale, contactless ordering, handheld ordering, online ordering and delivery, as well as marketing and payroll

management. We believe that Toast's systems provide us and our customers with streamlined operations and allows us to efficiently turn tables and improve the sales conversion cycle, while reducing third-party commissions for online orders.

Restaurant Industry Overview

According to the National Restaurant Association (the "NRA"), U.S. restaurant industry sales in calendar year 2020 were $659.0 billion and are expected to grow at a growth rate of 19.7% to $789.1 billion in calendar year 2021.

The restaurant industry is divided into several primary segments, including limited-service and full-service restaurants, which are generally categorized by price, quality of food, service, and location. Yoshiharu sits at the intersection of these two segments offering the experience and food quality of a full-service restaurant and the speed of service of a limited-service restaurant. We primarily compete with other full-service restaurants, which, according to the NRA, had approximately $285 billion of sales in calendar year 2019, prior to the onset of the COVID-19 pandemic, and an increase of 3.8% over 2019. The limited-service segment generated $309 billion in calendar year 2019, or 3.2% over the prior year. COVID-19 had a material impact on consumer spending at restaurants in 2020, resulting in a decrease compared to the prior year.

However, for 2021, restaurant sales are expected to increase due to rising vaccination numbers and consumers' pent-up demand. Full-service restaurants are expected to generate $255 billion of sales in calendar year 2021, an increase of 27.8% over 2020, while limited-service restaurants are expected to generate $339 billion in sales, or 16.8% over the prior year.

We believe that increased multiculturalism in the United States, driven in part by growth in the Asian demographic, contributes to a favorable macro environment for Yoshiharu's future growth. According to the U.S. Census Bureau, the Asian population is projected to be one of the fastest growing demographics in the United States, increasing in size from 20 million people in calendar year 2020 to 24.4 million people by calendar year 2030. During this time, the Asian population's share of the nation's total population is projected to increase by 15%, from approximately 6% to 6.9%.

Additionally, we believe that Yoshiharu is well-positioned to grow our share of the restaurant market as consumers seek quality, value, healthier options, and authentic global and regional cuisine in their dining choices. According to the National Restaurant Association 2019 State of the Industry report, more than 60% of customers cite the availability of healthy menu options as a key factor in restaurant choice when eating out. In addition, as referenced in the same report, ethnic spices, ethnic condiments, and Asian soups were among the projected top 25 food trends for limited-service restaurants in calendar year 2019.

We cannot provide assurance that we will benefit from these long-term demographic trends, although we believe the projected growth in the Asian population and the Asian influence on dining trends will result in an increase in demand for Japanese and Asian foods.

Competition

We face significant competition from a variety of locally owned restaurants regional, and national chain restaurants offering both Asian and non-Asian cuisine, as well as takeaway options from grocery stores. Direct competition for Yoshiharu comes primarily from Asian restaurants including other ramen noodles restaurants. Jinya Ramen Bar operates approximately 40 locations in the United States and also franchises their restaurants. We believe that we compete primarily based on product quality, dining experience, ambience, location, convenience, value perception, and price. Our competition continues to intensify as competitors increase the breadth and depth of their product offerings and open new restaurants.

Seasonality

Due to Yoshiharu's menu breadth and diversification of offerings, we do not experience significant seasonality.

Employees

As of September 30, 2021, we had approximately 120 employees, of whom 15 were exempt employees and the remainder were non-exempt employees. None of our employees are unionized or covered by collective bargaining agreements, and we consider our current employee relations to be good.

Government Regulation and Environmental Matters

We are subject to extensive and varied federal, state and local government regulation, including regulations relating, among others, to public and occupational health and safety, nutritional menu labeling, healthcare, the environment, sanitation and fire prevention. We operate each of our restaurants in accordance with standards and procedures designed to comply with applicable codes and regulations. However, an inability to obtain or retain health department or other licenses would adversely affect our operations. Although we have not experienced, and do not anticipate, any significant difficulties, delays or failures in obtaining required licenses, permits or approvals, any such problem could delay or prevent the opening of, or adversely impact the viability of, a particular restaurant or group of restaurants. Additionally, difficulties, delays or failure to retain or renew licenses, permits or approvals, or increased compliance costs due to changed regulations, could adversely affect operations at existing restaurants.

In addition, in order to develop and construct restaurants, we must comply with applicable zoning, land use and environmental regulations. Federal and state environmental regulations have not had a material effect on our operations to date, but more stringent and varied requirements of local governmental bodies with respect to zoning, land use and environmental factors could delay or even prevent construction and increase development costs for new restaurants. We are also required to comply with the accessibility standards mandated by the U.S. Americans with Disabilities Act, which generally prohibits discrimination in accommodation or employment based on disability. We may in the future have to modify restaurants, for example, by adding access ramps or redesigning certain architectural fixtures, to provide service to or make reasonable accommodations for disabled persons. While these expenses could be material, our current expectation is that any such actions will not require us to expend substantial funds.

Alcoholic beverage control regulations require each of our restaurants to apply to a state authority and, in certain locations, county or municipal authorities for a license that must be renewed annually and may be revoked or suspended for cause at any time. Alcoholic beverage control regulations relate to numerous aspects of daily operations of our restaurants, including minimum age of patrons and employees, hours of operation, advertising, trade practices, wholesale purchasing, other relationships with alcohol manufacturers, wholesalers and distributors, inventory control and handling, storage and dispensing of alcoholic beverages. We are also subject in certain states to "dram shop" statutes, which generally provide a person injured by an intoxicated person the right to recover damages from an establishment that wrongfully served alcoholic beverages to the intoxicated person. We carry liquor liability coverage as part of our existing comprehensive general liability insurance.

Further, we are subject to the U.S. Fair Labor Standards Act, the U.S. Immigration Reform and Control Act of 1986, the Occupational Safety and Health Act and various other federal and state laws governing similar matters including minimum wages, overtime, workplace safety and other working conditions. Significant numbers of our food service and preparation personnel are paid at rates related to the applicable minimum wage, and further increases in the minimum wage or other changes in these laws could increase our labor costs. Our ability to respond to minimum wage increases by increasing menu prices will depend on the responses of our competitors and guests. Our distributors and suppliers also may be affected by higher minimum wage and benefit standards, which could result in higher costs of goods and services supplied by us. We may also be subject to lawsuits from our employees, the U.S. Equal Employment Opportunity Commission or others alleging violations of federal and state laws regarding workplace and

employment matters, discrimination and similar matters.

There has been increased regulation of certain food establishments in the United States, such as the requirements to maintain a Hazard Analysis and Critical Control Points ("HACCP") system. HACCP refers to a management system in which food safety is addressed through the analysis and control of potential hazards from production, procurement and handling, to manufacturing, distribution and consumption of the finished product. Many states have required restaurants to develop and implement HACCP systems and the U.S. government continues to expand the sectors of the food industry that must adopt and implement HACCP programs. We cannot assure you that we will not have to expend additional time and resources to comply with new food safety requirements either required by current or future federal food safety regulation or legislation. Additionally, our suppliers may initiate or otherwise be subject to food recalls that may impact the availability of certain products, result in adverse publicity or require us to take actions that could be costly for us or otherwise harm our business.

A number of states, counties and cities have enacted menu labeling laws requiring multi-unit restaurant operators to disclose to consumers certain nutritional information, or have enacted legislation restricting the use of certain types of ingredients in restaurants. Many of these requirements are inconsistent or interpreted differently from one jurisdiction to another. These requirements may be different or inconsistent with requirements that we are subject to under the ACA, which establishes a uniform, federal requirement for certain restaurants to post nutritional information on their menus. Specifically, the ACA requires chain restaurants with 20 or more locations in the United States operating under the same name and offering substantially the same menus to publish the total number of calories of standard menu items on menus and menu boards, along with a statement that puts this calorie information in the context of a total daily calorie intake. The ACA also requires covered restaurants to provide to consumers, upon request, a written summary of detailed nutritional information for each standard menu item, and to provide a statement on menus and menu boards about the availability of this information upon request. While our ability to adapt to consumer preferences is a strength of our concepts, the effect of such labeling requirements on consumer choices, if any, is unclear at this time.

We are subject to federal, state and local environmental laws and regulations concerning waste disposal, pollution, protection of the environment, and the presence, discharge, storage, handling, release and disposal of, or exposure to, hazardous or toxic substances ("environmental laws"). These environmental laws can provide for significant fines and penalties for non-compliance and liabilities for remediation, sometimes without regard to whether the owner or operator of the property knew of, or was responsible for, the release or presence of the hazardous or toxic substances. Third parties may also make claims against owners or operators of properties for personal injuries and property damage associated with releases of, or actual or alleged exposure to, such substances. We are not aware of any environmental laws that will materially affect our earnings or competitive position, or result in material capital expenditures relating to our restaurants. However, we cannot predict what environmental laws will be enacted in the future, how existing or future environmental laws will be administered, interpreted or enforced, or the amount of future expenditures that we may need to make to comply with, or to satisfy claims relating to, environmental laws. It is possible that we will become subject to environmental liabilities at our properties, and any such liabilities could materially affect our business, financial condition or results of operations.

We are also subject to laws and regulations relating to information security, privacy, cashless payments, gift cards and consumer credit, protection and fraud, and any failure or perceived failure to comply with these laws could harm our reputation or lead to litigation, which could adversely affect our business, financial condition or results of operations.

Furthermore, we are subject to import laws and tariffs which could impact our ability to source and secure food products, other supplies and equipment necessary to operate our restaurants.

For a discussion of the various risks we face from regulation and compliance matters, see "Risk Factors."

Intellectual Property and Trademarks

Yoshiharu Asset Co., our wholly owned subsidiary, owns a number of patents, trademarks and service marks registered or pending with the U.S. Patent and Trademark Office ("PTO"). The Company has registered the following marks with the PTO: YOSHIHARU RAMEN (Trademark Reg. No. 5030823) and Design Mark YOSHIHARU RAMEN (Trademark Reg. No. 5045588). In addition, we have registered the Internet domain name www.yoshiharuramen.com. The information on, or that can be accessed through, our website is not part of this prospectus.

We believe that the trademarks, service marks and other intellectual property rights that we license from Yoshiharu Asset Co. have significant value and are important to the marketing and reputation of our brand. It is our policy to pursue registration of our intellectual property whenever possible and to oppose vigorously any infringement thereof. However, we cannot predict whether steps taken to protect such rights will be adequate or whether Yoshiharu Asset Co. will take steps to enforce such rights with regard to any intellectual property that we license from them. See "Risk Factors—Risks Related to Our Business and Industry—We may become involved in lawsuits involving Yoshiharu Asset Co. as the owner of intellectual property, or us as a licensee of intellectual property from Yoshiharu Asset Co., to protect or enforce our intellectual property rights, which could be expensive, time consuming, and unsuccessful." We are aware of third-party restaurants with names similar to our restaurant name in certain limited geographical areas such as in California. However, we believe such uses will not adversely affect us.

Legal Proceedings

We are currently not involved in litigation that we believe will have a materially adverse effect on our financial condition or results of operations. There is no action, suit, proceeding, inquiry or investigation before or by any court, public board, government agency, self- regulatory organization or body pending or, to the knowledge of the executive officers of our company or any of our subsidiaries threatened against or affecting our company, our common stock, any of our subsidiaries or of our company's or our company's subsidiaries' officers or directors in their capacities as such, in which an adverse decision is expected to have a material adverse effect.

MANAGEMENT

The following table sets forth certain information regarding our executive officers, directors and director nominees as of September 30, 2021.

Name	Age	Position
James Chae	58	President, Chief Executive Officer, Director and Chairman of the Board
Kevin Hartley	51	Chief Financial Officer
Jay Kim	59	Director
Helen Lee	57	Director
Ho Suk Kang	58	Director

Background of Executive Officers and Directors

James Chae, age 58, Chairman of the Board of Directors, Chief Executive Officer

Mr. Chae founded Yoshiharu in 2016. Led by Mr. Chae, Yoshiharu has expanded to become a leading Japanese cuisine restaurant chain in Southern California. The root of Mr.

Chae's business knowledge comes from over two decades leading a wide array of industries including both the financial services and retail services segments. Mr. Chae has been a business executive for over 10 years, serving as the President of APIIS Financial Inc., a financial planning and wealth management firm. Prior to APIIS, Mr. Chae served as the Managing Site Partner for John Hancock from January 2002 to October 2010.

Mr. Chae immigrated from South Korea to the United States as a teenager, and diligently worked to enroll at UCLA where he studied Economics. Prior to graduation, Mr. Chae began his career at California Korea Bank, one of the first banks to service Koreans living in the United States. Mr. Chae rose to the position of Loan Adjuster before venturing out on his own as an entrepreneur. While starting his own businesses, Mr. Chae often found comfort in a warm bowl of ramen to uplift him and energize his spirit, which served as the inspiration for Yoshiharu. Mr. Chae's background in the financial services industry provided him access to restaurants and retailers which helped him understand the restaurant industry and more importantly, the necessary foundations in building a successful restaurant business. Mr. Chae believed that there was a large addressable market for ramen, and together with his experience and passion for the business, founded Yoshiharu. As the founder and controlling stockholder of the Company, Mr. Chae possesses invaluable operational knowledge and insight making him qualified to serve as a member of our board of directors.

Kevin Hartley, age 51, Chief Financial Officer

Mr. Hartley has almost 30 years of experience, with 23 years in public accounting and consulting and 8 years in various roles with public and private companies. Mr. Hartley began his career with Price Waterhouse in 1992. After 5 years, he left public practice to pursue opportunities outside of public accountancy and over the subsequent 5 years he was involved with mergers and acquisitions and various debt and equity financing transactions. In 2002, Mr. Hartley re-entered public accountancy and spent the next 8 years with Windes & McClaughry's Audit and Assurance Services practice, where his practice focus included financial reporting, SEC regulatory compliance, and internal control evaluation. In 2010, Mr. Hartley started his own professional accounting and consulting services firm and has been operating in that capacity since that time, ultimately leading to creation of Hartley Moore Accountancy Corporation in 2012 and then Adaptive CPA in 2016. His current services include operating in the capacity of contract CFO or Controller for a number of clients in addition to providing project-based accounting services to others.

Jay Kim, age 59

Mr. Kim was appointed to serve as a director effective January ___, 2022. Mr. Kim serves as the Chief Executive Officer of Reborn Coffee Inc. Prior to Reborn, Mr. Kim founded Wellspring Industry, Inc. in California in 2007 which created the yogurt distribution company "Tutti Frutti" and bakery-café franchise "O'My Buns." Tutti Frutti grew to approximately 700 agents worldwide that offered self-serve frozen yogurt. Mr. Kim sold the majority ownership of Wellspring to group of investors in 2017.

Prior to founding Wellspring, Mr. Kim was the owner of Coffee Roasters in Riverside, California from 2002 to 2007. Mr. Kim worked as the project manager for JES Inc., based in Brea, CA from 1997 to 2002 where he coordinated and managed environmental engineering projects. Mr. Kim worked as a Senior Process Engineer for Allied Signal Environment Catalyst in Tulsa, Oklahoma, from 1992 to 1997 where he coordinated and implemented projects related to plant productivity and provided leadership and direction to other engineers as required and provided information needed for Division product quotations. He also acted as the leader in a start-up plant to be based in Mexico for Allied Signal. From 1988 to 1992 he worked as the plant start-up engineer for Toyota Auto Body Inc.

Mr. Kim has a B.S, in Chemical Engineering from California State University at Long Beach and followed a Chemical office basic at US Army Chemical School in 1988. He was commissioned 1st. LT. of the US Army in 1986 and retired from the US Army in 1988. Mr. Kim possesses extensive experience in leading and building restaurant and franchise companies making him qualified to serve as a member of our board of directors and our Audit Committee.

Helen Lee, age 57, Director

Ms. Lee was appointed to serve as a director effective January __, 2022. She has over 20 years of accounting experience helping businesses and individuals manage and grow their financial well-being. She is the founder and leading partner of L&P CPAs, Inc. specializing in tax audit defense and business consulting.

Ms. Lee obtained her California CPA license in 2004 and passed the California Bar exam in 2021. Ms. Lee possesses extensive expertise in audit and financial management, making her qualified to serve as a member of our board of directors and our Compensation Committee.

Ho Suk Kang, age 59, Director

Mr. Gang was appointed to serve as a director effective January __, 2022. He is currently the managing partner of GSK LLP, which provides a variety of audit, tax and business consulting services to clients. He served as Chairman of the Board of Directors at US Metro Bank, a regional bank with assets of approximately $1 billion. He also has served in various director positions at US Metro Bank since 2006, including chairman of the audit committee.

Mr. Gang holds a Bachelor of Science degree in business administration major from Seoul National University (Korea). Mr. Gang is a certified public accountant from the state of California. Mr. Gang possesses extensive expertise and experience in audit and financial management, making him qualified to serve as a member of our board of directors and our Audit Committee.

There are no family relationships among our board of directors and executive officers.

Controlled Company

Upon completion of this offering, James Chae will continue to control a majority of the combined voting power of our outstanding equity interests. As a result, we will be a "controlled company" within the meaning of the corporate governance rules of the Nasdaq Stock Market. As a controlled company, exemptions under the standards will free us from the obligation to comply with certain corporate governance requirements, including the requirements:

- that a majority of our board of directors consists of "independent directors," as defined under the rules of the Nasdaq Stock Market;
- that we have, to the extent applicable, a Nominating and Corporate Governance Committee that is composed entirely of independent directors with a written charter addressing the committee's purpose and responsibilities;
- that we have a Compensation Committee composed entirely of independent directors with a written charter addressing the committee's purpose and responsibilities; and
- for an annual performance evaluation of the Nominating and Corporate Governance Committee and Compensation Committee.

Since we intend to avail ourselves of the "controlled company" exception under the Nasdaq Stock Market rules, we will not have a Nominating and Corporate Governance Committee. These exemptions do not modify the independence requirements for our Audit Committee, and we intend to comply with the requirements of Rule 10A-3 of the Exchange Act and the rules of the Nasdaq Stock Market within the applicable time frame. These rules require that our Audit Committee be composed of at least three members,

a majority of whom will be independent within 90 days of the date of this prospectus, and all of whom will be independent within one year of the date of this prospectus.

Based on the Nasdaq Stock Market corporate governance rules and the independence requirements of Rule 10A-3 of the Exchange Act, our board of directors has determined that Jay Kim, Helen Lee and Ho Suk Kang are each an independent director. We intend that a majority of our directors will be independent prior to listing on the Nasdaq Capital Markets.

Corporate Governance and Board Structure

Our board of directors currently consists of four members, and upon the closing of this offering, will continue to consist of four members. Our bylaws that will be effective upon the completion of this offering provides that our board of directors shall consist of at least 3 directors but not more than directors and the authorized number of directors may be fixed from time to time by resolution of our board of directors. Based on the corporate governance rules of the Nasdaq Stock Market, Jay Kim, Helen Lee and Ho Suk Kang are independent directors.

The authorized number of directors may be changed by resolution of the board of directors. Vacancies on the board of directors can be filled by the affirmative vote of a majority of the remaining directors then in office, even if less than a quorum, and shall hold office until the next annual meeting of the stockholders or until his or her successor is duly elected and qualified. Mr. Chae serves as the Chairman of our board of directors. See "Risk Factors—Risks Related to Our Organizational Structure."

Our directors hold office until the earlier of their death, resignation, retirement, qualification or removal or until their successors have been duly elected and qualified.

We expect that our board of directors will fully implement our corporate governance initiatives at or prior to the closing of this offering. We believe these initiatives comply with the Sarbanes-Oxley Act and the rules and regulations of the SEC adopted thereunder. In addition, we believe our corporate governance initiatives comply with the rules of the Nasdaq Stock Market. After this offering, our board of directors will continue to evaluate, and improve upon as appropriate, our corporate governance principles and policies.

We expect our board of directors to adopt a code of business conduct, effective upon the closing of the offering, that applies to each of our directors, officers and employees. The code addresses various topics, including:

- compliance with laws, rules and regulations;
- conflicts of interest;
- insider trading;
- corporate opportunities;
- competition and fair dealing;
- fair employment practices;
- recordkeeping;
- confidentiality;
- protection and proper use of company assets; and
- payments to government personnel.

We will post on our website a current copy of the Code of Ethics and all disclosures that are required by law or market rules in regard to any amendments to, or waivers from, any provision of the Code of Ethics.

Board Committees

Upon completion of this offering, our board of directors will have two standing committees: an Audit Committee and a Compensation Committee. Each of the committees will report to the board of directors as they deem appropriate, and as the board of directors may request. In the future, our board of directors may establish other committees, as it deems appropriate, to assist it with its responsibilities. We intend to comply with the requirements of the Nasdaq Stock Market with respect to committee composition of independent directors as they become applicable to us. Each committee has the composition, duties and responsibilities described below.

Audit Committee

The Audit Committee provides assistance to the board of directors in fulfilling its oversight responsibilities regarding the integrity of financial statements, our compliance with applicable legal and regulatory requirements, the integrity of our financial reporting processes including its systems of internal accounting and financial controls, the performance of our internal audit function and independent auditor and our financial policy matters by approving the services performed by our independent accountants and reviewing their reports regarding our accounting practices and systems of internal accounting controls. The Audit Committee also oversees the audit efforts of our independent accountants and takes action as it deems necessary to satisfy itself that the accountants are independent of management.

Upon completion of this offering, our Audit Committee will consist of Jay Kim, Helen Lee and Ho Suk Kang with Mr. Kang serving as the Audit Committee chairperson.

The SEC rules and the Nasdaq Stock Market rules require us to have one independent Audit Committee member upon the listing of our Class A common stock on the Nasdaq Capital Market, a majority of independent directors on the Audit Committee within 90 days of the date of the completion of this offering and all independent Audit Committee members within one year of the date of the completion of this offering. Our board of directors has affirmatively determined that Jay Kim, Helen Lee and Ho Suk Kang meet the definition of "independent directors" for the purposes of serving on an Audit Committee under applicable SEC and Nasdaq Stock Market rules, and we are in compliance with these independence requirements and intend to remain in compliance within the time periods specified. In addition, Jay Kim, Helen Lee and Ho Suk Kang will qualify as our "audit committee financial experts," as such term is defined in Item 407 of Regulation S-K.

In general, an "audit committee financial expert" is an individual member of the audit committee or board of directors who:

- understands generally accepted accounting principles and financial statements;

- is able to assess the general application of such principles in connection with accounting for estimates, accruals and reserves;
- has experience preparing, auditing, analyzing or evaluating financial statements comparable to the breadth and complexity to our financial statements;
- understands internal controls over financial reporting; and
- understands audit committee functions.

Our board of directors will adopt a new written charter for the Audit Committee, which will be available on our corporate website upon the completion of this offering, which will be consistent with the rules of the SEC and applicable stock exchange or market standards, including the Sarbanes-Oxley Act. Our website is not part of this prospectus.

Compensation Committee

The Compensation Committee oversees our overall compensation structure, policies and programs, and assesses whether our compensation structure establishes appropriate incentives for officers and employees. The Compensation Committee reviews and approves corporate goals and objectives relevant to compensation of our chief executive officer and other executive officers, evaluates the performance of these officers in light of those goals and objectives, sets the compensation of these officers based on such evaluations and reviews and recommends to the board of directors any employment-related agreements, any proposed severance arrangements or change in control or similar agreements with these officers. The Compensation Committee also grants stock options and other awards under our stock plans. The Compensation Committee will review and evaluate, at least annually, the performance of the Compensation Committee and its members and the adequacy of the charter of the Compensation Committee.

Upon completion of this offering, our Compensation Committee will consist of Jay Kim and Helen Lee, with Mr. Kim serving as the Compensation Committee chairperson.

Our board of directors will adopt a new written charter for the Compensation Committee, which will be available on our corporate website upon the completion of this offering. The information contained on our website does not constitute a part of this prospectus. As a controlled company, we may rely upon the exemption from the requirement that we have a Compensation Committee composed entirely of independent directors, although immediately following the completion of this offering our Compensation Committee will consist entirely of independent directors.

Compensation Committee Interlocks

We anticipate that none of our employees will serve on the Compensation Committee. None of the members of our Compensation Committee has ever been an officer or employee of us.

Corporate Governance Guidelines

Prior to the completion of this offering, our board of directors will adopt corporate governance guidelines in accordance with the corporate governance rules of the Nasdaq Stock Market.

Risk Oversight

Our board of directors is currently responsible for overseeing our risk management process. The board of directors focuses on our general risk management strategy and the most significant risks facing us and ensures that appropriate risk mitigation strategies are implemented by management. The board of directors is also apprised of particular risk management matters in connection with its general oversight and approval of corporate matters and significant transactions.

Upon completion of this offering, our board of directors will not have a standing risk management committee, but rather will administer this oversight function directly through our board of directors as a whole, as well as through various standing committees of our board of directors that address risks inherent in their respective areas of oversight. In particular, our board of directors will be responsible for monitoring and assessing strategic risk exposure, our Audit Committee will be responsible for overseeing our major financial risk exposures and the steps our management has taken to monitor and control these exposures and our Compensation Committee will assess and monitor whether any of our compensation policies and programs has the potential to encourage unnecessary risk-taking. In addition, upon completion of this offering, our Audit Committee will oversee the performance of our internal audit function and consider and approve or disapprove any related-party transactions.

Our management is responsible for day-to-day risk management. This oversight includes identifying, evaluating, and addressing potential risks that may exist at the enterprise, strategic, financial, operational, compliance and reporting levels.

Risk and Compensation Policies

Prior to the completion of this offering, we intend to analyze our compensation programs and policies to determine whether those programs and policies are reasonably likely to have a material adverse effect on us.

Leadership Structure of the Board of Directors

The positions of Chairman of the Board and Chief Executive Officer are presently the same person and we do not have a lead independent director. As our bylaws, which will become effective prior to the completion of this offering, and corporate governance guidelines do not require that our Chairman and Chief Executive Officer positions be separate, our board of directors believes that having positions be held by the same person is the appropriate leadership structure for us at this time. As of the date of this prospectus, we have determined that the leadership structure of our board of directors has permitted our board of directors to fulfill its duties effectively and efficiently and is appropriate given the size and scope of our company and its financial condition.

EXECUTIVE COMPENSATION

Compensation Philosophy

Our compensation philosophy includes:

- pay for performance;
- fair compensation that is competitive with market standards;

- compensation mix according to growth stage of our company as well as job level; and
- incentivizing employees to work for long-term sustainable and profitable growth of our company.

Objective of Executive Compensation Program

The objective of our compensation program is to provide a fair and competitive compensation package in the industry to each named executive officer ("NEO") that will enable us to:

- attract and hire outstanding individuals to achieve our mid-term and long-term visions;
- motivate, develop and retain employees; and
- align the financial interests of each named executive officer with the interests of our stakeholders including stockholders and encourage each named executive officer to contribute to enhance value of the Company.

Our named executive officers for fiscal year 2021, which consist of our principal executive officers, are:

- James Chae, our Chairman of the Board, President and Chief Executive Officer; and
- Kevin Hartley, Chief Financial Officer.

Administration

Following the consummation of this offering, our Compensation Committee, which includes two independent directors, will oversee our executive compensation program and will be responsible for approving the nature and amount of the compensation paid to our NEOs. The committee will also administer our equity compensation plan and awards.

Elements of Compensation

Our compensation program for NEOs consists of the following elements of compensation, each described in greater depth below:

- base salaries;
- performance-based bonuses;
- equity-based incentive compensation; and
- general benefits.

Base Salary

Base salaries are an annual fixed level of cash compensation to reflect each NEO's performance, role and responsibilities, and retention considerations.

Performance-Based Bonus

To incentivize management to drive strong operating performance and reward achievement of our company's business goals, our executive compensation program includes performance-based bonuses for NEOs. Following consummation of this offering, our Compensation Committee will establish annual target performance-based bonuses for each NEO during the first quarter of the fiscal year.

Equity Compensation

We may pay equity-based compensation to our NEOs in order to link our long-term results achieved for our stockholders and the rewards provided to NEOs, thereby ensuring that such NEOs have a continuing stake in our long-term success.

General Benefits

Our NEOs are provided with other fringe benefits that we believe are commonly provided to similarly situated executives.

Summary Compensation Table

The following table summarizes the compensation awarded to, earned by or paid to our NEOs for fiscal years 2020 and 2021:

Summary Compensation Table – Officers

(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)
Name and Principal Position	Year	Salary ($)	Bonus ($)	Stock Awards ($)	Option Awards ($)	Non-equity Incentive plan compensation ($)	Change in Pension Value and Nonqualified deferred compensation earnings ($)	All other compensation ($)	Total ($)
James Chae, CEO Chairman of the Board	2021	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
Kevin Hartley, CFO	2021	$ 12,000	-0-	$ 50,000	-0-	-0-	-0-	-0-	$ 50,000
James Chae, CEO Chairman of the Board	2020	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
Kevin Hartley, CFO	2020	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-

Narrative to Summary Compensation Table

There is no employment contract with James Chae at this time. Nor are there any agreements for compensation in the future. A salary and stock options and/or warrants program may be developed in the future.

We do not currently have employment agreements with any of our NEOs. We have entered into a consulting agreement on October 1, 2021 with Kevin Hartley for his services as CFO of the Company pursuant to which Mr. Hartley receives $12,000 per year and additional compensation in the form of shares common stock which the parties agreed is valued at $50,000.

Outstanding Equity Awards at Fiscal Year End

As of December 31, 2021, there were no outstanding equity awards for each of the NEOs.

Payments Upon Termination or Change in Control

None of our NEOs are entitled to receive payments or other benefits upon termination of employment or a change in control.

Retirement Plans

We do not maintain any deferred compensation, retirement, pension or profit-sharing plans. We have adopted an incentive plan, the material terms of which are described below.

Employee Benefits

All of our full-time employees are eligible to participate in health and welfare plans maintained by the Company, including:

- medical, dental and vision benefits; and
- basic life and accidental death & dismemberment insurance.

Our NEOs participate in these plans on the same basis as other eligible employees. We do not maintain any supplemental health and welfare plans for our NEOs.

Nonqualified Deferred Compensation

Our NEOs did not earn any nonqualified deferred compensation benefits from us during fiscal year 2021.

Director Compensation

Our employee directors did not receive any compensation for serving as a member of our board of directors during fiscal year 2021 and after completion of this offering our directors who are also employees will continue to not receive compensation for their services as directors. Upon completion of this offering, we plan to implement a compensation plan for our non-employee directors, such that non-employee directors will receive an annual cash retainer and/or an annual grant of stock options. Our committee chairpersons will receive certain additional retainer fees.

Directors will be reimbursed for travel, food, lodging and other expenses directly related to their activities as directors, including expenses incurred in attending board meetings. Directors are also entitled to the protection provided by their indemnification agreements and the indemnification provisions in our current certificate of incorporation and bylaws, as well as the amended and restated certificate of incorporation and amended and restated bylaws that will become effective prior to the completion of this offering.

PRINCIPAL STOCKHOLDERS

The following table presents information regarding beneficial ownership of our equity interests as of , 2022 and as adjusted to reflect our sale of Class A common stock in this offering, by:

- each stockholder or group of stockholders known by us to be the beneficial owner of more than 5% of our outstanding equity interests
- each of our directors;
- each of our named executive officers; and
- all of our directors and executive officers as a group.

Beneficial ownership is determined in accordance with the rules of the SEC, and thus represents voting or investment power with respect to our securities. Unless otherwise indicated below, to our knowledge, the persons and entities named in the table have sole voting and sole investment power with respect to all equity interests beneficially owned, subject to community property laws where applicable.

Percentage ownership of our equity interests before this offering is based on 9,000,000 shares of our Class A common stock and 1,000,000 shares of our Class B common stock outstanding as of , 2022.

Percentage ownership of our equity interests after this offering assumes the sale by us of 4,000,000 shares of our Class A common stock in this offering.

On all matters to be voted on by stockholders, holders of our Class A common stock are entitled to one vote per share while holders of our Class B common stock are entitled to 10 votes per share. Upon completion of this offering and the adoption of our certificate of incorporation, the Class B common stock will be convertible as follows: (i) each share of Class B Common Stock will be automatically converted into one share of Class A common stock upon the earliest of the date such share ceases to be beneficially owned, as such term is defined under Section 13(d) of the Securities Exchange Act of 1934, and (ii) each share of Class B common stock may be converted at any time into one share of Class A common stock at the option of the holder. The one-to-one conversion ratio will be equitably preserved in the event of any stock dividend, stock split or combination or merger, consolidation or other reorganization by us with another entity.. With the exception of voting rights and conversion rights, holders of Class A and Class B common stock will have identical rights.

Unless otherwise indicated, the address of each individual listed in this table is c/o Yoshiharu Global Co., 6940 Beach Blvd. Suite D-705, Buena Park, CA 90621.

	Prior to this offering					After this offering				
	Shares of Class A Common Stock Beneficially Owned		Shares of Class B Common Stock Beneficially Owned		Total Voting Power Beneficially	Shares of Class A Common Stock Beneficially		Shares of Class B Common Stock Beneficially Owned		Total Voting Power Beneficially
	Number	Percentage	Number	Percentage	Owned	Number	Percentage	Number	Percentage	Owned
5% Holder:										
None	—	—	—	—	—	—	—	—	—	—
Named Executive Officers and Directors:										
James Chae	7,110,900	79.01%	1,000,000	100%	90.06%	7,110,900	54.70%	1,000,000	100%	74.40%
Kevin Hartley[(1)]	—	—	—	—	—	—	—	—	—	—
Jay Kim	100,000	1.11%	—	—	1.11%	100,000	*	—	—	*
Helen Lee	10,000	*	—	—	*	10,000	—	—	—	—
Ho Suk Kang	—	—	—	—	—	—	—	—	—	—
Executive Officers and Directors as a Group (5 individuals)	7,220,900	80.23%	1,000,000	100%	90.64%	7,220,900	55.54%	1,000,000	100%	74.87%

* Indicates ownership of less than one percent.

(1) Excludes $50,000 in Class A common stock issuable for services pursuant to Mr. Hartley's consulting agreement, which shall be issued in 2022 after the completion of this offering.

CERTAIN RELATIONSHIPS AND RELATED PARTY TRANSACTIONS

Relationship with James Chae

In December 2021, Yoshiharu Holdings was formed by James Chae as an S corporation for the purpose of acquiring all of the equity in each of the 6 restaurant store entities which were previously founded and wholly owned directly by James Chae in exchange for an issuance of 10,000,000 shares to James Chae, which constituted all of the issued and outstanding equity in Yoshiharu Holdings Co.

Yoshiharu Global Co. was incorporated on December 9, 2021 in Delaware by James Chae for purposes of effecting this offering. On December 9, 2021, James Chae contributed 100% of the equity in Yoshiharu Holdings Co. to Yoshiharu Global Co. in exchange for the issuance by Yoshiharu Global Co. of 9,450,900 shares of Class A common stock to James Chae. On December 10, 2021, the Company redeemed 670,000 shares of Class A common stock from James Chae at par ($0.0001 per share). In December 2021, the Company conducted a private placement solely to accredited investors and sold 670,000 shares of Class A common stock at $2.00 per share, which the Company's board of directors determined to reflect the then current fair market value of the Company's Class A common stock. The Company shall exchange 1,000,000 shares held by James Chae into 1,000,000 shares of Class B common stock immediately prior to the underwriting agreement.

From time to time, the Company borrowed money from APIIS Financial Group, a company controlled by Mr. Chae. The balance is non-interest bearing and due on demand. As of September 30, 2021 and December 31, 2020, the balance was $1,337,590 and $911,411, respectively.

From time to time, the Company made distributions in the form of dividends to Mr. James Chae as the sole stockholder of the Company. For the nine months ended September 30, 2021 and 2020, the Mr. James Chae was distributed $526,657 and $620,838, respectively.

As of , 2022, James Chae owned 100% of our outstanding Class B common (1,000,000) stock, and 79.01% of our Class A common stock, and 90.06% of our total voting power. As discussed below in "Description of Securities" and elsewhere in this prospectus, our Class B common stock has 10 votes per share, while our Class A common stock, which is the class of stock we are selling in this offering and which will be the only class of stock that is publicly traded, has one vote per share.

After the offering, 100% of our Class B common stock will be controlled by James Chae. As a result, James Chae will be able to control all matters submitted to our stockholders for approval even if it owns significantly less than 50% of the number of shares of our outstanding equity interests. This concentrated control could discourage others from initiating any potential merger, takeover or other change of control transaction that other stockholders may view as beneficial.

Procedures for Approval of Related Party Transactions

We do not currently have a formal, written policy or procedure for the review and approval of related party transactions. However, all related party transactions are currently reviewed and approved by our NEOs.

Our board of directors will adopt a written related person transaction policy, effective upon the closing of this offering, which sets forth the policies and procedures for the review and approval or ratification of related party transactions. This policy will be administrated by our Audit Committee. These policies will provide that, in determining whether or not to recommend the initial approval or ratification of a related party transaction, the relevant facts and circumstances available shall be considered, including, among other factors it deems appropriate, whether the interested transaction is on terms no less favorable than terms generally available to an unaffiliated third party under the same or similar circumstances and the extent of the related party's interest in the transaction.

DESCRIPTION OF SECURITIES

General

The following is a summary of our capital stock and provisions of our certificate of incorporation and our bylaws, each of which will be in effect prior to the closing of this offering, and certain provisions of Delaware law. This summary does not purport to be complete and is qualified in its entirety by the provisions of our certificate of incorporation and bylaws, copies of which will be filed with the SEC as exhibits to the registration statement, of which this prospectus forms a part.

Following the closing of this offering, we expect that our authorized capital stock will consist of 49,000,000 shares of Class A common stock, $0.0001 par value per share, 1,000,000 shares of Class B common stock and $0.0001 par value per share. We sometimes refer to our Class A common stock and Class B common stock as "equity interests" when described on an aggregate basis.

Units

Each unit has an offering price of $4.50 and consists of one share of Class A common stock and one warrant to purchase one share of Class A common stock. The share of Class A common stock and warrant that are part of the units are immediately separable and will be issued separately in this offering, although they will have been purchased together in this offering.

Class A Common Stock

Prior to this offering, there were 9,000,000 shares of Class A common stock outstanding.

Following the closing of this offering, there will be 13,000,000 shares of our Class A common stock outstanding, which assumes the underwriters do not exercise their option to purchase additional shares of our Class A common stock. Pursuant to our certificate of incorporation, holders of our Class A common stock will be entitled to one vote on all matters submitted to a vote of stockholders, and holders of our common stock will not be entitled to cumulative voting in the election of directors. This means that the holders of a majority of the combined voting power of our outstanding equity interests will be able to elect all of the directors then standing for election. Subject to the rights, if any, of the holders of any outstanding series of preferred stock, holders of our Class A common stock shall be entitled to receive dividends out of any of our funds legally available when, as and if declared by the board of directors. Upon the dissolution, liquidation or winding up of the Company, subject to the rights, if any, of the holders of our preferred stock, the holders of our equity interests shall be entitled to receive the assets of the Company available for distribution to its stockholders ratably in proportion to the number of shares held by them. Holders of Class A common stock will not have preemptive or conversion rights or other subscription rights. There are no redemption or sinking fund provisions applicable to our common stock. All outstanding shares of Class A common stock are, and the shares of Class A common stock offered in this prospectus will be when issued, fully paid and nonassessable.

Class B Common Stock

Prior to this offering, there were 1,000,000 shares of Class B common stock outstanding held by one stockholder of record.

Following the closing of this offering, there will be 1,000,000 shares of our Class B common stock outstanding. Pursuant to our certificate of incorporation, our Class B common stock has the same rights as our Class A common stock except for (i) certain conversion rights as described below under "—Conversion Rights," and (ii) on all matters to be voted on by stockholders, holders of our Class A common stock are entitled to one vote per share while holders of our Class B common stock are entitled to 10 votes per share. Subject to the rights, if any, of the holders of any outstanding series of preferred stock, holders of our Class B common stock shall be entitled to receive dividends out of any of our funds legally available when, as and if declared by our board of directors. Upon our dissolution, liquidation or winding up, subject to the rights, if any, of the holders of our preferred stock, the holders of shares of our equity interests shall be entitled to receive the assets of the Company available for distribution to its stockholders ratably in proportion to the number of shares held by them. Holders of Class B common stock will not have preemptive or other subscription rights. There are no redemption or sinking fund provisions applicable to our Class B common stock. All outstanding shares of Class B common stock are fully paid and nonassessable.

James Chae will be the only holder of shares of Class B common stock.

Conversion Rights

Shares of Class A Common Stock have no conversion rights. Each share of our Class B common stock is automatically convertible into one share of Class A common stock upon the earliest of the date such share ceases to be beneficially owned, as such term is defined under Section 13(d) of the Securities Exchange Act of 1934. In addition, each share of Class B common stock may be converted at any time into one share of Class A common stock at the option of the holder. The one-to-one conversion ratio will be equitably preserved in the event of any stock dividend, stock split or combination or merger, consolidation or other reorganization by us with another entity. Except for the foregoing conversion rights of the Class B common stock and provisions applicable equally to both Class A common stock and Class B common stock, including, but not limited to, the repurchase of such shares by the Company, there are no provisions which otherwise limit the lifespan of the Class B common stock or would require conversion to Class A common stock.

Voting Rights

Except as required by Delaware law or except as otherwise provided in our certificate of incorporation, Class A common stock and Class B common stock will vote together as a single class on all matters presented to a vote of stockholders, including the election of directors. Each holder of Class A common stock is entitled to one vote for each share held of record on the applicable record date for all of these matters, while each holder of Class B common stock is entitled to 10 votes for each share held of record on the applicable record date for all of these matters.

Holders of Class A common stock have no cumulative voting rights or preemptive rights to purchase or subscribe for any stock or other securities, and there are no conversion rights or redemption or sinking fund provisions with respect to Class A common stock. Class B common stock is identical in all respects to Class A common stock, except with respect to voting and conversion rights.

Warrants Issued in this Offering

Form. The warrants will be issued under a warrant agent agreement between us and VStock Transfer, LLC, as warrant agent. The material terms and provisions of the warrants offered hereby are summarized below. The following description is subject to, and qualified in its entirety by, the form of warrant agent agreement and accompanying form of warrant, which is filed as an exhibit to the registration statement of which this prospectus is a part. You should review a copy of the form of warrant agent agreement and accompanying form of warrant for a complete description of the terms and conditions applicable to the warrants.

Exercisability. The warrants are exercisable immediately upon issuance and will thereafter remain exercisable at any time up to five (5) years from the date of original issuance. The warrants will be exercisable, at the option of each holder, in whole or in part by delivering to us a duly executed exercise notice accompanied by payment in full for the number of shares purchased upon such exercise (except in the case of a cashless exercise as discussed below).

Exercise Price. Each warrant represents the right to purchase one share of common stock at an exercise price of $ per share (equal to 125% of the public offering price). The exercise price is subject to appropriate adjustment in the event of certain share dividends and distributions, stock splits, stock combinations, reclassifications or similar events affecting our shares of common stock and also upon any distributions of assets, including cash, stock or other property to our shareholders. The warrant exercise price is also subject to anti-dilution adjustments under certain circumstances.

Cashless Exercise. If, at any time during the term of the warrants, the issuance of shares of common stock upon exercise of the warrants is not covered by an effective registration statement, the holder is permitted to effect a cashless exercise of the warrants (in whole or in part) by having the holder deliver to us a duly executed exercise notice, canceling a portion of the warrant in payment of the purchase price payable in respect of the number of shares of common stock purchased upon such exercise.

Failure to Timely Deliver Shares. If we fail for any reason to deliver to the holder the shares subject to an exercise by the date that is the earlier of (i) two (2) trading days and (ii) the number of trading days that is the standard settlement period on our primary trading market as in effect on the date of delivery of the exercise notice, we must pay to the holder, in cash, as liquidated damages and not as a penalty, for each $1,000 of shares subject to such exercise (based on the daily volume weighted average price of our shares of common stock on the date of the applicable exercise notice), $10 per trading day (increasing to $20 per trading day on the fifth (5th) trading day after such liquidated damages begin to accrue) for each trading day after such date until such shares are delivered or the holder rescinds such exercise. In addition, if after such date the holder is required by its broker to purchase (in an open market transaction or otherwise) or the holder's brokerage firm otherwise purchases, shares of common stock to deliver in satisfaction of a sale by the holder of the shares which the holder anticipated receiving upon such exercise, then we shall (A) pay in cash to the holder the amount, if any, by which (x) the holder's total purchase price (including brokerage commissions, if any) for the shares of common stock so purchased exceeds (y) the amount obtained by multiplying (1) the number of shares that we were required to deliver to the holder in connection with the exercise at issue times (2) the price at which the sell order giving rise to such purchase obligation was executed, and (B) at the option of the holder, either reinstate the portion of the warrant and equivalent number of shares for which such exercise was not honored (in which case such exercise shall be deemed rescinded) or deliver to the holder the number of shares of common stock that would have been issued had we timely complied with our exercise and delivery obligations.

Exercise Limitation. A holder will not have the right to exercise any portion of a warrant if the holder (together with its affiliates) would beneficially own in excess of 4.99% of the number of shares of common stock outstanding immediately after giving effect to the exercise, as such percentage ownership is determined in accordance with the terms of the warrants. However, any holder may increase or decrease such percentage to any other percentage not in excess of 9.99%, provided that any increase in such percentage shall not be effective until 61 days following notice from the holder to us.

Exchange Listing. We have filed an application for the listing of the warrants offered in this offering on the Nasdaq Capital Market under the symbol "YOSHW."

Rights as a Shareholder. Except as otherwise provided in the warrants or by virtue of such holder's ownership of our shares of common stock, the holder of a warrant does not have the rights or privileges of a holder of our shares of common stock, including any voting rights, until the holder exercises the warrant.

Governing Law and Jurisdiction. The warrant agent agreement and warrant provide that the validity, interpretation, and performance of the warrant agent agreement and the warrants will be governed by the laws of the State of New York, without giving effect to conflicts of law principles that would result in the application of the substantive laws of another jurisdiction. In addition, the warrant agent agreement and warrant provide that any action, proceeding or claim against any party arising out of or relating to the warrant agent agreement or the warrants must be brought and enforced in the state and federal courts sitting in the City of New York, Borough of Manhattan. Investors in this offering will be bound by these provisions. However, we do not intend that the foregoing provisions would apply to actions arising under the Securities Act or the Exchange Act.

Representative's Warrants

Upon the closing of this offering, there will be up to shares of common stock issuable upon exercise of the representative's warrants. See "Underwriting— Other Compensation" below for a description of the representative's warrants.

Anti-Takeover Effects of Delaware Law, Our Certificate of Incorporation and Our Bylaws

Certain provisions of Delaware law and our certificate of incorporation and bylaws that will be effective prior to the closing of the offering could make the acquisition of the Company more difficult. These provisions of the Delaware General Corporation Law could prohibit or delay mergers or other takeover or change in control attempts and, accordingly, may discourage attempts to acquire us. These provisions, summarized below, are expected to discourage certain types of coercive takeover practices and inadequate takeover bids and are designed to encourage persons seeking to acquire control of us to negotiate with our board of directors.

Stockholder meetings. Under our certificate of incorporation and bylaws, only the board of directors, or the chairman of the board of directors or the Chief Executive Officer with the concurrence of a majority of the board of directors, may call special meetings of stockholders.

Requirements for advance notification of stockholder nominations and proposals. Our bylaws establish advance notice procedures with respect to stockholder proposals and the nomination of candidates for election as directors.

Stockholder action by written consent permitted only if our parent company and its affiliates own a majority of the voting power of the equity interests. Our certificate of incorporation authorizes the right of stockholders to act by written consent without a meeting. This provision will, in certain situations, make it more difficult for stockholders, who are not our parent company or its affiliates, to take action opposed by the board of directors.

Amendment of provisions in the certificate of incorporation. Our certificate of incorporation will require the affirmative vote of the holders of at least two-thirds of the combined voting power of our outstanding equity interests in order to amend any provision of our certificate of incorporation.

Amendment of provisions in the bylaws. Our bylaws will require the affirmative vote of the holders of at least two-thirds of the combined voting power of our outstanding equity interests in order to amend any provision of our bylaws.

Controlled company. As discussed above, our Class B common stock has 10 votes per share, while Class A common stock, which is the class of stock we are selling in this offering and which will be the only class of stock that is publicly traded, has one vote per share. After the offering, 100% of our Class B common stock will be held by James Chae. Until our dual class structure terminates, James Chae will be able to control all matters submitted to our stockholders for approval even if it owns significantly less than 50% of the number of shares of our outstanding equity interests. This concentrated control could discourage others from initiating any potential merger, takeover or other change of control transaction that other stockholders may view as beneficial.

We anticipate that we will not be governed by Section 203 of the Delaware General Corporation Law.

Exclusive Forum

Our bylaws, to be effective in connection with the completion of this offering, will contain an exclusive forum provision providing that the Court of Chancery of the State of Delaware will be the sole and exclusive forum for: (1) any derivative action or proceeding brought on our behalf, (2) any action asserting a claim of breach of a fiduciary duty owed by, or other wrongdoing by, any of our directors, officers, employees, agents or stockholders, (3) any action asserting a claim arising pursuant to any provision of the Delaware General Corporation Law, our certificate of incorporation or our bylaws, or (4) any action asserting a claim that is governed by the internal affairs doctrine. However, Section 27 of the Exchange Act creates exclusive federal jurisdiction over all suits brought to enforce any duty or liability created by the Exchange Act or the rules and

regulations thereunder. As a result, the exclusive forum provision will not apply to suits brought to enforce any duty or liability created by the Exchange Act or any other claim for which the federal courts have exclusive jurisdiction.

In addition, Section 22 of the Securities Act creates concurrent jurisdiction for federal and state courts over all suits brought to enforce any duty or liability created by the Securities Act or the rules and regulations thereunder. As a result, the exclusive forum provisions will not apply to suits brought to enforce any duty or liability created by the Securities Act or any other claim for which the federal and state courts have concurrent jurisdiction, and our stockholders will not be deemed to have waived our compliance with the federal securities laws and the rules and regulations thereunder.

Any person purchasing or otherwise acquiring any interest in any shares of our capital stock shall be deemed to have notice of and to have consented to this provision included in our bylaws which we will adopt prior to the completion of this offering. The exclusive forum provisions, if enforced, may limit a stockholder's ability to bring a claim in a judicial forum that it finds favorable for disputes with us or our directors, officers or other employees, which may discourage such lawsuits. Alternatively, if a court were to find the exclusive forum provisions to be inapplicable or unenforceable in an action, we may incur additional costs associated with resolving such action in other jurisdictions, which could have a material adverse effect on our business, financial condition, results of operations and growth prospects. For example, the Court of Chancery of the State of Delaware recently determined that a provision stating that U.S. federal district courts are the exclusive forum for resolving any complaint asserting a cause of action arising under the Securities Act is not enforceable.

Transfer Agent and Registrar

Our transfer agent and registrar is VStock Transfer, LLC.

Listing

We have applied to list our Class A common stock on the Nasdaq Capital Market under the symbol "YOSH" and our warrants under "YOSHW".

SHARES ELIGIBLE FOR FUTURE SALE

Prior to this offering, there has not been a public market of our Class A common stock or any of our equity securities. Future sales of our Class A common stock, including shares issued upon the exercise of outstanding options or warrants, in the public market after this offering, or the perception that those sales may occur, could cause the prevailing market price for our Class A common stock to fall or impair our ability to raise equity capital in the future. As described below, only a limited number of shares of our Class A common stock will be available for sale in the public market for a period of several months after consummation of this offering due to contractual and legal restrictions on resale described below. Future sales of our Class A common stock in the public market either before (to the extent permitted) or after restrictions lapse, or the perception that those sales may occur, could adversely affect the prevailing market price of our Class A common stock at such time and our ability to raise equity capital at a time and price we deem appropriate. Furthermore, although we have applied to have our Class A common stock listed on the Nasdaq Capital Market, we cannot assure you that there will be an active public trading market for our Class A common stock.

Sale of Restricted Shares

Based on the number of shares of our equity interests outstanding immediately prior to this offering, upon the closing of this offering and assuming (i) no exercise of the underwriters' option to purchase additional shares of Class A common stock to cover over-allotments and (ii) no exercise of outstanding options or warrants, we will have outstanding an aggregate of approximately 13,000,000 Class A common shares. Of these shares, all of the 4,000,000 shares of Class A common stock to be sold in this offering, and any shares sold upon exercise of the underwriters' option to purchase additional shares to cover over-allotments, will be freely tradable in the public market without restriction or further registration under the Securities Act, unless the shares are held by any of our "affiliates" as such term is defined in Rule 144 of the Securities Act. In general, affiliates include our executive officers, directors, and 10% shareholders. All remaining shares of equity securities held by existing stockholders immediately prior to the closing of this offering will be "restricted securities" as such term is defined in Rule 144. These restricted securities were issued and sold by us, or will be issued and sold by us, in private transactions and are eligible for public sale only if registered under the Securities Act or if they qualify for an exemption from registration under the Securities Act, including the exemptions provided by Rule 144 or Rule 701, which rules are summarized below.

Lock-Up Agreements

In connection with this offering, we, our directors, our executive officers, a consultant and our existing Class A common stockholders and Class B common stockholder (James Chae) have agreed, subject to certain exceptions, not to dispose of or hedge any shares of our equity interests or securities convertible into or exchangeable for our equity interests during the period from the date of the lock-up agreement continuing through the date 12 months after the date of the final prospectus, except with the prior written consent of the representative of the underwriters. These lock-up agreements are subject to certain limited exceptions. For additional information, see "Underwriting."

Following the lock-up period set forth in the agreements described above, and assuming that the representative of the underwriters does not release any parties from these agreements, all of the equity interests that are restricted securities or are held by our affiliates as of the date of this prospectus will be eligible for sale in the public market in compliance with Rule 144 under the Securities Act.

Rule 144

Non-affiliate resales of restricted securities

In general, under Rule 144, as currently in effect, once we have been subject to the public company reporting requirements of the Exchange Act for at least 90 days, a person (or persons whose shares are required to be aggregated) who is not deemed to have been one of our "affiliates" for purposes of Rule 144 at any time during the three months preceding a sale, and who has beneficially owned restricted securities within the meaning of Rule 144 for at least six months, including the holding period of any prior owner other than one of our "affiliates," is entitled to sell those shares in the public market (subject to the lock-up agreements referred to above, if applicable) without complying with the manner of sale, volume limitations or notice provisions of Rule 144, but subject to compliance with the public information requirements of Rule 144. If such a person has beneficially owned the shares proposed to be sold for at least one year, including the holding period of any prior owner other than "affiliates," then such person is entitled to sell such shares in the public market without complying with any of the requirements of Rule 144 (subject to the lock-up agreements referred to above, if applicable).

Affiliate resales of restricted securities

In general, under Rule 144, as currently in effect, once we have been subject to the public company reporting requirements of the Exchange Act for at least 90 days, our "affiliates," as defined in Rule 144, who have beneficially owned the shares proposed to be sold for at least six months are entitled to sell in the public market, upon expiration of any applicable lock-up agreements and within any three-month period, a number of those shares of our equity interests that does not exceed the greater of:

- 1% of the number of equity interests then outstanding, which will equal approximately shares of equity interests immediately after this offering (calculated on the basis of the assumptions described above and assuming no exercise of the underwriter's option to purchase additional shares and no exercise of outstanding options or warrants); or

- the average weekly trading volume of our Class A common stock on the Nasdaq Capital Market during the four calendar weeks preceding the filing of a notice on Form 144 with respect to such sale.

Such sales under Rule 144 by our "affiliates" or persons selling shares on behalf of our "affiliates" are also subject to certain manner of sale provisions, notice requirements and to the availability of current public information about us. Notwithstanding the availability of Rule 144, the holders of substantially all of our restricted securities have entered into lock-up agreements as referenced above and their restricted securities will become eligible for sale (subject to the above limitations under Rule 144) upon the expiration of the restrictions set forth in those agreements.

Rule 701

In general, under Rule 701 as currently in effect, any of our employees, directors, officers, consultants or advisors who acquired equity interests from us in connection with a written compensatory stock or option plan or other written agreement in compliance with Rule 701 under the Securities Act before the effective date of the registration statement of which this prospectus is a part (to the extent such equity interests are not subject to a lock-up agreement) is entitled to rely on Rule 701 to resell such equity interests beginning 90 days after we become subject to the public company reporting requirements of the Exchange Act in reliance on Rule 144, but without compliance with the holding period requirements contained in Rule 144. Accordingly, subject to any applicable lock-up agreements, beginning 90 days after we become subject to the public company reporting requirements of the Exchange Act, under Rule 701 persons who are not our "affiliates," as defined in Rule 144, may resell those shares without complying with the minimum holding period or public information requirements of Rule 144, and persons who are our "affiliates" may resell those shares without compliance with Rule 144's minimum holding period requirements (subject to the terms of the lock-up agreements referred to below, if applicable).

MATERIAL U.S. FEDERAL INCOME TAX CONSIDERATIONS

The following is a summary of certain material U.S. federal income tax considerations generally applicable to the acquisition, ownership and disposition of our units, shares of Class A common stock and warrants, which we refer to collectively as our securities. Because the components of a unit are separable at the option of the holder, the holder of a unit generally should be treated, for U.S. federal income tax purposes, as the owner of the underlying shares of Class A common stock and one warrant components of the unit, as the case may be. As a result, the discussion below with respect to actual holders of Class A common stock and warrants should also apply to holders of units (as the deemed owners of the underlying Class A common stock and warrants that comprise the units). This discussion applies only to securities that are held as capital assets for U.S. federal income tax purposes and is applicable only to holders who purchased units in this offering.

This discussion is a summary only and does not describe all of the tax consequences that may be relevant to you in light of your particular circumstances, including but not limited to the alternative minimum tax, the Medicare tax on certain investment income and the different consequences that may apply if you are subject to special rules that apply to certain types of investors, including but not limited to:

- our initial stockholders, officers, or directors;
- financial institutions or financial services entities;
- broker-dealers;
- governments or agencies or instrumentalities thereof;
- regulated investment companies;
- real estate investment trusts;
- expatriates or former long-term residents of the United States;
- persons that actually or constructively own 5% or more of our voting shares;
- insurance companies;
- dealers or traders subject to a mark-to-market method of accounting with respect to the securities;
- persons holding the securities as part of a "straddle," hedge, integrated transaction or similar transaction;
- U.S. holders (as defined below) whose functional currency is not the U.S. dollar;
- partnerships or other pass-through entities for U.S. federal income tax purposes and any beneficial owners of such entities; and
- tax-exempt entities.

If a partnership (including an entity or arrangement treated as a partnership for U.S. federal income tax purposes) holds our securities, the U.S. federal income tax treatment of a partner, member or other beneficial owner in such partnership will generally depend upon the status of the partner, member or other beneficial owner, the activities of the partnership and certain determinations made at the partner, member or other beneficial owner level. If you are a partner, member or other beneficial owner of a partnership for U.S. federal income tax purposes holding our securities, you are urged to consult your tax advisor regarding the tax consequences of the acquisition, ownership and disposition of our securities.

This discussion is based on the Internal Revenue Code of 1986, as amended (the "Code"), and administrative pronouncements, judicial decisions and final, temporary and proposed Treasury Regulations as of the date hereof, which are subject to change, possibly on a retroactive basis, and changes to any of which subsequent to the date of this prospectus may affect the tax consequences described herein. We have not sought, and do not intend to seek, a ruling from the IRS with respect to the statements made and conclusions reached in this summary. There is no guarantee that the IRS or any court would agree with such statements and conclusions. This discussion does not address any aspect of state, local or non-U.S. taxation, or any U.S. federal taxes other than income taxes (such as gift and estate taxes).

THIS DISCUSSION OF U.S. FEDERAL INCOME TAX CONSIDERATIONS IS FOR GENERAL INFORMATION PURPOSES ONLY AND IS NOT TAX ADVICE. WE URGE PROSPECTIVE HOLDERS TO CONSULT THEIR TAX ADVISORS CONCERNING THE U.S. FEDERAL INCOME TAX CONSEQUENCES TO THEM OF ACQUIRING, OWNING AND DISPOSING OF OUR SECURITIES, AS WELL AS ANY STATE, LOCAL AND NON-U.S. INCOME, ESTATE AND OTHER TAX CONSIDERATIONS.

Allocation of Purchase Price and Characterization of a Unit

No statutory, administrative or judicial authority directly addresses the treatment of the unit or instruments with terms substantially the same as the unit for U.S. federal income tax purposes and, therefore, that treatment is not entirely clear. The acquisition of a unit should be treated for U.S. federal income tax purposes as the acquisition of one share of our Class A common stock and one warrant, with each whole warrant exercisable to acquire one share of our Class A common stock. We intend to treat the acquisition of a unit in this manner and, by purchasing a unit, you agree to adopt such treatment for tax purposes. For U.S. federal income tax purposes, each holder of a unit must allocate the purchase price paid by such holder for such unit between the one share of Class A common stock and the one warrant based on the relative fair market value of each at the time of issuance. The price allocated to each share of Class A common stock and the one warrant should be the stockholder's initial tax basis in such share or warrant, as the case may be. Any disposition of a unit should be treated for U.S. federal income tax purposes as a disposition of the share of Class A common stock and one warrant comprising the unit, and the amount realized on the disposition should be allocated between the Class A common stock and the one warrant based on their respective relative fair market values at the time of disposition (as determined by each such unit holder based on all the facts and circumstances). Neither the separation of the share of our Class A common stock and one warrant constituting a unit nor the combination of two halves of warrants into a single warrant should be a taxable event for U.S. federal income tax purposes.

The foregoing treatment of the unit and a holder's purchase price allocation are not binding on the IRS or the courts. Because there are no authorities that directly address instruments that are similar to the units, no assurance can be given that the IRS or the courts will agree with the characterization described above or the discussion below. Accordingly, each prospective investor is urged to consult its own tax advisors regarding the tax consequences of an investment in a unit (including alternative characterizations of a unit). The balance of this discussion assumes that the characterization of the units described above is respected for U.S. federal income tax purposes.

U.S. Holders

This section applies to you if you are a "U.S. holder." A U.S. holder is a beneficial owner of our units, shares of Class A common stock or warrants who or that is, for U.S. federal income tax purposes:

- an individual who is a citizen or resident of the United States;
- a corporation (or other entity taxable as a corporation for U.S. federal income tax purposes) organized in or under the laws of the United States, any state thereof or the District of Columbia;
- an estate the income of which is includible in gross income for U.S. federal income tax purposes regardless of its source; or
- a trust, if (i) a court within the United States is able to exercise primary supervision over the administration of the trust and one or more United States persons (as defined in the Code) have authority to control all substantial decisions of the trust or (ii) it has a valid election in effect under the Treasury Regulations to be treated as a United States person.

Taxation of Distributions. If we pay distributions in cash or other property (other than certain distributions of our shares or rights to acquire our shares) to U.S. holders of shares of our Class A common stock, such distributions generally will constitute dividends for U.S. federal income tax purposes to the extent paid from our current or accumulated earnings and profits, as determined under U.S. federal income tax principles. Distributions in excess of current and accumulated earnings and profits will constitute a return of capital that will be applied against and reduce (but not below zero) the U.S. holder's adjusted tax basis in our Class A common stock. Any remaining excess will be treated as gain realized on the sale or other disposition of the Class A common stock and will be treated as described under "U.S. Holders — Gain or Loss on Sale, Taxable Exchange or Other Taxable Disposition of Class A Common Stock and Warrants" below.

Dividends we pay to a U.S. holder that is a taxable corporation generally will qualify for the dividends received deduction if the requisite holding period is satisfied. With certain exceptions (including, but not limited to, dividends treated as investment income for purposes of investment interest deduction limitations), and provided certain holding period requirements are met, dividends we pay to a non-corporate U.S. holder generally will constitute "qualified dividends" that will be subject to tax at the preferential tax rate for long-term capital gains. It is unclear whether the redemption rights with respect to the Class A common stock described in this prospectus may prevent a U.S. holder from satisfying the applicable holding period requirements with respect to the dividends received deduction or the preferential tax rate on qualified dividend income, as the case may be. If the holding period requirements are not satisfied, then a corporation may not be able to qualify for the dividends received deduction and would have taxable income equal to the entire dividend amount, and non-corporate holders may be subject to tax on such dividend at regular ordinary income tax rates instead of the preferential rate that applies to qualified dividend income.

Gain or Loss on Sale, Taxable Exchange or Other Taxable Disposition of Class A Common Stock and Warrants. Upon a sale or other taxable disposition of our Class A common stock or warrants (which, in general, would include a redemption of Class A common stock or warrants that is treated as a sale of such securities as described below, and including as a result of a dissolution and liquidation in the event we do not consummate an initial business combination within the required time period), a U.S. holder generally will recognize gain or loss in an amount calculated as discussed in the following paragraph. Any such gain or loss will be capital gain or loss, and generally will be long-term capital gain or loss if the U.S. holder's holding period for the Class A common stock or warrants so disposed of exceeds one year. Long-term capital gains recognized by non-corporate U.S. holders will be eligible to be taxed at reduced rates. The deductibility of capital losses is subject to limitations.

Generally, the amount of gain or loss recognized by a U.S. holder is equal to the difference between (i) the sum of the amount of cash and the fair market value of any property received in such disposition (or, if the Class A common stock or warrants are held as part of units at the time of the disposition, the portion of the amount realized on such disposition that is allocated to the Class A common stock or the warrants based upon the then relative fair market values of the Class A common stock and the warrants included in the units) and (ii) the U.S. holder's adjusted tax basis in its Class A common stock or warrants so disposed of. A U.S. holder's adjusted tax basis in its Class A common stock or warrants generally will equal the U.S. holder's acquisition cost (that is, as discussed above, the portion of the purchase price of a unit allocated to a share of Class A common stock or one warrant or, as discussed below, the U.S. holder's initial basis for Class A common stock received upon exercise of warrants) reduced, in the case of a share of Class A common stock, by any prior distributions treated as a return of capital as discussed above under the heading "U.S. Holders — Taxation of Distributions."

Redemption of Class A Common Stock. In the event that we purchase a U.S. holder's Class A common stock in an open market transaction (each of which we refer to as a "redemption"), the treatment of the transaction for U.S. federal income tax purposes will depend on whether the redemption qualifies as a sale or exchange of the Class A common stock under Section 302 of the Code. If the redemption qualifies as a sale or exchange of the Class A common stock, the U.S. holder will be treated as described under "U.S. Holders — Gain or Loss on Sale, Taxable Exchange or Other Taxable Disposition of Class A Common Stock and Warrants" above. If the redemption does not qualify as a sale or exchange of the Class A common stock, the U.S. holder will be treated as receiving a corporate distribution with the tax consequences described above under "U.S. Holders — Taxation of Distributions". Whether a redemption qualifies for sale or exchange treatment will depend largely on the total number of shares of our stock treated as held by the U.S. holder (including any stock constructively owned by the U.S. holder as a result of owning warrants) relative to all of our shares outstanding both before and after the redemption. The redemption of Class A common stock generally will be treated as a sale of the Class A common stock (rather than as a corporate distribution) if the redemption (i) is "substantially disproportionate" with respect to the U.S. holder, (ii) results in a "complete termination" of the U.S. holder's interest in us or (iii) is "not essentially equivalent to a dividend" with respect to the U.S. holder. These tests are explained more fully below.

In determining whether any of the foregoing tests are satisfied, a U.S. holder takes into account not only stock actually owned by the U.S. holder, but also shares of our stock that are constructively owned by it. A U.S. holder may constructively own, in addition to stock owned directly, stock owned by certain related individuals and entities in which the U.S. holder has an interest or that have an interest in such U.S. holder, as well as any stock the U.S. holder has a right to acquire by exercise of an option, which would generally include Class A common stock which could be acquired pursuant to the exercise of the warrants. In order to meet the substantially disproportionate test, the percentage of our outstanding voting stock actually and constructively owned by the U.S. holder immediately following the redemption of Class A common stock must, among other requirements, be less than 80% of the percentage of our outstanding voting stock actually and constructively owned by the U.S. holder immediately before the redemption. There will be a complete termination of a U.S. holder's interest if either (i) all of the shares of our stock actually and constructively owned by the U.S. holder are redeemed or (ii) all of the shares of our stock actually owned by the U.S. holder are redeemed and the U.S. holder is eligible to waive, and effectively waives in accordance with specific rules, the attribution of stock owned by certain family members and the U.S. holder does not constructively own any other shares of our stock (including stock constructively owned by the U.S. holder as a result of owning warrants). The redemption of the Class A common stock will not be essentially equivalent to a dividend with respect to a U.S. holder if the redemption results in a "meaningful reduction" of the U.S. holder's proportionate interest in us. Whether the redemption will result in a meaningful reduction in a U.S. holder's proportionate interest in us will depend on the particular facts and circumstances. However, the IRS has indicated in a published ruling that even a small reduction in the proportionate interest of a small minority stockholder in a publicly held corporation who exercises no control over corporate affairs may constitute such a "meaningful reduction." A U.S. holder should consult with its own tax advisors as to the tax consequences of a redemption.

If none of the foregoing tests is satisfied, then the redemption will be treated as a corporate distribution and the tax effects will be as described under "U.S. Holders — Taxation of Distributions" above. After the application of those rules, any remaining tax basis of the U.S. holder in the redeemed shares of Class A common stock will be added to the U.S. holder's adjusted tax basis in its remaining shares, or, if it has none, to the U.S. holder's adjusted tax basis in its warrants or possibly in other stock constructively owned by it.

Exercise, Lapse or Redemption of a Warrant. Except as discussed below with respect to the cashless exercise of a warrant, a U.S. holder generally will not recognize taxable gain or loss on the acquisition of common stock upon exercise of a warrant for cash. The U.S. holder's tax basis in the share of our Class A common stock received upon exercise of the warrant generally will be an amount equal to the sum of the U.S. holder's initial investment in the warrant (i.e., the portion of the U.S. holder's purchase price for the units that is allocated to the warrant, as described above under "Allocation of Purchase Price and Characterization of a Unit") and the exercise price of such warrant. It is unclear whether the U.S. holder's holding period for the Class A common stock received upon exercise of the warrant will begin on the date following the date of exercise or on the date of exercise of the warrant; in either case, the holding period will not include the period during which the U.S. holder held the warrant. If a warrant is allowed to lapse unexercised, a U.S. holder generally will recognize a capital loss equal to such holder's tax basis in the warrant.

The tax consequences of a cashless exercise of a warrant are not clear under current tax law. A cashless exercise may be nontaxable, either because the exercise is not a gain realization event or because the exercise is treated as a "recapitalization" for U.S. federal income tax purposes. In either situation, a U.S. holder's tax basis in the Class A common stock received would generally equal the holder's tax basis in the warrants exercised therefor. If the cashless exercise was not a gain realization event, it is unclear whether a U.S. holder's holding period for the Class A common stock would commence on the date of exercise of the a warrant or on the day following the date of exercise of the warrant. If the cashless exercise were treated as a recapitalization, the holding period of the Class A common stock would include the holding period of the warrants exercised therefor.

It is also possible that a cashless exercise could be treated in whole or in part as a taxable exchange in which gain or loss would be recognized. In such event, a U.S. holder could be deemed to have surrendered a number of warrants having an aggregate fair market value equal to the exercise price for the total number of warrants to be exercised. The U.S. holder would recognize capital gain or loss in an amount equal to the difference between the fair market value of the Class A common stock received in respect of the warrants deemed surrendered and the U.S. holder's tax basis in such warrants. Such gain or loss would be long-term or short-term, depending on the U.S. holder's holding period in the warrants deemed surrendered. In this case, a U.S. holder's tax basis in the Class A common stock received would equal the sum of the U.S. holder's initial investment in the warrants exercised (i.e., the portion of the U.S. holder's purchase price for the units that is allocated to the warrants, as described above under "Allocation of Purchase Price and Characterization of a Unit") and the exercise price of such warrants. It is unclear whether a U.S. holder's holding period for the Class A common stock would commence on the date following the date of exercise or on the date of exercise of the warrant; in either case, the holding period would not include the period during which the U.S. holder held the warrant.

Due to the absence of authority on the U.S. federal income tax treatment of a cashless exercise, including when a U.S. holder's holding period would commence with respect to the Class A common stock received, there can be no assurance which, if any, of the alternative tax consequences and holding periods described above would be adopted by the IRS or a court of law. Accordingly, U.S. holders should consult their tax advisors regarding the tax consequences of a cashless exercise.

If we redeem warrants for cash or if we purchase warrants in an open market transaction, such redemption or purchase generally will be treated as a taxable disposition to the U.S. holder, taxed as described above under "U.S. Holders — Gain or Loss on Sale, Taxable Exchange or Other Taxable Disposition of Class A Common Stock and Warrants." A redemption of warrants for Class A common stock should generally be treated as a "recapitalization" for U.S. federal income tax purposes. Accordingly, a U.S. holder should not recognize any gain or loss on the redemption of warrants for shares of the Class A common stock. A U.S. holder's aggregate tax basis in the shares of Class A common stock received in the redemption should equal the U.S. holder's aggregate tax basis in the warrants redeemed and the holding period for the shares of Class A common stock received in redemption of the warrants should include the U.S. holder's holding period for the surrendered warrants. However, there is some uncertainty regarding this tax treatment and it is possible such a redemption could be treated in part as a taxable exchange in which gain or loss would be recognized in a manner similar to that discussed above for a cashless exercise of warrants or otherwise characterized. Accordingly, a U.S. holder is urged to consult its tax advisor regarding the tax consequences of a redemption of warrants for shares of Class A common stock.

Possible Constructive Distributions. The terms of each warrant provide for an adjustment to the number of shares of Class A common stock for which the warrant may be exercised or to the exercise price of the warrant in certain events, as discussed in the section of this prospectus entitled "Description of Securities — Warrants Issued in this Offering." An adjustment which has the effect of preventing dilution generally is not taxable. U.S. holders of the warrants would, however, be treated as receiving a constructive distribution from us if, for example, the adjustment to the number of such shares or to such exercise price increases the warrantholders' proportionate interest in our assets or earnings and profits (e.g., through an increase in the number of shares of Class A common stock that would be obtained upon exercise or through a decrease in the exercise price of the warrant) as a result of a distribution of cash or other property, such as other securities, to the holders of shares of our Class A common stock, or as a result of the issuance of a stock dividend to holders of shares of our Class A common stock, in each case which is taxable to the holders of such shares as a distribution (as described under "U.S. Holders — Taxation of Distributions" above). Such constructive distribution would be subject to tax in the same manner as if the U.S. holders of the warrants received a cash distribution from us equal to the fair market value of such increased interest resulting from the adjustment.

Information Reporting and Backup Withholding. In general, information reporting requirements may apply to dividends paid to a U.S. holder and to the proceeds of the sale or other disposition of our units, shares of Class A common stock and warrants, unless the U.S. holder is an exempt recipient. Backup withholding may apply to such payments if the U.S. holder fails to provide a taxpayer identification number, a certification of exempt status or has been notified by the IRS that it is subject to backup withholding (and such notification has not been withdrawn).

Backup withholding is not an additional tax. Any amounts withheld under the backup withholding rules will be allowed as a refund or a credit against a U.S. holder's U.S. federal income tax liability provided the required information is timely furnished to the IRS.

All U.S. holders should consult their tax advisors regarding the application of information reporting and backup withholding to them.

Non-U.S. Holders

This section applies to you if you are a "Non-U.S. holder." As used herein, the term "Non-U.S. holder" means a beneficial owner of our units, Class A common stock or warrants who or that is an individual, corporation, estate or trust and is not a U.S. holder, but generally does not include an individual who is present in the United States for 183 days or more in the taxable year of disposition. If you are such an individual, you should consult your tax advisor regarding the U.S. federal income tax consequences of the acquisition, ownership or sale or other disposition of our securities.

Taxation of Distributions. In general, any distributions (including constructive distributions) we make to a Non-U.S. holder of shares of our Class A common stock, to the extent paid out of our current or accumulated earnings and profits (as determined under U.S. federal income tax principles), will constitute dividends for U.S. federal income tax purposes. Provided such dividends are not effectively connected with the Non-U.S. holder's conduct of a trade or business within the United States (and are not attributable to a U.S. permanent establishment under an applicable treaty), we will be required to withhold tax from the gross amount of the dividend at a rate of 30%, unless such Non-U.S. holder is eligible for a reduced rate of withholding tax under an applicable income tax treaty and provides proper certification of its eligibility for such reduced rate (usually on an IRS Form W-8BEN or W-8BEN-E, as applicable). In the case of any constructive dividend, it is possible that this tax would be withheld from any amount owed to a Non-U.S. holder by the applicable withholding agent, including cash distributions on other property or sale proceeds from warrants or other property subsequently paid or credited to such holder. Any distribution not constituting a dividend will be treated first as reducing (but not below zero) the Non-U.S. holder's adjusted tax basis in its shares of our Class A common stock and, to the extent such distribution exceeds the Non-U.S. holder's adjusted tax basis, as gain realized from the sale or other disposition of the Class A common stock, which will be treated as described under "Non-U.S. Holders — Gain on Sale, Taxable Exchange or Other Taxable Disposition of Class A Common Stock and Warrants" below. In addition, if we determine that we are classified as a "United States real property holding corporation" (see "Non-U.S. Holders — Gain on Sale, Taxable Exchange or Other Taxable Disposition of Class A Common Stock and Warrants" below) and shares of our Class A common stock are not considered to be regularly traded on an established securities market, we will withhold 15% of any distribution that exceeds our current and accumulated earnings and profits, including a distribution in redemption of shares of our Class A common stock. See also "Non-U.S. Holders — Possible Constructive Distributions" for potential U.S. federal tax consequences with respect to constructive distributions.

Dividends we pay to a Non-U.S. holder that are effectively connected with such Non-U.S. holder's conduct of a trade or business within the United States (or, if an income tax treaty applies, are attributable to a U.S. permanent establishment or fixed base maintained by the Non-U.S. holder) will generally not be subject to withholding tax, provided such Non-U.S. holder complies with certain certification and disclosure requirements (usually by providing an IRS Form W-8ECI). Instead, such dividends will generally be subject to regular U.S. federal income tax as if the Non-U.S. holder were a United States resident, subject to an applicable income tax treaty providing otherwise. A Non-U.S. corporation receiving effectively connected dividends may also be subject to an additional "branch profits tax" imposed at a rate of 30% (or a lower applicable treaty rate).

Gain on Sale, Taxable Exchange or Other Taxable Disposition of Class A Common Stock and Warrants. Subject to the discussion of FATCA and backup withholding below, a Non-U.S. holder generally will not be subject to U.S. federal income or withholding tax in respect of gain recognized on a sale, taxable exchange or other taxable disposition of our Class A common stock, which would include a dissolution and liquidation in the event we do not complete an initial business combination within the required period of time, or warrants (including an expiration or redemption of our warrants), in each case without regard to whether those securities were held as part of a unit, unless:

- the gain is effectively connected with the conduct of a trade or business by the Non-U.S. holder within the United States (and, under certain income tax treaties, is attributable to a permanent establishment or fixed base in the United States maintained by the Non-U.S. holder); or

- we are or have been a "United States real property holding corporation" for U.S. federal income tax purposes at any time during the shorter of the five-year period ending on the date of disposition of the applicable security or the period that the Non-U.S. holder held the applicable security, and, in the case where shares of our Class A common stock are regularly traded on an established securities market, the Non-U.S. holder has owned, directly or constructively, (i) more than 5% of our Class A common stock, (ii) more than 5% of the units, provided the units are considered to be regularly traded, or (iii) more than 5% of the warrants, provided the warrants are considered to be regularly traded, in each case at any time within the shorter of the five-year period preceding the disposition of the applicable security or such Non-U.S. holder's holding period for the applicable security. There can be no assurance that our Class A common stock will be treated as regularly traded on an established securities market for this purpose.

Unless an applicable income tax treaty provides otherwise, gain described in the first bullet point above will be subject to tax at generally applicable U.S. federal income tax rates as if the Non-U.S. holder were a United States resident. Any gains described in the first bullet point above of a Non-U.S. holder that is a foreign corporation may also be subject to an additional "branch profits tax" at a 30% rate (or a lower treaty rate).

If the second bullet point above applies to a Non-U.S. holder, gain recognized by such holder on the sale, exchange or other disposition of our Class A common stock or warrants will be subject to tax at generally applicable U.S. federal income tax rates. In addition, if shares of our Class A common stock are not considered to be regularly traded on an established securities market, such Non-U.S. holder will be subject to withholding at a rate of 15% of the amount realized upon such disposition. We cannot determine whether we will be a United States real property holding corporation in the future until we complete an initial business combination. We will be classified as a United States real property holding corporation if the fair market value of our "United States real property interests" equals or exceeds 50% of the sum of the fair market value of our worldwide real property interests plus our other assets used or held for use in a trade or business, as determined for U.S. federal income tax purposes.

Redemption of Class A Common Stock. The characterization for U.S. federal income tax purposes of the redemption of a Non-U.S. holder's Class A common stock generally will correspond to the U.S. federal income tax characterization of such a redemption of a U.S. holder's Class A common stock, as described under "U.S. Holders — Redemption of Class A Common Stock" above, and the consequences of the redemption to the Non-U.S. holder will be as described above under "Non-U.S. Holders — Taxation of Distributions" and "Non-U.S. Holders — Gain on Sale, Taxable Exchange or Other Taxable Disposition of Class A Common Stock and Warrants," as applicable.

Exercise, Lapse or Redemption of a Warrant. The U.S. federal income tax treatment of a Non-U.S. holder's exercise of a warrant, or the lapse of a warrant held by a Non-U.S. holder, generally will correspond to the U.S. federal income tax treatment of the exercise or lapse of a warrant by a U.S. holder, as described under "U.S. Holders — Exercise, Lapse or Redemption of a Warrant" above, although to the extent a cashless exercise results in a taxable exchange, the consequences would be similar to those described above in "Non-U.S. Holders — Gain on Sale, Taxable Exchange or Other Taxable Disposition of Class A Common Stock and Warrants." The U.S. federal income tax treatment for a Non-U.S. holder of a redemption of warrants for Class A common stock will correspond to the U.S. federal income tax treatment for a U.S. holder of a redemption of warrants for Class A common stock, as described above in "U.S. Holders — Exercise, Lapse or Redemption of a Warrant." The U.S. federal income tax treatment for a Non-U.S. holder of a redemption of warrants for cash (or if we purchase warrants in an open market transaction) would be similar to that described above in "Non-U.S. Holders — Gain on Sale, Taxable Exchange or Other Taxable Disposition of Class A Common Stock and Warrants."

Possible Constructive Distributions. The terms of each warrant provide for an adjustment to the number of shares of Class A common stock for which the warrant may be exercised or to the exercise price of the warrant in certain events, as discussed in the section of this prospectus entitled "Description of Securities —Warrants Issued in this Offering." An adjustment which has the effect of preventing dilution generally is not taxable. Non-U.S. holders of the warrants would, however, be treated as receiving a constructive distribution from us if, for example, the adjustment to the number of such shares or to such exercise price increases the warrantholders' proportionate interest in our

assets or earnings and profits (e.g., through an increase in the number of shares of Class A common stock that would be obtained upon exercise or through a decrease in the exercise price of the warrant) as a result of a distribution of cash or other property, such as other securities, to the holders of shares of our Class A common stock, or as a result of the issuance of a stock dividend to holders of shares of our Class A common stock, in each case which is taxable to the holders of such shares as a distribution (as described under "Non-U.S. Holders — Taxation of Distributions" above). Such constructive distribution would be subject to tax in the same manner as if the Non-U.S. holders of the warrants received a cash distribution from us equal to the fair market value of such increased interest resulting from the adjustment.

Information Reporting and Backup Withholding. Information returns will be filed with the IRS in connection with payments of dividends and the proceeds from a sale or other disposition of our units, shares of Class A common stock and warrants. A Non-U.S. holder may have to comply with certification procedures to establish that it is not a United States person (by providing certification of its foreign status, under penalties of perjury, on a duly executed applicable IRS Form W-8 or by otherwise establishing an exemption) in order to avoid information reporting and backup withholding requirements. The certification procedures required to claim a reduced rate of withholding under a treaty generally will satisfy the certification requirements necessary to avoid the backup withholding as well.

Backup withholding is not an additional tax. The amount of any backup withholding from a payment to a Non-U.S. holder will be allowed as a credit against such holder's U.S. federal income tax liability and may entitle such holder to a refund, provided that the required information is timely furnished to the IRS.

All Non-U.S. holders should consult their tax advisors regarding the application of information reporting and backup withholding to them.

FATCA Withholding Taxes. Sections 1471 through 1474 of the Code and the Treasury Regulations and administrative guidance promulgated thereunder (commonly referred as the "Foreign Account Tax Compliance Act" or "FATCA") generally impose withholding at a rate of 30% in certain circumstances on dividends in respect of our securities which are held by or through certain foreign financial institutions (including investment funds), unless any such institution (1) enters into, and complies with, an agreement with the IRS to report, on an annual basis, information with respect to interests in, and accounts maintained by, the institution that are owned by certain U.S. persons and by certain non-U.S. entities that are wholly or partially owned by U.S. persons and to withhold on certain payments, or (2) if required under an intergovernmental agreement between the United States and an applicable foreign country, reports such information to its local tax authority, which will exchange such information with the U.S. authorities. An intergovernmental agreement between the United States and an applicable foreign country may modify these requirements. Accordingly, the entity through which our securities are held will affect the determination of whether such withholding is required. Similarly, dividends in respect of our securities held by an investor that is a non-financial non-U.S. entity that does not qualify under certain exceptions will generally be subject to withholding at a rate of 30%, unless such entity either (1) certifies to us or the applicable withholding agent that such entity does not have any "substantial United States owners" or (2) provides certain information regarding the entity's "substantial United States owners," which will in turn be provided to the U.S. Department of Treasury. The U.S. Department of the Treasury has proposed regulations that eliminate the federal withholding tax of 30% applicable to the gross proceeds of a sale or other disposition of our Class A common stock. Withholding agents may rely on the proposed Treasury Regulations until final regulations are issued. All prospective investors should consult their tax advisors regarding the possible implications of FATCA on their investment in our securities.

THE U.S. FEDERAL INCOME TAX DISCUSSION SET FORTH ABOVE IS INCLUDED FOR GENERAL INFORMATION ONLY AND MAY NOT BE APPLICABLE DEPENDING UPON A HOLDER'S PARTICULAR SITUATION. HOLDERS ARE URGED TO CONSULT THEIR OWN TAX ADVISORS WITH RESPECT TO THE TAX CONSEQUENCES TO THEM OF THE ACQUISITION, OWNERSHIP AND DISPOSITION OF OUR CLASS A COMMON STOCK AND WARRANTS, INCLUDING THE TAX CONSEQUENCES UNDER STATE, LOCAL, ESTATE, NON-U.S. AND OTHER TAX LAWS AND TAX TREATIES AND THE POSSIBLE EFFECTS OF CHANGES IN U.S. OR OTHER TAX LAWS.

UNDERWRITING

We are offering the units described in this prospectus through EF Hutton, division of Benchmark Investments, LLC, who is acting as the representative of the underwriters of this offering (the "Representative"). Each unit consists of one of our shares of Class A common stock and a warrant to purchase one share of Class A common stock. The underwriting agreement that we intend to enter into with the Representative (the "Underwriting Agreement") will provide that the obligations of the underwriters are subject to representations, warranties and conditions contained therein. The underwriters will agree to buy, subject to the terms of the Underwriting Agreement, the number of units listed opposite their names below. Pursuant to the Underwriting Agreement, the underwriters will be committed to purchase and pay for all of the units if any are purchased, other than those units covered by the over-allotment option described below.

Underwriters	Assumed Number of Units
EF Hutton, division of Benchmark Investments, LLC	
Total	

The underwriters have advised us that they propose to offer the units to the public at the public offering price set forth on the cover of this prospectus. The underwriters propose to offer the units to certain dealers at the same price less a concession of not more than $ per unit.

A copy of the form of underwriting agreement will be filed as an exhibit to the registration statement of which this prospectus is a part.

The units sold in this offering are expected to be ready for delivery on or about , 2022, against payment in immediately available funds. The underwriters may reject all or part of any order.

Over-Allotment Option

Pursuant to the Underwriting Agreement, we will grant to the underwriters an option to purchase from us up to an additional shares 600,000 of Class A common stock, representing 15% of the shares of Class A common stock sold in the offering and/or up to an additional 600,000 warrants, representing 15% of the warrants sold in the offering, assuming an initial public offering price of $4.50 per unit (which is the midpoint of the estimated range of the initial public offering price shown on the cover page of this prospectus), in any combination thereof, solely to cover over-allotments, if any, at the initial public offering price, less the underwriting discounts. The underwriters may exercise this option any time during the 45-day period after the closing date of the offering, but only to cover over-allotments, if any. To the extent the underwriters exercise the option, the underwriters will become obligated, subject to certain conditions, to purchase the shares and/or warrants for which they exercise the option.

	Per Unit	Total with No Over-Allotment	Total with Over-Allotment
Initial public offering price	$	$	$
Underwriting discount to be paid by us (8.0%)	$	$	$
Non-accountable expense allowance (1.0%)	$	$	$
Proceeds, before expenses to us	$	$	$

Underwriting Discount

We have agreed to pay the underwriters a cash fee equal to eight percent (8.0%) of the aggregate gross proceeds of received by the Company from the securities sold in this offering. We have further agreed to pay a non-accountable expense allowance to the representative of the underwriters equal to one percent (1.0)% of the gross proceeds received by the Company at the closing of the offering.

Other Compensation

In addition, we have agreed to issue to the Representative warrants to purchase a number of shares of common stock equal to 5.0% of the aggregate number of shares of Class A common stock sold in the offering (including shares of Class A common stock sold upon exercise of the over-allotment option). The Representative warrants will be exercisable at any time and from time to time, in whole or in part, during the four-and-½-year period commencing six months from the date of commencement of the sales of the units in connection with this offering, at a price per share equal to 125% of the initial public offering price per unit. Such Representative warrants are exercisable on a cash basis. The warrants will provide for registration rights (including a one-time demand registration right and unlimited piggyback rights). The warrants will be subject to FINRA lockup restrictions pursuant to FINRA Rule 5110(e)(1), do not have a demand registration right with a duration of more than five years from the commencement of sales of the offering pursuant to FINRA Rule 5110(g)(8)(C), and do not have piggyback registration rights with a duration of more than seven years from the commencement of sales of the offering pursuant to FINRA Rule 5110(g)(8)(D).

We estimate that our total expenses of this offering, excluding underwriting discounts, will be approximately $750,000, which includes a maximum of $175,000 of out of pocket expenses for "road show," diligence, and reasonable legal fees and disbursements for underwriters' counsel, subject to a maximum of $50,000 in the event that this offering is not consummated. We have also agreed to reimburse the underwriters, subject to compliance with FINRA Rule 5110(g).

Indemnification

Pursuant to the Underwriting Agreement, we also intend to agree to indemnify the underwriters against certain liabilities, including civil liabilities under the Securities Act, or to contribute to payments that the underwriters may be required to make in respect of those liabilities.

Offering Information

No action has been taken by us or the underwriters that would permit a public offering of the securities offered by this prospectus in any jurisdiction where action for that purpose is required. None of the securities included in this offering may be offered or sold, directly or indirectly, nor may this prospectus or any other offering material or advertisements in connection with the offer and sales of any of the securities being offered hereby be distributed or published in any jurisdiction, except under circumstances that will result in compliance with the applicable rules and regulations of that jurisdiction. Persons who receive this prospectus are advised to inform themselves about and to observe any restrictions relating to this offering of securities and the distribution of this prospectus. This prospectus is neither an offer to sell nor a solicitation of any offer to buy our securities in any jurisdiction where that would not be permitted or legal.

The underwriters have advised us that they do not intend to confirm sales to any accounts over which they exercise discretionary authority.

Tail Rights

In the event that the Representative does not consummate the offering, the Representative shall be entitled to a cash fee equal to eight percent (8.0%) of the gross proceeds received by the Company from the sale of any securities or debt instruments to any investor actually introduced by the Representative to the Company during the engagement period (the "Tail Financing"), and such Tail Financing is consummated at any time during the engagement period or within the twelve (12) month period following the expiration of the engagement period, provided that such financing is by a party actually introduced to the Company in an offering in which the Company has direct knowledge of such party's participation and not a party that the Company can demonstrate was already known to the Company. In addition, unless (x) the Company terminates the underwriting agreement for "Cause" (as defined in the Underwriting Agreement), or (y) the Representative fails to provide the underwriting services provided in the underwriting agreement, upon termination of such agreement, if the Company subsequently completes a public or private financing with any investors introduced to the Company by the Representative during the twelve (12) month period following such termination, the Representative shall be entitled to receive the same compensation to be paid to the Representative in connection with this offering.

Lock-Up – No Sales of Securities

The Company, on behalf of itself and any successor entity, will agree in the Underwriting Agreement that, without the prior written consent of the Representative, it will not, for a period of 12 months after the date of the Underwriting Agreement (the "Lock-Up Period"), (i) offer, pledge, sell, contract to sell, sell any option or contract to purchase, purchase any option or contract to sell, grant any option, right or warrant to purchase, lend, or otherwise transfer or dispose of, directly or indirectly, any shares of capital stock of the Company or any securities convertible into or exercisable or exchangeable for shares of capital stock of the Company; (ii) file or caused to be filed any registration statement with the SEC relating to the offering of any shares of capital stock of the Company or any securities convertible into or exercisable or exchangeable for shares of capital stock of the Company; (iii) complete any offering of debt securities of the Company, other than entering into a line of credit with a traditional bank or (iv) enter into any swap or other arrangement that transfers to another, in whole or in part, any of the economic consequences of ownership of capital stock of the Company, whether any such transaction described in clause (i), (ii), (iii) or (iv) above is to be settled by delivery of shares of capital stock of the Company or such other securities, in cash or otherwise.

In addition, each of our directors, officers and stockholders has agreed that for a period of 12 months after the date of this prospectus, without the prior written consent of the Representative, and subject to certain exceptions, they will not, directly or indirectly, (i) offer, pledge, sell, contract to sell, grant, lend, or otherwise transfer or dispose of, directly or indirectly, any common stock of the Company or any securities convertible into or exercisable or exchangeable for the common stock of the Company, whether now owned or hereafter acquired by such person or with respect to which such person has or hereafter acquires the power of disposition; (ii) enter into any swap or other arrangement that transfers to another, in whole or in part, any of the economic consequences of ownership of such securities; (iii) make any demand for or exercise any right with respect to the registration of any such securities; or (iv) publicly disclose the intention to make any offer, sale, pledge or disposition, or to enter into any transaction, swap, hedge or other arrangement relating to any such securities.

Price Stabilization, Short Positions and Penalty Bids

To facilitate this offering, the underwriters may engage in transactions that stabilize, maintain or otherwise affect the price of our securities during and after the offering. Specifically, the underwriters may over-allot or otherwise create a short position in our securities for their own account by selling more securities than we have sold to the underwriters. The underwriters may close out any short position by either exercising its option to purchase additional securities or purchasing securities in the open market.

In addition, the underwriters may stabilize or maintain the price of our securities by bidding for or purchasing securities in the open market and may impose penalty bids. If penalty bids are imposed, selling concessions allowed to broker-dealers participating in this offering are reclaimed if securities previously distributed in this offering are

repurchased, whether in connection with stabilization transactions or otherwise. The effect of these transactions may be to stabilize or maintain the market price of our securities at a level above that which might otherwise prevail in the open market. The imposition of a penalty bid may also affect the price of our securities to the extent that it discourages resales of our securities. The magnitude or effect of any stabilization or other transactions is uncertain. These transactions may be effected on the Nasdaq Capital Market or otherwise and, if commenced, may be discontinued at any time.

In connection with this offering, the underwriters and selling group members, if any, may also engage in passive market making transactions in our securities on the Nasdaq Capital Market. Passive market making consists of displaying bids on the Nasdaq Capital Market by the prices of independent market makers and effecting purchases limited by those prices in response to order flow. Rule 103 of Regulation M promulgated by the SEC limits the amount of net purchases that each passive market maker may make and the displayed size of each bid. Passive market making may stabilize the market price of our securities at a level above that which might otherwise prevail in the open market and, if commenced, may be discontinued at any time.

Neither we nor the underwriters make any representation or prediction as to the direction or magnitude of any effect that the transactions described above may have on the price of our securities. In addition, neither we nor the underwriters make any representation that the underwriters will engage in these transactions or that any transaction, if commenced, will not be discontinued without notice.

Affiliations

Each underwriter and its respective affiliates are full-service financial institutions engaged in various activities, which may include securities trading, commercial and investment banking, financial advisory, investment management, investment research, principal investment, hedging, financing and brokerage activities. The underwriters may in the future engage in investment banking and other commercial dealings in the ordinary course of business with us or our affiliates. The underwriters may in the future receive customary fees and commissions for these transactions. We have not engaged the underwriters to perform any services for us in the previous 180 days, nor do we have any agreement to engage the underwriters to perform any services for us in the future, subject to the right to act as an advisor as described above.

In the ordinary course of its various business activities, each underwriter and its respective affiliates may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities) and financial instruments (including bank loans) for its own account and for the accounts of its customers, and such investment and securities activities may involve securities and/or instruments of the issuer. Each underwriter and its respective affiliates may also make investment recommendations and/or publish or express independent research views in respect of such securities or instruments and may at any time hold, or recommend to clients that they acquire, long and/or short positions in such securities and instruments.

Electronic Offer, Sale and Distribution

In connection with this offering, the underwriters or certain of the securities dealers may distribute prospectuses by electronic means, such as e-mail.

LEGAL MATTERS

The validity of the securities offered by this prospectus will be passed upon for us by K&L Gates LLP, New York, New York. Certain legal matters in connection with this offering will be passed upon for the underwriters by Mitchell Silberberg & Knupp LLP, Los Angeles, California.

EXPERTS

The financial statements as of December 31, 2020 and December 31, 2019, and for each of the two years in the period ended December 31, 2020, included in this prospectus have been audited by BF Borgers CPA PC, an independent registered public accounting firm, as stated in their report appearing herein. Such financial statements have been so included in reliance upon the report of such firm given upon their authority as experts in accounting and auditing.

WHERE YOU CAN FIND MORE INFORMATION

We have filed with the SEC a registration statement on Form S-1 under the Securities Act with respect to the common stock. This prospectus, which constitutes a part of the registration statement, does not contain all of the information set forth in the registration statement, some items of which are contained in exhibits to the registration statement as permitted by the rules and regulations of the SEC. For further information with respect to us and our common stock, we refer you to the registration statement, including the exhibits and the financial statements and notes filed as a part of the registration statement. Statements contained in this prospectus concerning the contents of any contract or any other document are not necessarily complete. If a contract or document has been filed as an exhibit to the registration statement, please see the copy of the contract or document that has been filed. Each statement in this prospectus relating to a contract or document filed as an exhibit is qualified in all respects by the filed exhibit. The exhibits to the registration statement should be reviewed for the complete contents of these contracts and documents.

Upon completion of this offering, we will become subject to the information and periodic and current reporting requirements of the Exchange Act, and in accordance therewith, will file periodic and current reports, proxy statements and other information with the SEC. The registration statement, such periodic and current reports and other information can be inspected and copied at the Public Reference Room of the SEC located at 100 F Street, N.E., Washington, D.C. 20549. Copies of such materials, including copies of all or any portion of the registration statement, can be obtained from the Public Reference Room of the SEC at prescribed rates. You can call the SEC at 1-800-SEC-0330 to obtain information on the operation of the Public Reference Room. Such materials may also be accessed electronically by means of the SEC's website at www.sec.gov.

INDEX TO FINANCIAL STATEMENTS

Report of Independent Registered Public Accounting Firm

To the shareholders and the board of directors of Yoshiharu Global Co.

Opinion on the Financial Statements

We have audited the accompanying consolidated balance sheets of Yoshiharu Global Co. as of December 31, 2020 and 2019, the related statements of operations, stockholders' equity (deficit), and cash flows for the years then ended, and the related notes (collectively referred to as the "financial statements"). In our opinion, the financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2020 and 2019, and the results of its operations and its cash flows for the years then ended, in conformity with accounting principles generally accepted in the United States.

Substantial Doubt about the Company's Ability to Continue as a Going Concern

The accompanying financial statements have been prepared assuming that the Company will continue as a going concern. As discussed in Note 2 to the financial statements, the Company has suffered recurring losses from operations and has a significant accumulated deficit. In addition, the Company continues to experience negative cash flows from operations. These factors raise substantial doubt about the Company's ability to continue as a going concern. Management's plans in regard to these matters are also described in Note 2. The financial statements do not include any adjustments that might result from the outcome of this uncertainty.

Basis for Opinion

These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on the Company's financial statements based on our audit. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) ("PCAOB") and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audit in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. The Company is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. As part of our audits we are required to obtain an understanding of internal control over financial reporting but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control over financial reporting. Accordingly, we express no such opinion.

Our audit included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audit also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audit provides a reasonable basis for our opinion.

/S/ BF Borgers CPA PC
BF Borgers CPA PC

We have served as the Company's auditor since 2021
Lakewood, CO
December 15, 2021

Yoshiharu Global Co. and Subsidiaries
Consolidated Balance Sheets

	December 31,	
	2020	***2019***
ASSETS		
Current Assets:		
Cash	$ -	$ 78,117
Due from related party	$ -	$ -
Inventories	15,736	14,075
Total current assets	15,736	92,192
Non-Current Assets:		
Property and equipment, net	1,585,575	1,154,818
Operating lease right-of-use asset, net	1,360,896	855,137
Other assets	52,217	32,018
Total non-current assets	2,998,688	2,041,973
Total assets	**$ 3,014,424**	**$ 2,134,165**
LIABILITIES AND STOCKHOLDERS' DEFICIT		
Current Liabilities:		

Bank overdrafts	$ 29,060	$ -
Accounts payable and accrued expenses	169,814	212,385
Current portion of operating lease liabilities	188,690	135,831
Current portion of bank notes payables	162,031	138,195
Current portion of loan payable, PPP	212,567	-
Current portion of loan payable, EIDL	8,621	-
Due to related party	911,411	376,146
Other payable	22,737	23,218
Total current liabilities	1,704,931	885,775
Operating lease liabilities, less current portion	1,255,388	803,247
Bank notes payables, less current portion	923,373	761,201
Loan payable, PPP, less current portion	60,733	-
Loan payable, EIDL, less current portion	441,379	-
Total liabilities	4,385,804	2,450,223
Commitments and contingencies		
Stockholders' Deficit		
Class A Common Stock - $0.0001 par value; 49,000,000 authorized shares; no shares issued and outstanding at December 31, 2020 and December 31, 2019, respectively	-	-
Class B Common Stock - $0.0001 par value; 1,000,000 authorized shares; no shares issued and outstanding at December 31, 2020 and December 31, 2019, respectively	-	-
Additional paid-in-capital	476,371	416,371
Accumulated deficit	(1,847,751)	(732,429)
Total stockholders' deficit	(1,371,380)	(316,058)
Total liabilities and stockholders' deficit	**$ 3,014,424**	**$ 2,134,165**

Notes to the Consolidated Financial Statements

Yoshiharu Global Co. and Subsidiaries
Consolidated Statements of Operations

	Years Ended December 31,	
	2020	***2019***
Revenue:		
Food and beverage	$ 3,170,925	$ 4,058,739
Total revenue	3,170,925	4,058,739
Restaurant operating expenses:		
Food, beverages and supplies	903,313	1,533,959
Labor	1,542,796	1,241,075
Rent and utilities	437,972	504,430
Delivery and service fees	245,163	219,412
Depreciation	114,478	102,416
Total restaurant operating expenses	3,243,722	3,601,292
Net operating restaurant operating income	(72,797)	457,447
Operating expenses:		
General and administrative	330,739	501,192
Advertising and marketing	30,054	20,721
Total operating expenses	360,793	521,913
Loss from operations	(433,590)	(64,466)
Other income (expense):		
Other income	53,929	16,934
Other expense	-	-
Interest	(51,590)	(64,036)
Total other income (expense)	2,339	(47,102)
Income before income taxes	(431,251)	(111,568)
Income tax provision	18,877	22,557
Net loss	**$ (450,128)**	**$ (134,125)**
Loss per share:		
Basic and diluted	$ (0.36)	$ (0.13)
Weighted average number of common shares outstanding:		
Basic and diluted	1,236,836	1,035,959

See Notes to the Consolidated Financial Statements

Yoshiharu Global Co. and Subsidiaries
Consolidated Statements of Stockholders' Equity

	Class A Shares		Class B Shares		Additional Pain-In	Accumulated	Total Stockholder's Equity
	Shares	Amount	Shares	Amount	Capital	Deficit	(Deficit)
Balance at December 31, 2018		**$ -**	**-**	**$ -**	**$ 311,370**	**$ 86,092**	**$ 397,462**
Issuance of Common Stock A		-	-	-	105,001	-	105,001
Distributions	-	-	-	-	-	(684,396)	(684,396)
Net loss	-	-	-	-	-	(134,125)	(134,125)
Balance at December 31, 2019		**$ -**	**-**	**$ -**	**$ 416,371**	**$ (732,429)**	**$ (316,058)**
Issuance of Common Stock A		-	-	-	-	-	-
Contributions	-	-	-	-	60,000	-	60,000
Distributions	-	-	-	-	-	(665,194)	(665,194)
Net loss	-	-	-	-	-	(450,128)	(450,128)
Balance at December 31, 2020		**$ -**	**-**	**$ -**	**$ 476,371**	**$ (1,847,751)**	**$ (1,371,380)**

See Notes to the Consolidated Financial Statements

Yoshiharu Global Co. and Subsidiaries
Consolidated Statements of Cash Flows

	Years Ended December 31,	
	2020	***2019***
Cash flows from operating activities:		
Net loss	$ (450,128)	$ (134,125)
Adjustments to reconcile net loss to net cash provided by (used in) operating activities:		
Depreciation	114,478	20,721
Changes in assets and liabilities:		
Inventories	(1,661)	20,757
Other assets	(20,199)	(4,047)
Accounts payable and accrued expenses	(94,920)	114,037
Due to related party	535,265	650,052
Other payables	(481)	23,218
Net cash provided by (used in) operating activities	82,354	690,613
Cash flows from investing activities:		
Purchases of property and equipment	(545,235)	(52,550)
Net cash used in (provided by) investing activities	(545,235)	(52,550)
Cash flows from financing activities:		
Bank overdrafts	29,060	-
Proceeds from issuance of common stock	-	105,001
Proceeds from borrowings	978,300	-
Repayments on bank notes payables	(17,402)	(44,934)
Shareholders' contributions	60,000	-
Shareholders' distribution	(665,194)	(684,396)
Issuance of common stock	-	-
Net cash provided by (used in) financing activities	384,764	(624,329)
Net increase (decrease) in cash	(78,117)	13,734
Cash – beginning of period	78,117	64,383
Cash – end of period	**$ -**	**$ 78,117**
Supplemental disclosures of cash flow information		
Cash paid during the periods for:		
Interest	$ 47,597	$ 64,036
Income taxes	$ 18,877	$ 22,557

See Notes to the Consolidated Financial Statements

1. NATURE OF OPERATIONS

Yoshiharu Global Co. ("Yoshiharu") was incorporated in the State of Delaware on December 9, 2021. Yoshiharu did not have significant transactions since formation. Yoshiharu wholly owns Yoshiharu Holdings Co., a California corporation ("Yoshiharu Holdings"), which in turn has the following wholly owned subsidiaries:

Name	Date of Formation	Description of Business
Global JJ Group, Inc. ("JJ")	January 8, 2015	Ramen stores located in Orange, California and Buena Park, California.
Global AA Group, Inc. ("AA")	July 21, 2016	Ramen store located in Whittier, California.
Global BB Group, Inc. ("BB")	May 19, 2017	Ramen store located in Chino Hills, California.
Global CC Group, Inc. ("CC")	September 23, 2019	Ramen stores located in Eastvale, California and Corona, California.
Global DD Group, Inc. ("DD")	December 19, 2019	Ramen store located in la Mirada, California.
Yoshiharu Irvine ("YI")	December 4, 2020	Ramen store located in Irvine, California.

The Company owns several restaurants specializing in Japanese ramen and other Japanese cuisines. The Company offers a variety of Japanese ramens, rice bowls, and appetizers. Yoshiharu Global Co., Yoshiharu Holdings and Subsidiaries will be collectively referred as the "**Company**".

In December 2021, Yoshiharu and the sole shareholder of Yoshiharu Holdings completed a share exchange agreement, whereby, such shareholder received all of the shares of Yoshiharu and Yoshiharu received all of the shares of Yoshiharu Holdings. This transaction is a recapitalization.

The transaction will be accounted for as a "reverse merger" and recapitalization since the stockholder of the subsidiaries owns all of the outstanding shares of the common stock immediately following the completion of the transaction, the stockholder will have the significant influence and the ability to elect or appoint or to remove a majority of the members of the governing body of the combined entity, and subsidiaries' senior management will dominate the management of the combined entity immediately following the completion of the transaction in accordance with the provision of Statement of Financial Accounting Standards No. 141(R), "Business Combinations". Accordingly, Yoshiharu Holdings is deemed to be the accounting acquirer in the transaction and, consequently, the transaction is treated as a recapitalization of all of the subsidiaries. Accordingly, the assets and liabilities and the historical operations that are reflected in the financial statements are those of the subsidiaries and are recorded at the historical cost basis of the subsidiaries. Yoshiharu's assets, liabilities and results of operations, if any, will be consolidated with the assets, liabilities and results of operations of the subsidiaries after consummation of the acquisition.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Reporting

The consolidated financial statements include legal entities listed above as of and for the years ended December 31, 2020 and 2019.

Basis of Presentation and Consolidation

The accompanying consolidated financial statements have been prepared in accordance with generally accepted accounting principles ("GAAP") as promulgated in the United States of America. The consolidated financial statements include Yoshiharu Global Co. and its wholly owned subsidiaries. All intercompany accounts, transactions, and profits have been eliminated upon consolidation.

Use of Estimates and Assumptions

The preparation of Consolidated financial statements in conformity with the GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting periods. Actual results could differ from those estimates.

Marketing

Marketing costs are charged to expense as incurred. Marketing costs were approximately $30,054 and $20,719 for the years ended December 31, 2020 and 2019, respectively, and are included in operating expenses in the accompanying Consolidated statements of income.

Delivery Fees Charged by Delivery Service Providers

The Company's customers may order online through third party service providers such as Uber Eats, Door Dash, and others. These third-party service providers charge delivery and order fees to the Company. Such fees are expensed when incurred. Delivery fees are included in delivery and service fees in the accompanying combined statements of operations.

Revenue Recognition

The Company recognizes revenue in accordance with Accounting Standards Codification ("ASC") 606, Revenue from Contracts with Customers. The Company's net revenue primarily consists of revenues from food and beverage sales. Accordingly, the Company recognizes revenue as follows:

- ***Revenue from Food and Beverage***

  Revenues from the sale of food items by Company-owned restaurants are recognized as Company sales when a customer purchases the food, which is when our obligation to perform is satisfied. The timing and amount of revenue recognized related to Company sales was not impacted by the adoption of Topic 606.

Inventories

Inventories, which are stated at the lower of cost or net realizable value, consist primarily of perishable food items and supplies. Cost is determined using the first-in, first out method.

Segment Reporting

Accounting Standards Codification ("ASC") 280, "Segment Reporting," requires public companies to report financial and descriptive information about their reportable operating segments. The Company identifies its operating segments based on how executive decision makers internally evaluates separate financial information, business

activities and management responsibility. Accordingly, the Company has one reportable segment, consisting of operating its stores.

Property and Equipment

Property and equipment are stated at cost less accumulated depreciation and amortization. Major improvements are capitalized, and minor replacements, maintenance and repairs are charged to expense as incurred. Depreciation and amortization are calculated on the straight-line basis over the estimated useful lives of the assets. Leasehold improvements are amortized over the shorter of the estimated useful life or the lease term of the related asset. The estimated useful lives are as follows:

Furniture and equipment	5 to 7 years
Leasehold improvements	Shorter of estimated useful life or term of lease
Vehicle	5 years

Income Taxes

The accounting standard on accounting for uncertainty in income taxes addresses the determination of whether tax benefits claimed or expected to be claimed on a tax return should be recorded in the financial statements. Under that guidance, the Company may recognize the tax benefit from an uncertain tax position only if it is more likely than not that the tax position will be sustained on examination by taxing authorities based on the technical merits of the position. The tax benefits recognized in the financial statements from such a position are measured based on the largest benefit that has a greater than 50% likelihood of being realized upon ultimate settlement. The Company had no unrecognized tax benefits identified or recorded as liabilities as of December 31, 2020 and 2019.

Impairment of Long-Lived Assets

When circumstances, such as adverse market conditions, indicate that the carrying value of a long-lived asset may be impaired, the Company performs an analysis to review the recoverability of the asset's carrying value, which includes estimating the undiscounted cash flows (excluding interest charges) from the expected future operations of the asset. These estimates consider factors such as expected future operating income, operating trends and prospects, as well as the effects of demand, competition and other factors. If the analysis indicates that the carrying value is not recoverable from future cash flows, an impairment loss is recognized to the extent that the carrying value exceeds the estimated fair value. Any impairment losses are recorded as operating expenses, which reduce net income.

Concentrations of Credit Risk

Financial instruments that potentially subject the Company to concentrations of credit risk are accounts receivable and other receivables arising from its normal business activities. The Company has a diversified customer base. The Company controls credit risk related to accounts receivable through credit approvals, credit limits and monitoring procedures. The Company routinely assesses the financial strength of its customers and, based upon factors surrounding the credit risk, establishes an allowance, if required, for un-collectible accounts and, as a consequence, believes that its accounts receivable related credit risk exposure beyond such allowance is limited.

Fair Value of Financial Instruments

The Company utilizes ASC 820-10, Fair Value Measurement and Disclosure, for valuing financial assets and liabilities measured on a recurring basis. Fair value is defined as the exit price, or the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants as of the measurement date. The guidance also establishes a hierarchy for inputs used in measuring fair value that maximizes the use of observable inputs and minimizes the use of unobservable inputs by requiring that the most observable inputs be used when available. Observable inputs are inputs market participants would use in valuing the asset or liability and are developed based on market data obtained from sources independent of the Company. Unobservable inputs are inputs that reflect the Company's assumptions about the factors market participants would use in valuing the asset or liability. The guidance establishes three levels of inputs that may be used to measure fair value:

Level 1. Observable inputs such as quoted prices in active markets;
Level 2. Inputs, other than the quoted prices in active markets, that are observable either directly or indirectly; and
Level 3. Unobservable inputs in which there is little or no market data, which require the reporting entity to develop its own assumptions.

The Company's financial instruments consisted of cash, operating lease right-of-use assets, net, accounts payable and accrued expenses, notes payables, and operating lease liabilities. The estimated fair value of cash, operating lease right-of-use assets, net, and notes payables approximate its carrying amount due to the short maturity of these instruments.

Leases

In accordance with ASC 842, Leases, the Company determines whether an arrangement contains a lease at inception. A lease is a contract that provides the right to control an identified asset for a period of time in exchange for consideration. For identified leases, the Company determines whether it should be classified as an operating or finance lease. Operating leases are recorded in the balance sheet as: right-of-use asset ("ROU asset") and operating lease liability. ROU asset represents the Company's right to use an underlying asset for the lease term and lease liability represents the Company's obligation to make lease payments arising from the lease. ROU assets and operating lease liabilities are recognized at the commencement date of the lease and measured based on the present value of lease payments over the lease term. The ROU asset also includes deferred rent liabilities. The Company's lease arrangement generally do not provide an implicit interest rate. As a result, in such situations the Company uses its incremental borrowing rate based on the information available at commencement date in determining the present value of lease payments. The Company includes options to extend or terminate the lease when it is reasonably certain that it will exercise that option in the measurement of its ROU asset and liability. Lease expense for the operating lease is recognized on a straight-line basis over the lease term. The Company has a lease agreement with lease and non-lease components, which are accounted for as a single lease component.

Recent Accounting Pronouncements

In February 2016, the FASB issued ASU No. 2016-02, "Leases (Topic 842)" ("ASU 2016-02"). ASU 2016-02 requires an entity to recognize assets and liabilities arising from a lease for both financing and operating leases. ASU 2016-02 will also require new qualitative and quantitative disclosures to help investors and other financial statement users better understand the amount, timing, and uncertainty of cash flows arising from leases. ASU 2016-02 is effective for fiscal years beginning after December

15, 2020, with early adoption permitted. The Company evaluated ASU 2016-02 and adopted this guidance as of January 1, 2019.

In July 2018, the FASB issued ASU No. 2018-10, "Codification Improvements to Topic 842, Leases" ("ASU 2018-10"). The amendments in ASU 2018-10 provide additional clarification and implementation guidance on certain aspects of the previously issued ASU No. 2016-02, Leases (Topic 842) ("ASU 2016-02") and have the same effective and transition requirements as ASU 2016-02. Upon the effective date, ASU 2018-10 will supersede the current lease guidance in ASC Topic 840, Leases. Under the new guidance, lessees will be required to recognize for all leases, with the exception of short-term leases, a lease liability, which is a lessee's obligation to make lease payments arising from a lease, measured on a discounted basis. Concurrently, lessees will be required to recognize a right-of-use asset, which is an asset that represents the lessee's right to use, or control the use of, a specified asset for the lease term. ASU 2018-10 is effective for emerging growth companies for interim and annual reporting periods beginning after December 15, 2019, with early adoption permitted. The guidance is required to be applied using a modified retrospective transition approach for leases existing at, or entered into after, the beginning of the earliest comparative periods presented in the financial statements. The Company adopted this guidance as of January 1, 2019.

In July 2018, the FASB issued ASU No. 2018-11, "Leases (Topic 842): Targeted Improvements," ("ASU 2018-11"). The amendments in ASU 2018-11 related to transition relief on comparative reporting at adoption affect all entities with lease contracts that choose the additional transition method and separating components of a contract affect only lessors whose lease contracts qualify for the practical expedient. The amendments in ASU 2018-11 are effective for emerging growth companies for fiscal years beginning after December 15, 2020, and interim periods within those fiscal years. The Company adopted this guidance as of January 1, 2019.

In March 2019, the FASB issued ASU 2019-01, "Leases (Topic 842): Codification Improvements" ("Topic 842") ("ASU 2019-01"). These amendments align the guidance for fair value of the underlying asset by lessors that are not manufacturers or dealers in Topic 842 with that of existing guidance. As a result, the fair value of the underlying asset at lease commencement is its cost, reflecting any volume or trade discounts that may apply. However, if there has been a significant lapse of time between when the underlying asset is acquired and when the lease commences, the definition of fair value (in Topic 820, Fair Value Measurement) should be applied. (Issue 1). The ASU also requires lessors within the scope of Topic 942, Financial Services—Depository and Lending, to present all "principal payments received under leases" within investing activities. (Issue 2). Finally, the ASU exempts both lessees and lessors from having to provide certain interim disclosures in the fiscal year in which a company adopts the new leases standard. (Issue 3). The transition and effective date provisions apply to Issue 1 and Issue 2. They do not apply to Issue 3 because the amendments for that Issue are to the original transition requirements in Topic 842. This amendment will be effective for fiscal years beginning after December 15, 2020 and interim periods within fiscal years beginning after December 15, 2020. Early adoption is permitted. The Company evaluated ASU 2019-01 and adopted this guidance as of January 1, 2019.

COVID-19 Impact on Concentration of Risk

The novel coronavirus ("COVID-19") pandemic has significantly impacted health and economic conditions throughout the United States and globally, as public concern about becoming ill with the virus has led to the issuance of recommendations and/or mandates from federal, state and local authorities to practice social distancing or self-quarantine. The Company is continually monitoring the outbreak of COVID-19 and the related business and travel restrictions and changes to behavior intended to reduce its spread, and its impact on operations, financial position, cash flows, inventory, supply chains, purchasing trends, customer payments, and the industry in general, in addition to the impact on its employees. We have experienced significant disruptions to our business due to the COVID-19 pandemic and related suggested and mandated social distancing and shelter-in-place orders.

3. PROPERTY AND EQUIPMENT, NET

December 31,	***2020***	***2019***
Leasehold Improvement	$ 1,605,848	$ 1,162,524
Furniture and equipment	328,574	226,663
Vehicle	30,543	30,543
Total property and equipment	1,964,965	1,419,730
Accumulated depreciation	(379,390)	(264,912)
Total property and equipment, net	**$ 1,585,575**	**$ 1,154,818**

Total depreciation was $114,478 and $102,416 and for the years ended December 31, 2020 and 2019, respectively.

4. BANK NOTES PAYABLES

December 31,	***2020***	***2019***
September 22, 2017 ($250,000) - Pacific City Bank - AA	$ 189,185	$ 210,707
November 27, 2018 ($780,000) - Pacific City Bank - JJ	656,593	688,689
February 13, 2020 ($255,000) - Pacific City Bank - CC	239,626	-
Total bank notes payables	1,085,404	899,396
Less - current portion	(162,031)	(138,195)
Total bank note payables, less current portion	**$ 923,373**	**$ 761,201**

The following table provides future minimum payments as of December 31, 2020:

For the years ended	***Amount***
2021	$ 162,031
2022	162,031
2023	162,031
2024	162,031
2025	162,031
Thereafter	275,251
Total	**$ 1,085,404**

September 22, 2017 – $250,000 – Global AA Group, Inc.

On September 22, 2017, Global AA Group, Inc. (the "AA") executed the standard loan documents required for securing a loan of $250,000 from the U.S. Small Business Administration (the "SBA"). As of December 31, 2020 and 2019, the balance is $189,185 and $210,707, respectively.

Pursuant to that certain Loan Authorization and Agreement, AA borrowed an aggregate principal amount of $250,000, with proceeds to be used for working capital purposes. Interest accrues at a variable rate that is subject to change from time to time based on changes in an independent index which is the Prime Rate as published in the Wall Street Journal per annum and will accrue only on funds actually advanced from the date of each advance. The loan requires a payment of $2,888 per month which includes principal and interest with an initial interest rate of 6.75% per year. The balance of principal and interest is payable on September 22, 2027.

November 27, 2018 – $780,000 – Global JJ Group, Inc.

On November 27, 2018, Global JJ Group, Inc. (the "JJ") executed the standard loan documents required for securing a loan of $780,000 from the Pacific City Bank. As of December 31, 2020 and 2019, the balance is $656,593 and $688,689, respectively.

Pursuant to that certain Loan Authorization and Agreement, JJ borrowed an aggregate principal amount of $780,000, with proceeds to be used for working capital purposes. Interest accrues at a variable rate that is subject to change from time to time based on changes in an independent index which is the Prime Rate as published in the Wall Street Journal per annum and will accrue only on funds actually advanced from the date of each advance. Installment payments of $11,818.08 for a total of 83 payments, including principal and interest, are due monthly beginning on January 1, 2019. The balance of principal and interest is payable on December 1, 2025.

February 13, 2020 – $255,000 – Global CC Group, Inc.

On February 13, 2020, Global CC Group, Inc. (the "CC") executed the standard loan documents required for securing a loan of $255,000 from the Pacific City Bank. As of December 31, 2020 and 2019, the balance is $239,626 and $0, respectively.

Pursuant to that certain Loan Authorization and Agreement, CC borrowed an aggregate principal amount of $255,000, with proceeds to be used for working capital purposes. Interest accrues at a variable rate that is subject to change from time to time based on changes in an independent index which is the Prime Rate as published in the Wall Street Journal per annum and will accrue only on funds actually advanced from the date of each advance. The loan requires a payment of $2,913 per month which includes principal and interest with an initial interest rate of 6.50%. The balance of principal and interest is payable on February 13, 2030.

5. LOAN PAYABLES, PPP

December 31,	*2020*	*2019*
April 22, 2020 ($102,000 - PPP loan) - JJ	$ 102,000	$ -
April 22, 2020 ($129,300 - PPP loan) -AA	129,300	-
April 22, 2020 ($42,000 - PPP loan) - BB	42,000	-
Total loan payables, PPP	273,300	-
Less - current portion	(212,567)	-
Total loan payables, PPP, less current portion	**$ 60,733**	**$ -**

The following table provides future minimum payments as of December 31, 2020:

For the years ended	*Amount*
2021	$ 212,567
2022	60,733
2023	-
2024	-
2025	-
Thereafter	-
Total	**$ 273,300**

April 22, 2020 – $102,000 – Global JJ Group, Inc.

On April 22, 2020, Global JJ Group, Inc. (the "JJ") executed the standard loan documents required for securing a Paycheck Protection Program Loan (the "PPP Loan") of $102,000 from the U.S. Small Business Administration (the "SBA") under its Paycheck Protection Program in light of the impact of the COVID-19 pandemic on the JJ's business.

The PPP loan is administered by the SBA. The interest rate of the loan is 1.00% per annum and accrues on the unpaid principal balance computed on the basis of the actual number of days elapsed in a year of 360 days. Commencing seven months after the effective date of the PPP Loan, the Company is required to pay the Lender equal monthly payments of principal and interest as required to fully amortize any unforgiven principal balance of the loan by the two-year anniversary of the effective date of the PPP Loan (the "Maturity Date"). The PPP Loan contains customary events of default relating to, among other things, payment defaults, making materially false or misleading representations to the SBA or the Lender, or breaching the terms of the PPP Loan. The occurrence of an event of default may result in the repayment of all amounts outstanding under the PPP Loan, collection of all amounts owing from the Company, or filing suit and obtaining judgment against the Company. Under the terms of the CARES Act, PPP loan recipients can apply for and be granted forgiveness for all or a portion of the loan granted under the PPP. Such forgiveness will be determined, subject to limitations, based on the use of loan proceeds for payment of payroll costs and any payments of mortgage interest, rent, and utilities. Recent modifications to the PPP by the U.S. Treasury and Congress have extended the time period for loan forgiveness beyond the original eight-week period, making it possible for the Company to apply for forgiveness of its PPP loan.

April 22, 2020 – $192,300 – Global AA Group, Inc.

On April 22, 2020, Global AA Group, Inc. (the "AA") executed the standard loan documents required for securing a Paycheck Protection Program Loan (the "PPP Loan") of $192,300 from the U.S. Small Business Administration (the "SBA") under its Paycheck Protection Program in light of the impact of the COVID-19 pandemic on the AA's business.

The PPP loan is administered by the SBA. The interest rate of the loan is 1.00% per annum and accrues on the unpaid principal balance computed on the basis of the actual number of days elapsed in a year of 360 days. Commencing seven months after the effective date of the PPP Loan, the Company is required to pay the Lender equal monthly payments of principal and interest as required to fully amortize any unforgiven principal balance of the loan by the two-year anniversary of the effective date of the PPP Loan (the "Maturity Date"). The PPP Loan contains customary events of default relating to, among other things, payment defaults, making materially false or misleading representations to the SBA or the Lender, or breaching the terms of the PPP Loan. The occurrence of an event of default may result in the repayment of all amounts outstanding under the PPP Loan, collection of all amounts owing from the Company, or filing suit and obtaining judgment against the Company. Under the terms of the CARES Act, PPP loan recipients can apply for and be granted forgiveness for all or a portion of the loan granted under the PPP. Such forgiveness will be determined, subject to limitations, based on the use of loan proceeds for payment of payroll costs and any payments of mortgage interest, rent, and utilities. Recent modifications to the PPP by the U.S. Treasury and Congress have extended the time period for loan forgiveness beyond the original eight-week period, making it possible for the Company to apply for forgiveness of its PPP loan.

April 22, 2020 – $42,000 – Global BB Group, Inc.

On April 22, 2020, Global BB Group, Inc. (the "BB") executed the standard loan documents required for securing a Paycheck Protection Program Loan (the "PPP Loan") of $42,000 from the U.S. Small Business Administration (the "SBA") under its Paycheck Protection Program in light of the impact of the COVID-19 pandemic on the BB's business.

The PPP loan is administered by the SBA. The interest rate of the loan is 1.00% per annum and accrues on the unpaid principal balance computed on the basis of the actual number of days elapsed in a year of 360 days. Commencing seven months after the effective date of the PPP Loan, the Company is required to pay the Lender equal monthly payments of principal and interest as required to fully amortize any unforgiven principal balance of the loan by the two-year anniversary of the effective date of the PPP Loan (the "Maturity Date"). The PPP Loan contains customary events of default relating to, among other things, payment defaults, making materially false or misleading representations to the SBA or the Lender, or breaching the terms of the PPP Loan. The occurrence of an event of default may result in the repayment of all amounts outstanding under the PPP Loan, collection of all amounts owing from the Company, or filing suit and obtaining judgment against the Company. Under the terms of the CARES Act, PPP loan recipients can apply for and be granted forgiveness for all or a portion of the loan granted under the PPP. Such forgiveness will be determined, subject to limitations, based on the use of loan proceeds for payment of payroll costs and any payments of mortgage interest, rent, and utilities. Recent modifications to the PPP by the U.S. Treasury and Congress have extended the time period for loan forgiveness beyond the original eight-week period, making it possible for the Company to apply for forgiveness of its PPP loan.

6. LOAN PAYABLES, EIDL

December 31,	***2020***	***2019***
June 13, 2020 ($150,000 - EIDL) - AA	$ 150,000	$ -
June 13, 2020 ($150,000 - EIDL) - BB	150,000	-
July 15, 2020 ($150,000 - EIDL) - JJ	150,000	-
Total loan payables, EIDL	450,000	-
Less - current portion	(8,621)	-
Total loan payables, EIDL, less current portion	**$ 441,379**	**$ -**

The following table provides future minimum payments as of December 31, 2020:

For the years ended	***Amount***
2021	$ 8,621
2022	15,517
2023	15,517
2024	15,517
2025	15,517
Thereafter	379,310
Total	**$ 450,000**

June 13, 2020 – $150,000 – Global AA Group, Inc.

On June 13, 2020, Global AA Group, Inc. (the "AA") executed the standard loan documents required for securing a loan (the "EIDL Loan") from the SBA under its Economic Injury Disaster Loan ("EIDL") assistance program in light of the impact of the COVID-19 pandemic on the AA's business.

Pursuant to that certain Loan Authorization and Agreement (the "SBA Loan Agreement"), AA borrowed an aggregate principal amount of the EIDL Loan of $150,000, with proceeds to be used for working capital purposes. Interest accrues at the rate of 3.75% per annum and will accrue only on funds actually advanced from the date of each advance. Installment payments, including principal and interest, are due monthly beginning May 14, 2021 (twelve months from the date of the SBA Loan) in the amount of $731. The balance of principal and interest is payable thirty years from the date of the SBA Loan. In connection therewith, AA also received a $10,000 grant, which does not have to be repaid. During the year ended December 31, 2020, $10,000 was recorded in other income in the Statements of Operations.

In connection therewith, AA executed (i) a loan for the benefit of the SBA (the "SBA Loan"), which contains customary events of default and (ii) a Security Agreement, granting the SBA a security interest in all tangible and intangible personal property of AA, which also contains customary events of default (the "SBA Security Agreement").

June 13, 2020 – $150,000 – Global BB Group, Inc.

On June 13, 2020, Global BB Group, Inc. (the "BB") executed the standard loan documents required for securing a loan (the "EIDL Loan") from the SBA under its Economic Injury Disaster Loan ("EIDL") assistance program in light of the impact of the COVID-19 pandemic on the BB's business.

Pursuant to that certain Loan Authorization and Agreement (the "SBA Loan Agreement"), BB borrowed an aggregate principal amount of the EIDL Loan of $150,000, with proceeds to be used for working capital purposes. Interest accrues at the rate of 3.75% per annum and will accrue only on funds actually advanced from the date of each advance. Installment payments, including principal and interest, are due monthly beginning May 14, 2021 (twelve months from the date of the SBA Loan) in the amount of $731. The balance of principal and interest is payable thirty years from the date of the SBA Loan. In connection therewith, BB also received a $10,000 grant, which does not have to be repaid. During the year ended December 31, 2020, $10,000 was recorded in other income in the Statements of Operations.

In connection therewith, BB executed (i) a loan for the benefit of the SBA (the "SBA Loan"), which contains customary events of default and (ii) a Security Agreement, granting the SBA a security interest in all tangible and intangible personal property of BB, which also contains customary events of default (the "SBA Security Agreement").

July 15, 2020 – $150,000 – Global JJ Group, Inc.

On July 15, 2020, Global JJ Group, Inc. (the "JJ") executed the standard loan documents required for securing a loan (the "EIDL Loan") from the SBA under its Economic Injury Disaster Loan ("EIDL") assistance program in light of the impact of the COVID-19 pandemic on the JJ's business.

Pursuant to that certain Loan Authorization and Agreement (the "SBA Loan Agreement"), JJ borrowed an aggregate principal amount of the EIDL Loan of $150,000, with proceeds to be used for working capital purposes. Interest accrues at the rate of 3.75% per annum and will accrue only on funds actually advanced from the date of each advance. Installment payments, including principal and interest, are due monthly beginning May 14, 2021 (twelve months from the date of the SBA Loan) in the amount of $731. The balance of principal and interest is payable thirty years from the date of the SBA Loan.

In connection therewith, JJ executed (i) a loan for the benefit of the SBA (the "SBA Loan"), which contains customary events of default and (ii) a Security Agreement, granting the SBA a security interest in all tangible and intangible personal property of JJ, which also contains customary events of default (the "SBA Security Agreement").

As of December 31, 2020, none of the notes payables noted above are in default

7. RELATED PARTY TRANSACTIONS

The Company had the following related party transactions:

- ***Due to related party*** – From time to time, the Company borrowed money from APIIS Financial Group, a company controlled by Mr. Chae. The balance is non-interest bearing and due on demand. As of September 30, 2021 and December 31, 2020, the balance was $1,337,590 and $911,411, respectively.
- ***Distributions*** – From time to time, the Company made distributions in the form of dividends to Mr. James Chae as the sole stockholder of the Company. For the nine months ended September 30, 2021 and 2020, the Mr. James Chae was distributed $526,657 and $620,838, respectively.

8. COMMITMENTS AND CONTINGENCIES

Commitments

Operating lease right-of-use ("ROU") assets and liabilities are recognized at commencement date based on the present value of lease payments over the lease term. ROU assets represent our right to use an underlying asset for the lease term and lease liabilities represent our obligation to make lease payments arising from the lease. Generally, the implicit rate of interest in arrangements is not readily determinable and the Company utilizes its incremental borrowing rate in determining the present value of lease payments. The Company's incremental borrowing rate is a hypothetical rate based on its understanding of what its credit rating would be. The operating lease ROU asset includes any lease payments made and excludes lease incentives. Our variable lease payments primarily consist of maintenance and other operating expenses from our real estate leases. Variable lease payments are excluded from the ROU assets and lease liabilities and are recognized in the period in which the obligation for those payments is incurred. Our lease terms may include options to extend or terminate the lease when it is reasonably certain that we will exercise that option. Lease expense for minimum lease payments is recognized on a straight-line basis over the lease term.

The Company has lease agreements with lease and non-lease components. The Company has elected to account for these lease and non-lease components as a single lease component.

In accordance with ASC 842, the components of lease expense were as follows:

Year ended December 31,	***2020***	***2019***
Operating lease expense	$ 227,240	$ 165,483
Total lease expense	$ 227,240	$ 165,483

In accordance with ASC 842, other information related to leases was as follows:

Year ended December 31,	***2020***	***2019***
Operating cash flows from operating leases	$ 225,120	$ 163,051
Cash paid for amounts included in the measurement of lease liabilities	$ 225,120	$ 163,051
Weighted-average remaining lease term—operating leases		6.4 Years
Weighted-average discount rate—operating leases		7%

In accordance with ASC 842, maturities of operating lease liabilities as of December 31, 2020 were as follows:

Year ending:	Operating Lease
2021	$ 277,660
2022	230,248
2023	232,630
2024	238,921
2025	245,223
Thereafter	633,607
Total undiscounted cash flows	$ 1,858,290
Reconciliation of lease liabilities:	
Weighted-average remaining lease terms	6.4 Years
Weighted-average discount rate	7%
Present values	$ 1,459,078
Lease liabilities—current	187,606
Lease liabilities—long-term	1,271,472
Lease liabilities—total	$ 1,459,078
Difference between undiscounted and discounted cash flows	$ 399,212

Contingencies

From time to time, the Company may be involved in certain legal actions and claims arising in the normal course of business. Management is of the opinion that such matters will be resolved without material effect on the Company's financial condition or results of operations.

9. SHAREHOLDERS' DEFICIT

Class A Common Stock

The Company has authorization to issue and have outstanding at any one time 49,000,000 shares of Class A common stock with a par value of $0.0001 value per share. Each share of Class A common stock will entitle its holder to one vote on all matters to be voted on by stockholders generally.

Class B Common Stock

The Company has authorization to issue and have outstanding at any one time 1,000,000 shares of Class B common stock with a par value of $0.0001 per share. The shareholders of Class B common stock shall be entitled to 10 vote per share for each share of Class A common stock, and with respect to such vote, shall be entitled, notwithstanding any provision hereof, to notice of any shareholders' meeting in accordance with the bylaws of this Company, and shall be entitled to vote together as a single class with holders of Class A common stock with respect to any question or matter upon which holders of Class A common stock have the right to vote, unless otherwise required by applicable law or our amended and restated certificate of incorporation. Class B common stock shall also entitle the holders thereof to vote as a separate class as set forth herein and as required by law.

The shareholders of Class B common stock shall be entitled to dividends as shall be declared by the Company's Board of Directors from time to time at the same rate per share as the Class A common stock.

The shareholders of the Class B common stock shall have conversation rights with respect to the Class B common stock into shares of Class A common stock:

- at such time as any shares of Class B common stock cease to be beneficially owned by James Chae, such shares of Class B common stock will be automatically converted into shares of Class A common stock on a one-for-one basis;
- all of the Class B common stock will automatically convert into Class A common stock on a one-for-one basis on such date when the number of shares of Class A and Class B common stock beneficially owned by James Chae represents less than 25% of the total number of shares of Class A and Class B common stock outstanding as set forth in the Exchange Agreement; and
- at the election of the holder of Class B common stock, any share of Class B common stock may be converted into one share of Class A common stock.

10. EARNINGS PER SHARE

The Company calculates earnings per share in accordance with FASB ASC 260, Earnings Per Share, which requires a dual presentation of basic and diluted earnings per share. Basic earnings per share are computed using the weighted average number of shares outstanding during the fiscal year. The Company did not have any dilutive common shares for the years ended December 31, 2020 and 2019.

11. SUBSEQUENT EVENTS

The Company evaluated all events or transactions that occurred after December 31, 2020. During this period, the Company did not have any material recognizable subsequent events required to be disclosed other than the following:

- **February 2021 (PPP Loans) –** The Company entered into and received several Payroll Protection Program Loans in the total amount of $385,900. The loan provides for 5-year fully amortized with an interest rate of 1.00%.

- **June 2021 (RVF)** – The Company received the Restaurant Revitalization Fund in the total amount of $700,454. No later than March 11, 2023 (the "Maturity Date"), the Company is required to pay the Lender any unused funds as well as for funds used for non-eligible expenses.

- **July 2021 (PPP Forgiveness)** – In July 2021, loan payables, PPP outstanding as of December 31, 2020 was forgiven. The Company recognized the forgiveness of loan as other income in July 2021.

Yoshiharu Global Co. and Subsidiaries
Consolidated Balance Sheets

	(unaudited) September 30, 2021	*December 31, 2020*
ASSETS		
Current Assets:		
Cash	$ 53,299	$ -
Inventories	30,235	15,736
Loan receivables	-	-
Total current assets	83,534	15,736
Non-Current Assets:		
Property and equipment, net	2,305,443	1,585,574
Operating lease right-of-use asset, net	2,284,081	1,360,896
Other assets	117,949	52,217
Total non-current assets	4,707,473	2,998,687
Total assets	**$ 4,791,007**	**$ 3,014,423**
LIABILITIES AND STOCKHOLDERS' DEFICIT		
Current Liabilities:		
Bank overdrafts	$ -	$ 29,060
Accounts payable and accrued expenses	366,599	169,813
Current portion of operating lease liabilities	223,643	188,690
Current portion of bank notes payables	227,432	162,031
Current portion of loan payable, PPP	77,180	212,567
Current portion of loan payable, EIDL	20,259	8,621
Due to related party	1,337,590	911,411
Other payables	88,437	22,737
Total current liabilities	2,341,140	1,704,930
Operating lease liabilities, less current portion	2,153,234	1,255,388
Bank notes payables, less current portion	968,137	923,373
Restaurant revitalization fund	700,454	-
Loan payable, EIDL, less current portion	429,741	441,379
Loan payable, PPP, less current portion	308,720	60,733
Total liabilities	6,901,426	4,385,803
Commitments and contingencies		
Stockholders' Deficit		
Class A Common Stock - $0.0001 par value; 49,000,000 authorized shares; no shares issued and outstanding at September 30, 2021 and December 31, 2020, respectively	-	-
Class B Common Stock - $0.0001 par value; 1,000,000 authorized shares; no shares issued and outstanding at September 30, 2021 and December 31, 2020, respectively	-	-
Additional paid-in-capital	476,371	476,371
Accumulated deficit	(2,586,790)	(1,847,751)
Total stockholders' deficit	(2,110,419)	(1,371,380)
Total liabilities and stockholders' deficit	**$ 4,791,007**	**$ 3,014,423**

Notes to the Consolidated Financial Statements

Yoshiharu Global Co. and Subsidiaries
Consolidated Statements of Operations

	(unaudited) Three months ended September 30,		*(unaudited) Nine months ended September 30,*	
	2021	*2020*	*2021*	*2020*
Revenue:				
Food and beverage	$ 1,842,729	$ 695,556	$ 4,449,354	$ 1,918,930
Total revenue	1,842,729	695,556	4,449,354	1,918,930
Restaurant operating expenses:				
Food, beverages and supplies	587,581	432,130	1,344,672	909,670
Labor	923,043	518,158	1,999,084	1,075,751

Rent and utilities	196,713	130,825	465,677	280,837
Delivery and service fees	130,702	82,289	384,050	183,477
Depreciation	31,777	28,305	94,294	83,181
Total restaurant operating expenses	1,869,816	1,191,707	4,287,777	2,532,916
Net operating restaurant operating income (loss)	(27,087)	(496,151)	161,577	(613,986)
Operating expenses:				
General and administrative	194,061	188,911	428,926	324,416
Advertising and marketing	10,439	21,629	12,437	33,868
Total operating expenses	204,500	210,540	441,363	358,284
Loss from operations	(231,587)	(706,691)	(279,786)	(972,270)
Other income (expense):				
PPP loan forgiveness	269,887	-	269,887	-
Other income	-	30,718	25,000	40,718
Interest	(13,239)	(40,119)	(44,145)	(73,356)
Total other income (expense)	256,648	(9,401)	250,742	(32,638)
Income before income taxes	25,061	(716,092)	(29,044)	(1,004,908)
Income tax provision	7,315	9,178	13,924	9,978
Net income (loss)	**$ 17,746**	**$ (725,270)**	**$ (42,968)**	**$ (1,014,886)**
Income per share:				
Basic and diluted	$ 0.01	$ (0.60)	$ (0.01)	$ (0.84)
Weighted average number of common shares outstanding:				
Basic and diluted	3,205,000	1,205,000	3,131,740	1,205,000

See Notes to the Consolidated Financial Statements

Yoshiharu Global Co. and Subsidiaries
Consolidated Statements of Stockholders' Equity

	Class A Shares		Class B Shares		Additional Pain-In	Accumulated	Stockholders'
	Shares	Amount	Shares	Amount	Capital	Deficit	Deficit
Balance at December 31, 2020		**$ -**	**-**	**$ -**	**$ 476,371**	**$ (1,847,751)**	**$ (1,371,380)**
Issuance of Common Stock A		-	-	-	-	-	-
Distributions	-	-	-	-	-	(396,399)	(396,399)
Net loss	-	-	-	-	-	(60,714)	(60,714)
Balance at June 30, 2021 (unaudited)		**$ -**	**-**	**$ -**	**$ 476,371**	**$ (2,304,864)**	**$ (1,828,493)**
Distributions	-	-	-	-	-	(299,672)	(299,672)
Net income	-	-	-	-	-	17,746	17,746
Balance at September 30, 2021 (unaudited)		**$ -**	**-**	**$ -**	**$ 476,371**	**$ (2,586,790)**	**$ (2,110,419)**

	Class A Shares		Class B Shares		Additional Pain-In	Accumulated	Total Stockholders'
	Shares	Amount	Shares	Amount	Capital	Deficit	Deficit
Balance at December 31, 2019		**$ -**	**-**	**$ -**	**$ 416,371**	**$ (732,429)**	**$ (316,058)**
Distributions	-	-	-	-	-	(312,347)	(312,347)
Net loss	-	-	-	-	-	(289,616)	(289,616)
Balance at June 30, 2020 (unaudited)		**$ -**	**-**	**$ -**	**$ 416,371**	**$ (1,334,392)**	**$ (918,021)**
Contribution	-	-	-	-	60,000	-	60,000
Distributions	-	-	-	-	-	(154,734)	(154,734)
Net loss	-	-	-	-	-	(725,270)	(725,270)
Balance at September 30, 2020 (unaudited)		**$ -**	**-**	**$ -**	**$ 476,371**	**$ (2,214,396)**	**$ (1,738,025)**

See Notes to the Consolidated Financial Statements

Yoshiharu Global Co. and Subsidiaries
Consolidated Statements of Cash Flows

	(unaudited) *Nine months ended September 30,*	
	2021	***2020***
Cash flows from operating activities:		
Net income (loss)	$ (42,968)	$ (1,014,886)
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation	94,294	83,181
Changes in assets and liabilities:		
Inventories	(14,499)	(5,452)
Other assets	(65,732)	-
Accounts payable and accrued expenses	128,478	(76,178)
Due to related party	426,179	921,102
Other payables	65,700	(481)
Net cash used in operating activities	591,452	(92,714)
Cash flows from investing activities:		
Purchases of property and equipment	(814,163)	(514,315)
Net cash used in investing activities	(814,163)	(514,315)
Cash flows from financing activities:		
Bank overdrafts	(29,060)	-
PPP loan forgiveness	(283,539)	-
Proceeds from borrowings	1,579,654	978,300
Repayments on bank notes payables	(294,974)	(41,070)
Shareholders' distribution	(696,071)	(467,081)
Shareholder's contribution	-	60,000
Net cash provided by financing activities	276,010	530,149
Net increase in cash	53,299	(76,880)
Cash – beginning of period	-	78,117
Cash – end of period	**$ 53,299**	**$ 1,237**
Supplemental disclosures of cash flow information		
Cash paid during the periods for:		
Interest	$ 44,145	$ 73,356
Income taxes	$ 13,924	$ 9,978

See Notes to the Consolidated Financial Statements

Yoshiharu Global Co. and Subsidiaries
Notes to Consolidated Financial Statements

1. NATURE OF OPERATIONS

Yoshiharu Global Co. ("Yoshiharu") was incorporated in the State of Delaware on December 9, 2021. Yoshiharu did not have significant transactions since formation. Yoshiharu wholly owns Yoshiharu Holdings Co., a California corporation ("Yoshiharu Holdings"), which in turn has the following wholly owned subsidiaries:

Name	Date of Formation	Description of Business
Global JJ Group, Inc. ("JJ")	January 8, 2015	Ramen stores located in Orange, California and Buena Park, California.
Global AA Group, Inc. ("AA")	July 21, 2016	Ramen store located in Whittier, California.
Global BB Group, Inc. ("BB")	May 19, 2017	Ramen store located in Chino Hills, California.
Global CC Group, Inc. ("CC")	September 23, 2019	Ramen stores located in Eastvale, California and Corona, California.
Global DD Group, Inc. ("DD")	December 19, 2019	Ramen store located in la Mirada, California.
Yoshiharu Irvine ("YI")	December 4, 2020	Ramen store located in Irvine, California.
Yoshiharu Cerritos ("YC")	January 21, 2021	Ramen store located in Cerritos, California.

The Company owns several restaurants specializing in Japanese ramen and other Japanese cuisines. The Company offers a variety of Japanese ramens, rice bowls, and appetizers. Yoshiharu Global Co., Yoshiharu Holdings and Subsidiaries will be collectively referred as the "**Company**".

In December 2021, Yoshiharu and the sole shareholder of Yoshiharu Holdings completed a share exchange agreement, whereby, such shareholder received all of the shares of Yoshiharu and Yoshiharu received all of the shares of Yoshiharu Holdings. This transaction is a recapitalization.

The transaction will be accounted for as a "reverse merger" and recapitalization since the stockholder of the subsidiaries owns all of the outstanding shares of the common stock immediately following the completion of the transaction, the stockholder will have the significant influence and the ability to elect or appoint or to remove a majority of the members of the governing body of the combined entity, and subsidiaries' senior management will dominate the management of the combined entity immediately following the completion of the transaction in accordance with the provision of Statement of Financial Accounting Standards No. 141(R), "Business Combinations". Accordingly, Yoshiharu Holdings is deemed to be the accounting acquirer in the transaction and, consequently, the transaction is treated as a recapitalization of all of the subsidiaries. Accordingly, the assets and liabilities and the historical operations that are reflected in the financial statements are those of the subsidiaries and are recorded at the historical cost basis of the subsidiaries. Yoshiharu's assets, liabilities and results of operations, if any, will be consolidated with the assets, liabilities and results of operations of the subsidiaries after consummation of the acquisition.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Reporting

The consolidated financial statements include legal entities listed above for the three and nine months ended September 30, 2021 and 2020.

Basis of Presentation and Consolidation

The accompanying consolidated financial statements have been prepared in accordance with generally accepted accounting principles ("GAAP") as promulgated in the United States of America. The consolidated financial statements include Yoshiharu Global Co. and its wholly owned subsidiaries. All intercompany accounts, transactions, and profits have been eliminated upon consolidation.

Use of Estimates and Assumptions

The preparation of consolidated financial statements in conformity with the GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting periods. Actual results could differ from those estimates.

Marketing

Marketing costs are charged to expense as incurred. Marketing costs were approximately $12,437 and $33,686 for the nine months ended September 30, 2021 and 2020, respectively, and are included in operating expenses in the accompanying consolidated statements of income.

Delivery Fees Charged by Delivery Service Providers

The Company's customers may order online through third party service providers such as Uber Eats, Door Dash, and others. These third-party service providers charge delivery and order fees to the Company. Such fees are expensed when incurred. Delivery fees are included in delivery and service fees in the accompanying combined statements of operations.

Revenue Recognition

The Company recognizes revenue in accordance with Accounting Standards Codification ("ASC") 606, Revenue from Contracts with Customers. The Company's net revenue primarily consists of revenues from food and beverage sales. Accordingly, the Company recognizes revenue as follows:

- ***Revenue from Food and Beverage***

  Revenues from the sale of food items by Company-owned restaurants are recognized as Company sales when a customer purchases the food, which is when our obligation to perform is satisfied. The timing and amount of revenue recognized related to Company sales was not impacted by the adoption of Topic 606.

Inventories

Inventories, which are stated at the lower of cost or net realizable value, consist primarily of perishable food items and supplies. Cost is determined using the first-in, first out method.

Segment Reporting

Accounting Standards Codification ("ASC") 280, "Segment Reporting," requires public companies to report financial and descriptive information about their reportable operating segments. The Company identifies its operating segments based on how executive decision makers internally evaluates separate financial information, business activities and management responsibility. Accordingly, the Company has one reportable segment, consisting of operating its stores.

Property and Equipment

Property and equipment are stated at cost less accumulated depreciation and amortization. Major improvements are capitalized, and minor replacements, maintenance and repairs are charged to expense as incurred. Depreciation and amortization are calculated on the straight-line basis over the estimated useful lives of the assets. Leasehold improvements are amortized over the shorter of the estimated useful life or the lease term of the related asset. The estimated useful lives are as follows:

Furniture and equipment	5 to 7 years
Leasehold improvements	Shorter of estimated useful life or term of lease
Vehicle	5 years

Income Taxes

The accounting standard on accounting for uncertainty in income taxes addresses the determination of whether tax benefits claimed or expected to be claimed on a tax return should be recorded in the financial statements. Under that guidance, the Company may recognize the tax benefit from an uncertain tax position only if it is more likely than not that the tax position will be sustained on examination by taxing authorities based on the technical merits of the position. The tax benefits recognized in the financial statements from such a position are measured based on the largest benefit that has a greater than 50% likelihood of being realized upon ultimate settlement. The Company had no unrecognized tax benefits identified or recorded as liabilities as of December 31, 2020 and 2019.

Impairment of Long-Lived Assets

When circumstances, such as adverse market conditions, indicate that the carrying value of a long-lived asset may be impaired, the Company performs an analysis to review the recoverability of the asset's carrying value, which includes estimating the undiscounted cash flows (excluding interest charges) from the expected future operations of the asset. These estimates consider factors such as expected future operating income, operating trends and prospects, as well as the effects of demand, competition and other factors. If the analysis indicates that the carrying value is not recoverable from future cash flows, an impairment loss is recognized to the extent that

the carrying value exceeds the estimated fair value. Any impairment losses are recorded as operating expenses, which reduce net income.

Concentrations of Credit Risk

Financial instruments that potentially subject the Company to concentrations of credit risk are accounts receivable and other receivables arising from its normal business activities. The Company has a diversified customer base. The Company controls credit risk related to accounts receivable through credit approvals, credit limits and monitoring procedures. The Company routinely assesses the financial strength of its customers and, based upon factors surrounding the credit risk, establishes an allowance, if required, for un-collectible accounts and, as a consequence, believes that its accounts receivable related credit risk exposure beyond such allowance is limited.

Fair Value of Financial Instruments

The Company utilizes ASC 820-10, Fair Value Measurement and Disclosure, for valuing financial assets and liabilities measured on a recurring basis. Fair value is defined as the exit price, or the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants as of the measurement date. The guidance also establishes a hierarchy for inputs used in measuring fair value that maximizes the use of observable inputs and minimizes the use of unobservable inputs by requiring that the most observable inputs be used when available. Observable inputs are inputs market participants would use in valuing the asset or liability and are developed based on market data obtained from sources independent of the Company. Unobservable inputs are inputs that reflect the Company's assumptions about the factors market participants would use in valuing the asset or liability. The guidance establishes three levels of inputs that may be used to measure fair value:

Level 1. Observable inputs such as quoted prices in active markets;
Level 2. Inputs, other than the quoted prices in active markets, that are observable either directly or indirectly; and
Level 3. Unobservable inputs in which there is little or no market data, which require the reporting entity to develop its own assumptions.

The Company's financial instruments consisted of cash, operating lease right-of-use assets, net, accounts payable and accrued expenses, notes payables, and operating lease liabilities. The estimated fair value of cash, operating lease right-of-use assets, net, and notes payables approximate its carrying amount due to the short maturity of these instruments.

Leases

In accordance with ASC 842, Leases, the Company determines whether an arrangement contains a lease at inception. A lease is a contract that provides the right to control an identified asset for a period of time in exchange for consideration. For identified leases, the Company determines whether it should be classified as an operating or finance lease. Operating leases are recorded in the balance sheet as: right-of-use asset ("ROU asset") and operating lease liability. ROU asset represents the Company's right to use an underlying asset for the lease term and lease liability represents the Company's obligation to make lease payments arising from the lease. ROU assets and operating lease liabilities are recognized at the commencement date of the lease and measured based on the present value of lease payments over the lease term. The ROU asset also includes deferred rent liabilities. The Company's lease arrangement generally do not provide an implicit interest rate. As a result, in such situations the Company uses its incremental borrowing rate based on the information available at commencement date in determining the present value of lease payments. The Company includes options to extend or terminate the lease when it is reasonably certain that it will exercise that option in the measurement of its ROU asset and liability. Lease expense for the operating lease is recognized on a straight-line basis over the lease term. The Company has a lease agreement with lease and non-lease components, which are accounted for as a single lease component.

Recent Accounting Pronouncements

In February 2016, the FASB issued ASU No. 2016-02, "Leases (Topic 842)" ("ASU 2016-02"). ASU 2016-02 requires an entity to recognize assets and liabilities arising from a lease for both financing and operating leases. ASU 2016-02 will also require new qualitative and quantitative disclosures to help investors and other financial statement users better understand the amount, timing, and uncertainty of cash flows arising from leases. ASU 2016-02 is effective for fiscal years beginning after December 15, 2020, with early adoption permitted. The Company evaluated ASU 2016-02 and adopted this guidance as of January 1, 2019.

In July 2018, the FASB issued ASU No. 2018-10, "Codification Improvements to Topic 842, Leases" ("ASU 2018-10"). The amendments in ASU 2018-10 provide additional clarification and implementation guidance on certain aspects of the previously issued ASU No. 2016-02, Leases (Topic 842) ("ASU 2016-02") and have the same effective and transition requirements as ASU 2016-02. Upon the effective date, ASU 2018-10 will supersede the current lease guidance in ASC Topic 840, Leases. Under the new guidance, lessees will be required to recognize for all leases, with the exception of short-term leases, a lease liability, which is a lessee's obligation to make lease payments arising from a lease, measured on a discounted basis. Concurrently, lessees will be required to recognize a right-of-use asset, which is an asset that represents the lessee's right to use, or control the use of, a specified asset for the lease term. ASU 2018-10 is effective for emerging growth companies for interim and annual reporting periods beginning after December 15, 2019, with early adoption permitted. The guidance is required to be applied using a modified retrospective transition approach for leases existing at, or entered into after, the beginning of the earliest comparative periods presented in the financial statements. The Company adopted this guidance as of January 1, 2019.

In July 2018, the FASB issued ASU No. 2018-11, "Leases (Topic 842): Targeted Improvements," ("ASU 2018-11"). The amendments in ASU 2018-11 related to transition relief on comparative reporting at adoption affect all entities with lease contracts that choose the additional transition method and separating components of a contract affect only lessors whose lease contracts qualify for the practical expedient. The amendments in ASU 2018-11 are effective for emerging growth companies for fiscal years beginning after December 15, 2020, and interim periods within those fiscal years. The Company adopted this guidance as of January 1, 2019.

In March 2019, the FASB issued ASU 2019-01, "Leases (Topic 842): Codification Improvements" ("Topic 842") ("ASU 2019-01"). These amendments align the guidance for fair value of the underlying asset by lessors that are not manufacturers or dealers in Topic 842 with that of existing guidance. As a result, the fair value of the underlying asset at lease commencement is its cost, reflecting any volume or trade discounts that may apply. However, if there has been a significant lapse of time between when the underlying asset is acquired and when the lease commences, the definition of fair value (in Topic 820, Fair Value Measurement) should be applied. (Issue 1). The ASU also requires lessors within the scope of Topic 942, Financial Services—Depository and Lending, to present all "principal payments received under leases" within investing activities. (Issue 2). Finally, the ASU exempts both lessees and lessors from having to provide certain interim disclosures in the fiscal year in which a company adopts the new leases standard. (Issue 3). The transition and effective date provisions apply to Issue 1 and Issue 2. They do not apply to Issue 3 because the amendments for that Issue are to the original transition requirements in Topic 842. This amendment will be effective for fiscal years beginning after December 15, 2020 and interim periods within fiscal years beginning after December 15, 2020. Early adoption is permitted. The Company evaluated ASU 2019-01 and adopted this guidance as of January 1, 2019.

COVID-19 Impact on Concentration of Risk

The COVID-19 pandemic has significantly impacted health and economic conditions throughout the United States and globally, as public concern about becoming ill with the virus has led to the issuance of recommendations and/or mandates from federal, state and local authorities to practice social distancing or self-quarantine. The Company is continually monitoring the outbreak of COVID-19 and the related business and travel restrictions and changes to behavior intended to reduce its spread, and its impact on operations, financial position, cash flows, inventory, supply chains, purchasing trends, customer payments, and the industry in general, in addition to the impact on its employees. We have experienced significant disruptions to our business due to the COVID-19 pandemic and related suggested and mandated social distancing and shelter-in-place orders.

3. PROPERTY AND EQUIPMENT, NET

	September 30, 2021	*December 31, 2020*
Leasehold improvement	$ 2,404,303	$ 1,605,848
Furniture and equipment	344,281	328,574
Vehicle	30,543	30,543
Total property and equipment	2,779,127	1,964,965
Accumulated depreciation	(473,684)	(379,390)
Total property and equipment, net	**$ 2,305,443**	**$ 1,585,575**

For the nine months ended September 30, 2021 and 2020, total depreciation was $78,172 and $114,817, respectively.

4. BANK NOTES PAYABLES

	September 30, 2021	*December 31 2020*
September 22, 2017 ($250,000) - AA	$ 171,851	$ 189,185
November 27, 2018 ($780,000) - JJ	577,583	656,593
February 13, 2020 ($255,000) - CC	223,975	239,626
September 14, 2021 ($197,000) - CC	100,000	-
September 15, 2021 ($199,000) - DD	120,000	-
Total bank notes payables	1,193,409	1,085,404
Less - current portion	(227,432)	(162,031)
Total bank notes payables, less current portion	**$ 965,977**	**$ 923,373**

The following table provides future minimum payments as of September 30, 2021:

For the years ended	*Amount*
2021 (remaining three months)	$ 51,824
2022	234,144
2023	234,144
2024	234,144
2025	219,078
Thereafter	218,096
Total	**$ 1,191,429**

September 22, 2017 – $250,000 – Global AA Group, Inc.

On September 22, 2017, Global AA Group, Inc. (the "AA") executed the standard loan documents required for securing a loan of $250,000 from the U.S. Small Business Administration (the "SBA"). As of September 30, 2021 and December 31, 2020, the balance is $171,851 and $189,185, respectively.

Pursuant to that certain Loan Authorization and Agreement, AA borrowed an aggregate principal amount of $250,000, with proceeds to be used for working capital purposes. Interest accrues at a variable rate that is subject to change from time to time based on changes in an independent index which is the Prime Rate as published in the Wall Street Journal per annum and will accrue only on funds actually advanced from the date of each advance. The loan requires a payment of $2,888 per month which includes principal and interest with an initial interest rate of 6.75% per year. The balance of principal and interest is payable on September 22, 2027.

November 27, 2018 – $780,000 – Global JJ Group, Inc.

On November 27, 2018, Global JJ Group, Inc. (the "JJ") executed the standard loan documents required for securing a loan of $780,000 from the U.S. Small Business Administration (the "SBA"). As of September 30, 2021 and December 31, 2020, the balance is $568,583 and $656,593, respectively.

Pursuant to that certain Loan Authorization and Agreement, JJ borrowed an aggregate principal amount of $780,000, with proceeds to be used for working capital purposes. Interest accrues at a variable rate that is subject to change from time to time based on changes in an independent index which is the Prime Rate as published in the Wall Street Journal per annum and will accrue only on funds actually advanced from the date of each advance. Installment payments of $11,818.08 for a total of 83 payments, including principal and interest, are due monthly beginning on January 1, 2019. The balance of principal and interest is payable on December 1, 2025.

February 13, 2020 – $255,000 – Global CC Group, Inc.

On February 13, 2020, Global CC Group, Inc. (the "CC") executed the standard loan documents required for securing a loan of $255,000 from the U.S. Small Business Administration (the "SBA"). As of September 30, 2021 and December 31, 2020, the balance is $223,975 and $239,626, respectively.

Pursuant to that certain Loan Authorization and Agreement, CC borrowed an aggregate principal amount of $255,000, with proceeds to be used for working capital purposes. Interest accrues at a variable rate that is subject to change from time to time based on changes in an independent index which is the Prime Rate as published in the Wall Street Journal per annum and will accrue only on funds actually advanced from the date of each advance. The loan requires a payment of $2,913 per month which includes principal and interest with an initial interest rate of 6.50%. The balance of principal and interest is payable on February 13, 2030.

September 14, 2021 – $197,000 – Global CC Group, Inc.

On September 14, 2021, Global CC Group, Inc. (the "CC") executed the standard loan documents required for securing a loan of $197,000 from the U.S. Small Business Administration (the "SBA"). As of September 30, 2021 and December 31, 2020, the balance is $197,000 and $0, respectively.

Pursuant to that certain Loan Authorization and Agreement, CC borrowed an aggregate principal amount of $197,000, with proceeds to be used for working capital purposes. Interest accrues at a variable rate that is subject to change from time to time based on changes in an independent index which is the Prime Rate as published in the Wall Street Journal per annum and will accrue only on funds actually advanced from the date of each advance. The loan requires a payment of $2,128 per month which includes principal and interest with an initial interest rate of 5.25%. The balance of principal and interest is payable on September 14, 2031.

As of September 30, 2021, the CC has received $120,000 of the $197,000.

September 15, 2021– $199,000 – Global DD Group, Inc.

On September 15, 2021, Global DD Group, Inc. (the "DD") executed the standard loan documents required for securing a loan of $199,000 from the U.S. Small Business Administration (the "SBA"). As of September 30, 2021 and December 31, 2020, the balance is $199,000 and $0, respectively.

Pursuant to that certain Loan Authorization and Agreement, DD borrowed an aggregate principal amount of $199,000, with proceeds to be used for working capital purposes. Interest accrues at a variable rate that is subject to change from time to time based on changes in an independent index which is the Prime Rate as published in the Wall Street Journal per annum and will accrue only on funds actually advanced from the date of each advance. The loan requires a payment of $2,419 per month which includes principal and interest with an initial interest rate of 5.25%. The balance of principal and interest is payable on September 15, 2031.

As of September 30, 2021, DD has received $100,000 of the $199,000.

5. LOAN PAYABLES, PPP

	September 30, 2021	*December 31 2020*
February 16, 2021 ($131,600 - PPP loan) - AA	$ 131,600	$ 129,300
February 16, 2021 ($166,700 - PPP loan) - JJ	166,700	102,000
February 16, 2021 ($87,600 - PPP loan) - BB	87,600	42,000
Total loan payables, PPP	385,900	273,300
Less - current portion	(77,180)	(212,567)
Total loans payables, PPP, less current portion	**$ 308,720**	**$ 60,733**

The following table provides future minimum payments as of September 30, 2021:

For the years ended	*Amount*
2021 (remaining three months)	$ 7,718
2022	92,616
2023	92,616
2024	92,616
2025	92,616
Thereafter	7,718
Total	**$ 385,900**

April 22, 2020 – $102,000 – Global JJ Group, Inc.

On April 22, 2020, Global JJ Group, Inc. (the "JJ") executed the standard loan documents required for securing a Paycheck Protection Program Loan (the "PPP Loan") of $102,000 from the U.S. Small Business Administration (the "SBA") under its Paycheck Protection Program in light of the impact of the COVID-19 pandemic on the JJ's business.

The PPP loan is administered by the SBA. The interest rate of the loan is 1.00% per annum and accrues on the unpaid principal balance computed on the basis of the actual number of days elapsed in a year of 360 days. Commencing seven months after the effective date of the PPP Loan, the Company is required to pay the Lender equal monthly payments of principal and interest as required to fully amortize any unforgiven principal balance of the loan by the two-year anniversary of the effective date of the PPP Loan (the "Maturity Date"). The PPP Loan contains customary events of default relating to, among other things, payment defaults, making materially false or misleading representations to the SBA or the Lender, or breaching the terms of the PPP Loan. The occurrence of an event of default may result in the repayment of all amounts outstanding under the PPP Loan, collection of all amounts owing from the Company, or filing suit and obtaining judgment against the Company. Under the terms of the CARES Act, PPP loan recipients can apply for and be granted forgiveness for all or a portion of the loan granted under the PPP. Such forgiveness will be determined, subject to limitations, based on the use of loan proceeds for payment of payroll costs and any payments of mortgage interest, rent, and utilities. Recent modifications to the PPP by the U.S. Treasury and Congress have extended the time period for loan forgiveness beyond the original eight-week period, making it possible for the Company to

apply for forgiveness of its PPP loan.

On July 23, 2021, $102,000 in principal and $1,277 in interest was forgiven by the SBA.

April 22, 2020 – $129,300 – Global AA Group, Inc.

On April 22, 2020, Global AA Group, Inc. (the "AA") executed the standard loan documents required for securing a Paycheck Protection Program Loan (the "PPP Loan") of $129,300 from the U.S. Small Business Administration (the "SBA") under its Paycheck Protection Program in light of the impact of the COVID-19 pandemic on the AA's business.

The PPP loan is administered by the SBA. The interest rate of the loan is 1.00% per annum and accrues on the unpaid principal balance computed on the basis of the actual number of days elapsed in a year of 360 days. Commencing seven months after the effective date of the PPP Loan, the Company is required to pay the Lender equal monthly payments of principal and interest as required to fully amortize any unforgiven principal balance of the loan by the two-year anniversary of the effective date of the PPP Loan (the "Maturity Date"). The PPP Loan contains customary events of default relating to, among other things, payment defaults, making materially false or misleading representations to the SBA or the Lender, or breaching the terms of the PPP Loan. The occurrence of an event of default may result in the repayment of all amounts outstanding under the PPP Loan, collection of all amounts owing from the Company, or filing suit and obtaining judgment against the Company. Under the terms of the CARES Act, PPP loan recipients can apply for and be granted forgiveness for all or a portion of the loan granted under the PPP. Such forgiveness will be determined, subject to limitations, based on the use of loan proceeds for payment of payroll costs and any payments of mortgage interest, rent, and utilities. Recent modifications to the PPP by the U.S. Treasury and Congress have extended the time period for loan forgiveness beyond the original eight-week period, making it possible for the Company to apply for forgiveness of its PPP loan.

On July 21, 2021, $129,300 in principal and $1,612 in interest was forgiven by the SBA.

April 22, 2020 – $42,000 – Global BB Group, Inc.

On April 22, 2020, Global BB Group, Inc. (the "BB") executed the standard loan documents required for securing a Paycheck Protection Program Loan (the "PPP Loan") of $42,000 from the U.S. Small Business Administration (the "SBA") under its Paycheck Protection Program in light of the impact of the COVID-19 pandemic on the BB's business.

The PPP loan is administered by the SBA. The interest rate of the loan is 1.00% per annum and accrues on the unpaid principal balance computed on the basis of the actual number of days elapsed in a year of 360 days. Commencing seven months after the effective date of the PPP Loan, the Company is required to pay the Lender equal monthly payments of principal and interest as required to fully amortize any unforgiven principal balance of the loan by the two-year anniversary of the effective date of the PPP Loan (the "Maturity Date"). The PPP Loan contains customary events of default relating to, among other things, payment defaults, making materially false or misleading representations to the SBA or the Lender, or breaching the terms of the PPP Loan. The occurrence of an event of default may result in the repayment of all amounts outstanding under the PPP Loan, collection of all amounts owing from the Company, or filing suit and obtaining judgment against the Company. Under the terms of the CARES Act, PPP loan recipients can apply for and be granted forgiveness for all or a portion of the loan granted under the PPP. Such forgiveness will be determined, subject to limitations, based on the use of loan proceeds for payment of payroll costs and any payments of mortgage interest, rent, and utilities. Recent modifications to the PPP by the U.S. Treasury and Congress have extended the time period for loan forgiveness beyond the original eight-week period, making it possible for the Company to apply for forgiveness of its PPP loan.

On July 21, 2021, $42,000 in principal and $524 in interest was forgiven by the SBA.

February 16, 2021 – $131,600 – Global AA Group, Inc.

On February 16, 2021, Global AA Group, Inc. (the "AA") executed the standard loan documents required for securing a Paycheck Protection Program Loan (the "PPP Loan") of $131,600 from the U.S. Small Business Administration (the "SBA") under its Paycheck Protection Program in light of the impact of the COVID-19 pandemic on the AA's business.

The PPP loan is administered by the SBA. The interest rate of the loan is 1.00% per annum and accrues on the unpaid principal balance computed on the basis of the actual number of days elapsed in a year of 365 days. Commencing ten months after the effective date of the PPP Loan, the Company is required to pay the Lender equal monthly payments of principal and interest as required to fully amortize any unforgiven principal balance of the loan by the five-year anniversary of the effective date of the PPP Loan (the "Maturity Date"). The PPP Loan contains customary events of default relating to, among other things, payment defaults, making materially false or misleading representations to the SBA or the Lender, or breaching the terms of the PPP Loan. The occurrence of an event of default may result in the repayment of all amounts outstanding under the PPP Loan, collection of all amounts owing from the Company, or filing suit and obtaining judgment against the Company. Under the terms of the CARES Act, PPP loan recipients can apply for and be granted forgiveness for all or a portion of the loan granted under the PPP. Such forgiveness will be determined, subject to limitations, based on the use of loan proceeds for payment of payroll costs and any payments of mortgage interest, rent, and utilities. Recent modifications to the PPP by the U.S. Treasury and Congress have extended the time period for loan forgiveness beyond the original eight-week period, making it possible for the Company to apply for forgiveness of its PPP loan.

February 16, 2021 – $166,700 – Global JJ Group, Inc.

On February 16, 2021, Global JJ Group, Inc. (the "JJ") executed the standard loan documents required for securing a Paycheck Protection Program Loan (the "PPP Loan") of $166,700 from the U.S. Small Business Administration (the "SBA") under its Paycheck Protection Program in light of the impact of the COVID-19 pandemic on the JJ's business.

The PPP loan is administered by the SBA. The interest rate of the loan is 1.00% per annum and accrues on the unpaid principal balance computed on the basis of the actual number of days elapsed in a year of 365 days. Commencing ten months after the effective date of the PPP Loan, the Company is required to pay the Lender equal monthly payments of principal and interest as required to fully amortize any unforgiven principal balance of the loan by the five-year anniversary of the effective date of the PPP Loan (the "Maturity Date"). The PPP Loan contains customary events of default relating to, among other things, payment defaults, making materially false or misleading representations to the SBA or the Lender, or breaching the terms of the PPP Loan. The occurrence of an event of default may result in the repayment of all amounts outstanding under the PPP Loan, collection of all amounts owing from the Company, or filing suit and obtaining judgment against the Company. Under the terms of the CARES Act, PPP loan recipients can apply for and be granted forgiveness for all or a portion of the loan granted under the PPP. Such forgiveness will be determined, subject to limitations, based on the use of loan proceeds for payment of payroll costs and any payments of mortgage interest, rent, and utilities. Recent modifications to the PPP by the U.S. Treasury and Congress have extended the time period for loan forgiveness beyond the original eight-week period, making it possible for the Company to apply for forgiveness of its PPP loan.

February 16, 2021 – $87,600 – Global BB Group, Inc.

On February 16, 2021, Global BB Group, Inc. (the "BB") executed the standard loan documents required for securing a Paycheck Protection Program Loan (the "PPP Loan") of $87,600 from the U.S. Small Business Administration (the "SBA") under its Paycheck Protection Program in light of the impact of the COVID-19 pandemic on the BB's business.

The PPP loan is administered by the SBA. The interest rate of the loan is 1.00% per annum and accrues on the unpaid principal balance computed on the basis of the actual number of days elapsed in a year of 365 days. Commencing ten months after the effective date of the PPP Loan, the Company is required to pay the Lender equal monthly payments of principal and interest as required to fully amortize any unforgiven principal balance of the loan by the five-year anniversary of the effective date of the PPP Loan (the "Maturity Date"). The PPP Loan contains customary events of default relating to, among other things, payment defaults, making materially false or misleading representations to the SBA or the Lender, or breaching the terms of the PPP Loan. The occurrence of an event of default may result in the repayment of all amounts outstanding under the PPP Loan, collection of all amounts owing from the Company, or filing suit and obtaining judgment against the Company. Under the terms of the CARES Act, PPP loan recipients can apply for and be granted forgiveness for all or a portion of the loan granted under the PPP. Such forgiveness will be determined, subject to limitations, based on the use of loan proceeds for payment of payroll costs and any payments of mortgage interest, rent, and utilities. Recent modifications to the PPP by the U.S. Treasury and Congress have extended the time period for loan forgiveness beyond the original eight-week period, making it possible for the Company to apply for forgiveness of its PPP loan.

6. LOAN PAYABLES, EIDL

	September 30, 2021	*December 31 2020*
June 13, 2020 ($150,000 - EIDL) - AA	$ 150,000	$ 150,000
June 13, 2020 ($150,000 - EIDL) - BB	150,000	150,000
July 15, 2020 ($150,000 - EIDL) - JJ	150,000	150,000
Total loans payables, EIDL	450,000	450,000
Less - current portion	(20,259)	(8,621)
Total loans payables, EIDL, less current portion	**$ 429,741**	**$ 441,379**

The following table provides future minimum payments as of September 30, 2021:

For the years ended	*Amount*
2021 (remaining three months)	$ 8,621
2022	15,517
2023	15,517
2024	15,517
2025	15,517
Thereafter	379,310
Total	**$ 450,000**

June 13, 2020 – $150,000 – Global AA Group, Inc.

On June 13, 2020, Global AA Group, Inc. (the "AA") executed the standard loan documents required for securing a loan (the "EIDL Loan") from the SBA under its Economic Injury Disaster Loan ("EIDL") assistance program in light of the impact of the COVID-19 pandemic on the AA's business.

Pursuant to that certain Loan Authorization and Agreement (the "SBA Loan Agreement"), AA borrowed an aggregate principal amount of the EIDL Loan of $150,000, with proceeds to be used for working capital purposes. Interest accrues at the rate of 3.75% per annum and will accrue only on funds actually advanced from the date of each advance. Installment payments, including principal and interest, are due monthly beginning May 14, 2021 (twelve months from the date of the SBA Loan) in the amount of $731. The balance of principal and interest is payable thirty years from the date of the SBA Loan. In connection therewith, AA also received a $10,000 grant, which does not have to be repaid. During the year ended December 31, 2020, $10,000 was recorded in other income in the Statements of Operations.

In connection therewith, AA executed (i) a loan for the benefit of the SBA (the "SBA Loan"), which contains customary events of default and (ii) a Security Agreement, granting the SBA a security interest in all tangible and intangible personal property of AA, which also contains customary events of default (the "SBA Security Agreement").

June 13, 2020 – $150,000 – Global BB Group, Inc.

On June 13, 2020, Global BB Group, Inc. (the "BB") executed the standard loan documents required for securing a loan (the "EIDL Loan") from the SBA under its Economic Injury Disaster Loan ("EIDL") assistance program in light of the impact of the COVID-19 pandemic on the BB's business.

Pursuant to that certain Loan Authorization and Agreement (the "SBA Loan Agreement"), BB borrowed an aggregate principal amount of the EIDL Loan of $150,000, with proceeds to be used for working capital purposes. Interest accrues at the rate of 3.75% per annum and will accrue only on funds actually advanced from the date of each advance. Installment payments, including principal and interest, are due monthly beginning May 14, 2021 (twelve months from the date of the SBA Loan) in the amount of $731. The balance of principal and interest is payable thirty years from the date of the SBA Loan. In connection therewith, BB also received a $10,000 grant, which does not have to be repaid. During the year ended December 31, 2020, $10,000 was recorded in other income in the Statements of Operations.

In connection therewith, BB executed (i) a loan for the benefit of the SBA (the "SBA Loan"), which contains customary events of default and (ii) a Security Agreement, granting the SBA a security interest in all tangible and intangible personal property of BB, which also contains customary events of default (the "SBA Security Agreement").

July 15, 2020 – $150,000 – Global JJ Group, Inc.

On July 15, 2020, Global JJ Group, Inc. (the "JJ") executed the standard loan documents required for securing a loan (the "EIDL Loan") from the SBA under its Economic Injury Disaster Loan ("EIDL") assistance program in light of the impact of the COVID-19 pandemic on the JJ's business.

Pursuant to that certain Loan Authorization and Agreement (the "SBA Loan Agreement"), JJ borrowed an aggregate principal amount of the EIDL Loan of $150,000, with proceeds to be used for working capital purposes. Interest accrues at the rate of 3.75% per annum and will accrue only on funds actually advanced from the date of each advance. Installment payments, including principal and interest, are due monthly beginning May 14, 2021 (twelve months from the date of the SBA Loan) in the amount of $731. The balance of principal and interest is payable thirty years from the date of the SBA Loan.

7. RESTAURANT REVITALIZATION FUND

	September 30, 2021	*December 31, 2020*
June 1, 2021 (700,454 - Restaurant Revitalization Fund) - JJ	$ 700,454	$ -
Total restaurant revitalization fund	$ 700,454	$ -
Less - current portion	-	-
Total restaurant revitalization fund, less current portion	**$ 700,454**	**$ -**

The following table provides future minimum payments as of September 30, 2021:

For the years ended	*Amount*
2021 (remaining three months)	$ -
2022	-
2023	700,454
2024	-
2025	-
Thereafter	-
Total	**$ 700,454**

June 1, 2021 – $700,454 – Global JJ Group, Inc.

On June 1, 2021, Global JJ Group, Inc. (the "JJ") executed the documents required for securing a Restaurant Revitalization Fund (the "RRF") of $700,454 from the U.S. Small Business Administration (the "SBA") under the American Rescue Plan Act in light of the impact of the COVID-19 pandemic on the JJ's business.

The RRF is administered by the SBA. The interest rate of the loan is 0.00% per annum and accrues on the unpaid principal balance computed on the basis of the actual number of days elapsed in a year of 365 days. No later than March 11, 2023 (the "Maturity Date"), the Company is required to pay the Lender any unused funds as well as any funds used for non-eligible expenses. The RRF contains customary events of default relating to, among other things, payment defaults, making materially false or misleading representations to the SBA or the Lender, or breaching the terms of the RRF. The occurrence of an event of default may result in the repayment of all amounts outstanding under the RRF, collection of all amounts owing from the Company, or filing suit and obtaining judgment against the Company. Under the terms of the American Rescue Plan Act, RRF recipients can apply for and be granted forgiveness for all or a portion of the funds granted. Such forgiveness will be determined, subject to limitations, based on the use of the loan proceeds for payments of payroll costs, business mortgage obligation, rent, debt, utility, maintenance, construction of outdoor seating, supplies, food and beverage, supplier costs, and other business operating expenses.

As of September 30, 2021, none of the notes payables, loans payables, and restaurant revitalization fund noted above are in default.

8. RELATED PARTY TRANSACTIONS

The Company had the following related party transactions:

- ***Due to related party*** – From time to time, the Company borrowed money from APIIS Financial Group, a company controlled by Mr. Chae. The balance is non-interest bearing and due on demand. As of September 30, 2021 and December 31, 2020, the balance was $1,337,590 and $911,411, respectively.

- ***Distributions*** – From time to time, the Company made distributions in the form of dividends to Mr. James Chae as the sole stockholder of the Company. For the nine months ended September 30, 2021 and 2020, the Mr. James Chae was distributed $526,657 and $620,838, respectively.

9. COMMITMENTS AND CONTINGENCIES

Commitments

Operating lease right-of-use ("ROU") assets and liabilities are recognized at commencement date based on the present value of lease payments over the lease term. ROU assets represent our right to use an underlying asset for the lease term and lease liabilities represent our obligation to make lease payments arising from the lease. Generally, the implicit rate of interest in arrangements is not readily determinable and the Company utilizes its incremental borrowing rate in determining the present value of lease payments. The Company's incremental borrowing rate is a hypothetical rate based on its understanding of what its credit rating would be. The operating lease ROU asset includes any lease payments made and excludes lease incentives. Our variable lease payments primarily consist of maintenance and other operating expenses from our real estate leases. Variable lease payments are excluded from the ROU assets and lease liabilities and are recognized in the period in which the obligation for those payments is incurred. Our lease terms may include options to extend or terminate the lease when it is reasonably certain that we will exercise that option. Lease expense for minimum

lease payments is recognized on a straight-line basis over the lease term.

The Company has lease agreements with lease and non-lease components. The Company has elected to account for these lease and non-lease components as a single lease component.

In accordance with ASC 842, the components of lease expense were as follows:

For the nine months ended September 30,	*2021*	*2020*
Operating lease expense	$ 281,331	$ 160,313
Total lease expense	$ 281,331	$ 160,313

In accordance with ASC 842, other information related to leases was as follows:

For the nine months ended September 30,	*2021*	*2020*
Operating cash flows from operating leases	$ 264,700	$ 204,020
Cash paid for amounts included in the measurement of lease liabilities	$ 264,700	$ 204,020
Weighted-average remaining lease term—operating leases		7.9 Years
Weighted-average discount rate—operating leases		7%

In accordance with ASC 842, maturities of operating lease liabilities as of September 30, 2021 were as follows:

Year ending:	Operating Lease
2021 (remaining three months)	$ 100,108
2022	349,955
2023	356,051
2024	366,962
2025	381,474
Thereafter	1,453,553
Total undiscounted cash flows	$ 3,008,103
Reconciliation of lease liabilities:	
Weighted-average remaining lease terms	7.9 Years
Weighted-average discount rate	7%
Present values	$ 2,376,877
Lease liabilities—current	223,643
Lease liabilities—long-term	2,153,234
Lease liabilities—total	$ 2,376,877
Difference between undiscounted and discounted cash flows	$ 631,226

Contingencies

From time to time, the Company may be involved in certain legal actions and claims arising in the normal course of business. Management is of the opinion that such matters will be resolved without material effect on the Company's financial condition or results of operations.

10. SHAREHOLDERS' DEFICIT

Class A Common Stock

The Company has authorization to issue and have outstanding at any one time 49,000,000 shares of Class A common stock with a par value of $0.0001 value per share. Each share of Class A common stock will entitle its holder to one vote on all matters to be voted on by stockholders generally.

Class B Common Stock

The Company has authorization to issue and have outstanding at any one time 1,000,000 shares of Class B common stock with a par value of $0.0001 per share. The shareholders of Class B common stock shall be entitled to 10 vote per share for each share of Class A common stock, and with respect to such vote, shall be entitled, notwithstanding any provision hereof, to notice of any shareholders' meeting in accordance with the bylaws of this Company, and shall be entitled to vote together as a single class with holders of Class A common stock with respect to any question or matter upon which holders of Class A common stock have the right to vote, unless otherwise required by applicable law or our amended and restated certificate of incorporation. Class B common stock shall also entitle the holders thereof to vote as a separate class as set forth herein and as required by law.

The shareholders of Class B common stock shall be entitled to dividends as shall be declared by the Company's Board of Directors from time to time at the same rate per share as the Class A common stock.

The shareholders of the Class B common stock shall have conversation rights with respect to the Class B common stock into shares of Class A common stock:

- at such time as any shares of Class B common stock cease to be beneficially owned by James Chae, such shares of Class B common stock will be automatically converted into shares of Class A common stock on a one-for-one basis;
- all of the Class B common stock will automatically convert into Class A common stock on a one-for-one basis on such date when the number of shares of Class A and Class B common stock beneficially owned by James Chae represents less than 25% of the total number of shares of Class A and Class B common stock outstanding as set forth in the Exchange Agreement; and
- at the election of the holder of Class B common stock, any share of Class B common stock may be converted into one share of Class A common stock.

11. EARNINGS PER SHARE

The Company calculates earnings per share in accordance with FASB ASC 260, Earnings Per Share, which requires a dual presentation of basic and diluted earnings per share. Basic earnings per share are computed using the weighted average number of shares outstanding during the fiscal year. The Company did not have any dilutive common shares for nine months ended September 30, 2021 and year ended December 31, 2020.

12. SUBSEQUENT EVENTS

The Company evaluated all events or transactions that occurred after September 31, 2021. During this period, the Company did not have any material recognizable subsequent events required to be disclosed.

4,000,000 UNITS

Each Unit Consisting of One Share of Class A Common Stock and One Warrant to Purchase One Share of Class A Common Stock

PROSPECTUS

EF HUTTON
division of Benchmark Investments, LLC

, 2022

Through and including , 2022 (the 25th day after the date of the prospectus), all dealers that effect transactions in these securities, whether or not participating in this offering, may be required to deliver a prospectus. This is in addition to the dealers' obligation to deliver a prospectus when acting as an underwriter and with respect to their unsold allotments or subscriptions.

PART II

INFORMATION NOT REQUIRED IN THE PROSPECTUS

Item 13. Other Expenses of Issuance and Distribution.

The following table sets forth the various expenses, other than underwriting discounts and commissions, payable by the registrant in connection with the sale of units being registered. All of the amounts shown are estimated except the Securities and Exchange Commission registration fee and the FINRA filing fee.

	Amount To Be Paid
SEC registration fee	$ 4,930.49
FINRA filing fee	8,478.13
Nasdaq listing fee	100,000.00
Printing and engraving expenses	10,000.00
Legal fees and expenses	500,000.00
Accounting fees and expenses	50,000.00
Transfer agent and registrar fees	10,500.00
Miscellaneous fees and expenses	66,091.38
Total	$ 750,000

Item 14.Indemnification of Directors and Officers.

Registrant is a Delaware corporation. Section 145(a) of the Delaware General Corporation Law (the "DGCL") provides that a Delaware corporation may indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative, other than an action by or in the right of the corporation, by reason of the fact that such person is or was a director, officer, employee or agent of the corporation, or is or was serving at the request of the corporation as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise, against expenses (including attorney fees), judgments, fines and amounts paid in settlement actually and reasonably incurred by the person in connection with such action, suit or proceeding if the person acted in good faith and in a manner the person reasonably believed to be in or not opposed to the best interests of the corporation, and, with respect to any criminal action or proceeding, had no reasonable cause to believe his or her conduct was unlawful.

Section 145(b) of the DGCL provides that a Delaware corporation may indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action or suit by or in the right of the corporation to procure a judgment in its favor by reason of the fact that such person acted in any of the capacities set forth above, against expenses (including attorney fees) actually and reasonably incurred by such person in connection with the defense or settlement of such action or suit if the person acted in good faith and in a manner the person reasonably believed to be in or not opposed to the best interests of the corporation, except that no indemnification shall be made in respect of any claim, issue or matter as to which such person shall have been adjudged to be liable to the corporation, unless and only to the extent that the Court of Chancery or the court in which such action or suit was brought shall determine that, despite the adjudication of liability but in view of all the circumstances of the case, such person is fairly and reasonably entitled to indemnity for such expenses which the court shall deem proper.

Further subsections of DGCL Section 145 provide that:

(a) to the extent a present or former director or officer of a corporation has been successful on the merits or otherwise in the defense of any action, suit or proceeding referred to in subsections (a) and (b) of Section 145 or in the defense of any claim, issue or matter therein, such person shall be indemnified against expenses, including attorneys' fees, actually and reasonably incurred by such person in connection therewith;

(b) the indemnification and advancement of expenses provided for pursuant to Section 145 shall not be deemed exclusive of any other rights to which those seeking indemnification or advancement of expenses may be entitled under any bylaw, agreement, vote of stockholders or disinterested directors or otherwise; and

(c) the corporation shall have the power to purchase and maintain insurance of behalf of any person who is or was a director, officer, employee or agent of the corporation, or is or was serving at the request of the corporation as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise, against any liability asserted against such person and incurred by such person in any such capacity, or arising out of such person's status as such, whether or not the corporation would have the power to indemnify such person against such liability under Section 145.

As used in this Item 14, the term "proceeding" means any threatened, pending, or completed action, suit, or proceeding, whether or not by or in the right of registrant, and whether civil, criminal, administrative, investigative or otherwise.

Section 145 of the DGCL makes provision for the indemnification of officers and directors in terms sufficiently broad to indemnify officers and directors of registrant under certain circumstances from liabilities (including reimbursement for expenses incurred) arising under the Securities Act of 1933. Registrant's amended and restated certificate of incorporation provides, in effect, that, to the fullest extent and under the circumstances permitted by Section 145 of the DGCL, registrant will indemnify any and all of its officers and directors. Before the completion of this offering, registrant intends to enter into indemnification agreements with its officers and directors. These agreements will require registrant to indemnify these individuals to the fullest extent permitted under DGCL against liabilities that may arise by reason of their service, and to advance expenses incurred as a result of any proceeding against them as to which they could be indemnified. Registrant may, in its discretion, similarly indemnify its employees and agents. Registrant's amended and restated certificate of incorporation also relieves its directors from monetary damages to registrant or its stockholders for breach of such director's fiduciary duty as a director to the fullest extent permitted by the DGCL. Under Section 102(b)(7) of the DGCL, a corporation may relieve its directors from personal liability to such corporation or its stockholders for monetary damages for any breach of their fiduciary duty as directors except (i) for a breach of the duty of loyalty, (ii) for failure to act in good faith, (iii) for intentional misconduct or knowing violation of law, (iv) for willful or negligent violations of certain provisions in the DGCL imposing certain requirements with respect to stock repurchases, redemptions and dividends or (v) for any transactions from which the director derived an improper personal benefit.

In connection with this offering, we intend to enter into employment agreements with Messrs. Uba, Shinohara and Kamei to be effective as of the date of the consummation of this offering. Such employment agreements will require registrant to indemnify such officers to the maximum extent permitted under applicable law and the registrant's bylaws, and in accordance with such officers' indemnification agreements. In addition, for the duration of such officers' employment and for a period of six years thereafter, such employment agreements will require registrant to purchase and maintain, at registrant's expense, directors' and officers' liability insurance, which provides coverage to such officers on terms that are no less favorable than coverage provided to directors and similarly situated executives of the registrant.

Registrant has purchased insurance policies which, within the limits and subject to the terms and conditions thereof, cover certain expenses and liabilities that may be incurred by directors and officers in connection with proceedings that may be brought against them as a result of an act or omission committed or suffered while acting as a director or officer of registrant.

The form of Underwriting Agreement, to be entered into in connection with this offering and to be attached as Exhibit 1.1 hereto, provides for the indemnification by the Underwriters of us and our officers and directors for certain liabilities, including liabilities arising under the Securities Act, and affords certain rights of contribution with respect thereto.

Item 15. Recent Sales of Unregistered Securities.

In each of these issuances the recipient represented that he or she was acquiring the shares for investment purposes only, and not with a view towards distribution or resale except in compliance with applicable securities laws. No general solicitation or advertising was used in connection with any transaction, and the certificate evidencing the securities that were issued contained a legend restricting their transferability absent registration under the Securities Act or the availability of an applicable exemption therefrom. Unless specifically set forth below, no underwriter participated in the transaction and no commissions were paid in connection with the transactions.

In December 2021, Yoshiharu Holdings was formed by James Chae as an S corporation for the purpose of acquiring all of the equity in each of the 6 restaurant store entities which were previously founded and wholly owned directly by James Chae in exchange for an issuance of 10,000,000 shares to James Chae, which constituted all of the issued and outstanding equity in Yoshiharu Holdings Co.

Yoshiharu Global Co. was incorporated on December 9, 2021 in Delaware by James Chae for purposes of effecting this offering. On December 9, 2021, James Chae contributed 100% of the equity in Yoshiharu Holdings Co. to Yoshiharu Global Co. in exchange for the issuance by Yoshiharu Global Co. of 9,450,900 shares of Class A common stock to James Chae. On December 10, 2021, the Company redeemed 670,000 shares of Class A common stock from James Chae at par ($0.0001 per share). In December 2021, the Company conducted a private placement solely to accredited investors and sold 670,000 shares of Class A common stock at $2.00 per share, which the Company's board of directors determined to reflect the then current fair market value of the Company's Class A common stock. The Company shall exchange 1,000,000 shares of Common stock held by James Chae into 1,000,000 shares of Class B common stock immediately prior to the execution of the underwriting agreement.

All of the offers and sales set forth above by Yoshiharu Holdings and Yoshiharu Global Co. qualified for exemptions under Section 4(a)(2) of the Securities Act of 1933 since none of the issuances of shares involved a public offering as defined in Section 4(a)(2). We did not undertake an offering in which we sold a high number of shares to a high number of investors. In addition, James Chae had necessary investment intent as required by Section 4(a)(2) since he agreed to receive share certificates bearing a legend stating that such shares are restricted pursuant to Rule 144 of the Securities Act of 1933 Act. This restriction ensures that these shares would not be immediately redistributed into the market and therefore not be part of a "public offering." James Chae is a "sophisticated investor". Based on an analysis of the above factors, we believe we have met the requirements to qualify for exemption under section 4(a)(2) of the Securities Act of 1933 for these transactions.

Item 16. Exhibits and Financial Statement Schedules.

Exhibit No.	Description	Location
1.1	Form of Underwriting Agreement	Filed herewith
2.1	Share Exchange Agreement, by and among James Chae and Registrant dated December 9, 2021	Filed herewith
3.1	Certificate of Incorporation of Registrant	Filed herewith
3.2	Bylaws of Registrant	Filed herewith
4.1	Specimen Unit Certificate	Filed herewith
4.2	Specimen Class A Common Stock Certificate	Filed herewith
4.3	Specimen Warrant Certificate	Filed herewith
4.4	Form of Warrant Agreement	Filed herewith

4.5	Form of Representative's Warrant	Filed herewith
5.1	Form of Opinion of K&L Gates LLP	Filed herewith
10.1	Form of IPO Lock-Up Agreement	Filed herewith
10.2	Form of Director and Officer Indemnity Agreement	Filed herewith
10.3	Commercial Lease by and between Daniel D. Lim and Global JJ Group, Inc. dated November 1, 2015	Filed herewith
10.4	Retail Center Lease Agreement by between the Source at Beach, LLC and Global JJ Group, Inc. dated May 1, 2015	Filed herewith
10.5	Commercial Lease Agreement by and between Juan Caamano and Global AA Group, Inc. dated September 6, 2016	Filed herewith
10.6	Shopping Center Lease by and between La Miranda Center, Inc. and Global DD Group, Inc. dated July 1, 2020	Filed herewith
10.7	Retail Lease by and between Irvine Orchard Hills Retail, LLC and Yoshiharu Irvine dated December 30, 2020	Filed herewith
10.8	Lease between Tarpon Property Ownership 2 LLC and Global BB Group, Inc. dated August 22, 2019	Filed herewith
10.9	Shopping Center Lease by and between the Price Reit, Inc. and Global CC Group, Inc. dated March 2, 2021	Filed herewith
10.10	Lease Agreement by and between SY Ventures V, LLC and Global AA Group, Inc.	Filed herewith
10.11	Lease by and between Cerritos West Covenant Group LLC and Yoshiharu Cerritos dated March 2, 2021	Filed herewith
10.12	Consulting Agreement by and between Kevin Hartley and dated October 1, 2021	Filed herewith
10.13	Contract Agreement by and between Life Construction Development, Inc. and Yoshiharu Ramen, dated March 23, 2021	
10.14	Contract Agreement by and between Life Construction Development, Inc. and Yoshiharu Ramen, dated July 23, 2021	Filed herewith
10.15	Contract Agreement by and between Life Construction Development, Inc. and Yoshiharu Ramen, dated March 5, 2021	Filed herewith
10.16	Promissory Note, dated November 27, 2018, by and between Global AA Group, Inc., Global JJ Group, Inc. and Pacific City Bank.	Filed herewith
21.1	Subsidiaries of the Registrant	Filed herewith
23.1	Consent of Auditor	Filed herewith
23.2	Consent of K&L Gates LLP (included in Exhibit 5.1)	Filed herewith
24.1	Power of Attorney	Filed herewith

No financial statement schedules are provided because the information called for is not required or is shown in the financial statements or the notes thereto.

Item 17. Undertakings.

(a) The undersigned registrant hereby undertakes to provide to the underwriters, at the closing specified in the underwriting agreement, certificates in such denominations and registered in such names as required by the underwriters to permit prompt delivery to each purchaser.

(b) Insofar as indemnification for liabilities arising under the Securities Act may be permitted to directors, officers and controlling persons of the registrant pursuant to the foregoing provisions, or otherwise, the registrant has been advised that in the opinion of the Securities and Exchange Commission such indemnification is against public policy as expressed in the Securities Act and is, therefore, unenforceable. In the event that a claim for indemnification against such liabilities (other than the payment by the registrant of expenses incurred or paid by a director, officer or controlling person of the registrant in the successful defense of any action, suit or proceeding) is asserted by such director, officer or controlling person in connection with the securities being registered, the registrant will, unless in the opinion of its counsel the matter has been settled by controlling precedent, submit to a court of appropriate jurisdiction the question whether such indemnification by it is against public policy as expressed in the Securities Act and will be governed by the final adjudication of such issue.

(c) The undersigned registrant hereby undertakes that:

(1) For purposes of determining any liability under the Securities Act, the information omitted from the form of prospectus filed as part of this registration statement in reliance upon Rule 430A and contained in a form of prospectus filed by the registrant pursuant to Rule 424(b)(1) or (4) or 497(h) under the Securities Act shall be deemed to be a part of this registration statement as of the time it was declared effective.

(2) For purposes of determining any liability under the Securities Act, each post-effective amendment that contains a form of prospectus shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof.

SIGNATURES

Pursuant to the requirements of the Securities Act of 1933, as amended, the registrant has duly caused this Registration Statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of Buena Park, State of California, on January 25, 2022.

YOSHIHARU GLOBAL CO.

By *[/s/ James Chae]*
Name: James Chae
Title: *Chairman of the Board of Directors, President and Chief Executive Officer and Principal Executive Officer*

KNOW ALL PERSONS BY THESE PRESENTS, that each person whose individual signature appears below hereby authorizes and appoints James Chae his true and lawful attorney-in-fact, with full power of substitution and resubstitution for him and in his name, place and stead, in any and all capacities to sign any and all amendments including pre- and post-effective amendments to this registration statement on Form S-1, any subsequent registration statement for the same offering which may be filed pursuant to Rule 462(b) under the Securities Act of 1933, as amended, and pre- or post-effective amendments thereto, and to file the same, with all exhibits thereto, and other documents in connection therewith, with the Securities and Exchange Commission, hereby ratifying and confirming all that said attorney-in-fact or his substitute, each acting alone, may lawfully do or cause to be done by virtue thereof.

Pursuant to the requirements of the Securities Act of 1933, this Registration Statement has been signed by the following persons in the capacities and on the dates indicated.

Signature	Title	Date
/s/ James Chae James Chae	Chairman of the Board of Directors, President, Chief Executive Officer and Principal Executive Officer	January 25, 2022
/s/ Kevin Hartley Kevin Hartley	Chief Financial Officer, Treasurer and Secretary, Principal Financial and Accounting Officer	January 25, 2022

Exhibit 1.1

UNDERWRITING AGREEMENT
between
YOSHIHARU GLOBAL CO.
and
EF HUTTON,
division of Benchmark Investments, LLC,
as Representative of the Several Underwriters

YOSHIHARU GLOBAL CO.
UNDERWRITING AGREEMENT

New York, New York
[●], 2022

EF HUTTON,
division of Benchmark Investments, LLC
as Representative of the several Underwriters named on Schedule 1 attached hereto
590 Madison Avenue, 39th Floor
New York, New York 10022

Ladies and Gentlemen:

The undersigned, Yoshiharu Global Co., a corporation formed under the laws of the State of Delaware (the "**Company**"), hereby confirms its agreement (this "**Agreement**") with EF Hutton, division of Benchmark Investments, LLC (hereinafter referred to as "you" (including its correlatives) or the "**Representative**"), and with the other underwriters named on Schedule 1 hereto for which the Representative is acting as representative (the Representative and such other underwriters being collectively called the "**Underwriters**" or, individually, an "**Underwriter**") as follows:

1. PURCHASE AND SALE OF SECURITIES.

1.1 Firm Units.

1.1.1 Nature and Purchase of Firm Units.

(i) On the basis of the representations and warranties herein contained, but subject to the terms and conditions herein set forth, the Company agrees to issue and sell to the several Underwriters, an aggregate of [●] authorized but unissued shares (the "**Firm Shares**") of Class A common stock of the Company, par value $0.0001 per share (the "**Common Stock**"), together with warrants to purchase an aggregate of [●] shares of Common Stock each at an exercise price of $[●] (125% of the public offering price per Firm Unit in the Offering, as defined hereafter), in the form filed as an exhibit to the Registration Statement (as defined in Section 2.1.1 below) (the "**Firm Warrants**," and collectively with the Firm Shares, the "**Firm Units**"). Each Firm Share and Firm Warrant will be immediately separable and will be issued separately, but will be sold together as a unit in the Offering.

(ii) The Underwriters, severally and not jointly, agree to purchase from the Company the number of Firm Units set forth opposite their respective names on Schedule 1 attached hereto and made a part hereof, at a purchase price of $[●] per Firm Unit (92% of the public offering price for each Firm Unit), which purchase price will be allocated as $[●] per Firm Share and $[0.001] per Firm Warrant. The Firm Units are to be offered initially to the public at the offering price set forth on the cover page of the Prospectus (as defined in Section 2.1.1 hereof).

1.1.2 Payment and Delivery of Firm Units

(i) Delivery and payment for the Firm Units shall be made at 10:00 a.m., Eastern time, on the second (2nd) Business Day following the effective date (the "**Effective Date**") of the Registration Statement (as defined in Section 2.1.1 below) (or the third (3rd) Business Day following the Effective Date if the Registration Statement is declared effective after 4:01 p.m., Eastern time) or at such earlier time as shall be agreed upon by the Representative and the Company, at the offices of Mitchell Silberberg & Knupp LLP, 2049 Century Park East, 18th Floor, Los Angeles, California 90067 (" **Representative Counsel**"), or at such other place (or remotely by facsimile or other electronic transmission) as shall be agreed upon by the Representative and the Company. The hour and date of delivery and payment for the Firm Units is called the "**Closing Date**."

(ii) Payment for the Firm Units shall be made on the Closing Date by wire transfer in Federal (same day) funds, payable to the order of the Company upon delivery of the certificates (in form and substance satisfactory to the Underwriters) representing the Firm Units (or through the facilities of the Depository Trust Company ("**DTC**")) for the account of the Underwriters. The Firm Units shall be registered in such name or names and in such authorized denominations as the Representative may request in writing at least one (1) Business Day prior to the Closing Date. The Company shall not be obligated to sell or deliver the Firm Units except upon tender of payment by the Representative for all of the Firm Units. The term "**Business Day**" means any day other than Saturday, Sunday or other day on which commercial banks in The City of New York are authorized or required by law to remain closed; provided, however, for clarification, commercial banks shall not be deemed to be authorized or required by law to remain closed due to "stay-at- home," "shelter-in-place," "non-essential employee" or any other similar orders or restrictions or the closure of any physical branch locations at the direction of any governmental authority so long as the electronic funds transfer systems (including for wire transfers) of commercial banks in The City of New York generally are open for use by customers on such day.

1.2 Over-allotment Option.

1.2.1 Option Securities. For the purposes of covering any over-allotments in connection with the distribution and sale of the Firm Units, the Company hereby grants to the Underwriters an option to purchase from the Company up to [●] additional shares of Common Stock (the "**Option Shares**") and/or warrants to purchase an aggregate of [●] shares of Common Stock (the "**Option Warrants**," and collectively with the Option Shares, the "**Option Securities**"), representing fifteen percent (15%) of the Firm Units sold in the Offering (the "**Over-allotment Option**"). The purchase price to be paid per Option Share or Option Warrant shall be equal to the price per Firm Unit set forth in Section 1.1.1 hereof. The Firm Warrants and the Options Warrants are hereinafter collectively referred to as the "**Warrants**." The shares of Common Stock into which the Warrants are exercisable are hereinafter referred to as the "**Warrant Shares**." The Firm Units, the Option Securities and the Warrant Shares are hereinafter referred to together as the "**Public Securities**." The offering and sale of the Public Securities is herein referred to as the "**Offering**."

1.2.2 Exercise of Option. The Over-allotment Option granted pursuant to Section 1.2.1 hereof may be exercised by the Representative as to all (at any time) or any part (from time to time) of the Option Securities within 45 days after the date of this Agreement. The Underwriters shall not be under any obligation to purchase any Option Securities prior to the exercise of the Over-allotment Option. The Over-allotment Option granted hereby may be exercised by the giving of oral notice to the Company from the Representative, which must be confirmed in writing by overnight mail or facsimile or other electronic transmission setting forth the number of Option Securities to be purchased and the date and time for delivery of and payment for the Option Securities (the "**Option Closing Date**"), which shall not be later than one (1) Business Day after the date of the notice or such other time as shall be agreed upon by the Company and the Representative, at the offices of Representative Counsel or at such other place (including remotely by facsimile or other electronic transmission) as shall be agreed upon by the Company and the Representative. If such delivery and payment for the Option Securities does not occur on the Closing Date, the Option Closing Date will be as set forth in the notice. Upon exercise of the Over-allotment Option with respect to all or any portion of the Option Securities, subject to the terms and conditions set forth herein, (i) the Company shall become obligated to sell to the Underwriters the number of Option Securities specified in such notice and (ii) each of the Underwriters, acting severally and not jointly, shall purchase that portion of the total number of Option Securities then being purchased as set forth in Schedule 1 opposite the name of such Underwriter.

1.2.3 Payment and Delivery. Payment for the Option Securities shall be made on the Option Closing Date by wire transfer in Federal (same day) funds, payable to the order of the Company upon delivery to the Representative of certificates (in form and substance satisfactory to the Underwriters) representing the Option Securities (or through the facilities of DTC) for the account of the Underwriters. The Option Securities shall be registered in such name or names and in such authorized denominations as the Representative may request in writing at least one (1) Business Day prior to the Option Closing Date. The Company shall not be obligated to sell or deliver the Option Securities except upon tender of payment by the Representative for applicable Option Securities.

1.3 Representative's Warrants.

1.3.1 Purchase Warrants. The Company hereby agrees to issue to the Representative (and/or its designees) on the Closing Date or the Option Closing Date, as applicable, one or more warrants for the purchase of an aggregate of 200,000 shares of Common Stock, representing 5% of the number of Firm Units and Option Securities sold on the Closing Date or the Option Closing Date, as applicable, in the form attached hereto as Exhibit A (the "**Representative's Warrants**"), shall be exercisable, in whole or in part, commencing on a date which is six (6) months after the Effective Date and expiring on the five-year anniversary of the Effective Date at an initial exercise price per share of Common Stock of $[●], which is equal to 125.0% of the initial public offering price of the Firm Units. The Representative's Warrants and the shares of Common Stock issuable upon exercise thereof are hereinafter referred to together as the "**Representative's Securities**." The Representative understands and agrees that there are significant restrictions pursuant to FINRA Rule 5110 against transferring the Representative's Warrants and the underlying shares of Common Stock during the one hundred eighty (180) days after the Effective Date and by its acceptance thereof shall agree that it will not sell, transfer, assign, pledge or hypothecate the Representative's Warrants, or any portion thereof, or be the subject of any hedging, short sale, derivative, put or call transaction that would result in the effective economic disposition of such securities for a period of one hundred eighty (180) days following the Effective Date to anyone other than (i) an Underwriter or a selected dealer in connection with the Offering, or (ii) a bona fide officer or partner of the Representative or of any such Underwriter or selected dealer; and only if any such transferee agrees to the foregoing lock-up restrictions.

1.3.2 Delivery. Delivery of the Representative's Warrants shall be made on the Closing Date or the Option Closing Date(s), as applicable, and shall be issued in the name or names and in such authorized denominations as the Representative may request.

1.4 Non-Accountable Expenses. The Company further agrees that, in addition to the expenses payable pursuant to Section 3.10, on the Closing Date it shall pay to the Representative, by deduction from the net proceeds of the Offering contemplated herein, a non-accountable expense allowance equal to one percent (1.0%) of the aggregate gross proceeds raised in the Offering; provided, however, that in the event that the Offering is terminated, the Company agrees to reimburse the Underwriters pursuant to Section 8.3 hereof.

2. REPRESENTATIONS AND WARRANTIES OF THE COMPANY.

The Company represents and warrants to the Underwriters as of the Applicable Time (as defined below), as of the Closing Date and as of the Option Closing Date, if any, as follows:

2.1 Filing of Registration Statement.

2.1.1 Pursuant to the Securities Act. The Company has filed with the U.S. Securities and Exchange Commission (the "**Commission**") a registration statement, and any amendment or amendments thereto, on Form S-1 (File No. 333-[●]), including any related prospectus or prospectuses, for the registration of the Public Securities and the Representative's Securities under the Securities Act of 1933, as amended (the "**Securities Act**"), which registration statement and amendment or amendments have been prepared by the Company in all material respects in conformity with the requirements of the Securities Act and the rules and regulations of the Commission under the Securities Act (the "**Securities Act Regulations**") and will contain all material statements that are required to be stated therein in accordance with the Securities Act and Securities Act Regulations. Except as the context may otherwise require, such registration statement, as amended, on file with the Commission at the time the registration statement became effective (including the Preliminary Prospectus included in the registration statement, financial statements, schedules, exhibits and all other documents filed as a part thereof or incorporated therein and all information deemed to be a part thereof as of the Effective Date pursuant to paragraph (b) of Rule 430A (the "**Rule 430A Information**") of the Securities Act Regulations, is referred to herein as the "**Registration Statement**." If the Company files any registration statement pursuant to Rule 462(b) of the Securities Act Regulations, then after such filing, the term "**Registration Statement**" shall include such registration statement filed pursuant to Rule 462(b). The Registration Statement has been declared effective by the Commission on the date hereof.

Each prospectus used prior to the effectiveness of the Registration Statement, and each prospectus that omitted the Rule 430A Information that was used after such effectiveness and prior to the execution and delivery of this Agreement, is herein called a "**Preliminary Prospectus**." The Preliminary Prospectus, subject to completion, dated [●], 2022, that was included in the Registration Statement immediately prior to the Applicable Time is hereinafter called the "**Pricing Prospectus**." The final prospectus in the form first furnished to the Underwriters for use in the Offering, that includes the Rule 430A Information, is hereinafter called the "**Prospectus**." Any reference to the "most recent Preliminary Prospectus" shall be deemed to refer to the latest Preliminary Prospectus included in the Registration Statement.

"**Applicable Time**" means [●] [a.m./p.m.], Eastern time, on the date of this Agreement.

"**Issuer Free Writing Prospectus**" means any "issuer free writing prospectus," as defined in Rule 433 of the Securities Act Regulations ("**Rule 433**"), including without limitation any "free writing prospectus" (as defined in Rule 405 of the Securities Act Regulations) relating to the Public Securities that is (i) required to be filed with the Commission by the Company, (ii) a "road show that is a written communication" within the meaning of Rule 433(d)(8)(i), whether or not required to be filed with the Commission, or (iii) exempt from filing with the Commission pursuant to Rule 433(d)(5)(i) because it contains a description of the Public Securities or of the Offering that does not reflect the final terms, in each case in the form filed or required to be filed with the Commission or, if not required to be filed, in the form retained in the Company's records pursuant to Rule 433(g).

"**Issuer General Use Free Writing Prospectus**" means any Issuer Free Writing Prospectus that is intended for general distribution to prospective investors (other than a "*bona fide* electronic road show," as defined in Rule 433 (the "**Bona Fide Electronic Road Show**")), as evidenced by its being specified in Schedule 2-B hereto.

"**Issuer Limited Use Free Writing Prospectus**" means any Issuer Free Writing Prospectus that is not an Issuer General Use Free Writing Prospectus.

"**Pricing Disclosure Package**" means any Issuer General Use Free Writing Prospectus issued at or prior to the Applicable Time, the Pricing Prospectus and the information included on Schedule 2-A hereto, all considered together.

2.1.2 Pursuant to the Exchange Act. The Company has filed with the Commission a Form 8-A (File Number 001-[●]) providing for the registration of the Common Stock and the Warrants pursuant to Section 12(b) under the Securities Exchange Act of 1934, as amended (the "**Exchange Act**"). The registration of Common Stock and the Warrants under the Exchange Act has been declared effective by the Commission on or prior to the date hereof. The Company has taken no action designed to, or likely to have the effect of, terminating the registration of the Common Stock or the Warrants under the Exchange Act, nor has the Company received any notification that the Commission is contemplating terminating such registration.

2.2 Stock Exchange Listing. The shares of Common Stock and the Warrants have each been approved for listing on the Nasdaq Stock Market LLC (the '**Exchange**"), subject only to official notice of issuance, and the Company has taken no action designed to, or likely to have the effect of, delisting the shares of Common Stock or the Warrants from the Exchange, nor has the Company received any notification that the Exchange is contemplating terminating such listing except as described in the Registration Statement, the Pricing Disclosure Package and the Prospectus.

2.3 No Stop Orders, etc. Neither the Commission nor, to the Company's knowledge, any state regulatory authority has issued any order preventing or suspending the use of the Registration Statement, any Preliminary Prospectus or the Prospectus or has instituted or, to the Company's knowledge, threatened to institute, any proceedings with respect to such an order. The Company has complied with each request (if any) from the Commission for additional information.

2.4 Disclosures in Registration Statement.

2.4.1 Compliance with Securities Act and 10b-5 Representation.

(i) Each of the Registration Statement and any post-effective amendment thereto, at the time it became effective, complied in all material respects with the requirements of the Securities Act and the Securities Act Regulations. Each Preliminary Prospectus, including the prospectus filed as part of the Registration Statement as originally filed or as part of any amendment or supplement thereto, and the Prospectus, at the time each was filed with the Commission, complied in all material respects with the requirements of the Securities Act and the Securities Act Regulations. Each Preliminary Prospectus delivered to the Underwriters for use in connection with the Offering and the Prospectus was or will be identical to the electronically transmitted copies thereof filed with the Commission pursuant to the Commission's EDGAR filing system ("**EDGAR**"), except to the extent permitted by Regulation S-T promulgated under the Securities Act ("**Regulation S-T**").

(ii) Neither the Registration Statement nor any amendment thereto, at its effective time, as of the Applicable Time, at the Closing Date or at any Option Closing Date (if any), contained, contains or will contain an untrue statement of a material fact or omitted, omits or will omit to state a material fact required to be stated therein or necessary to make the statements therein not misleading.

(iii) The Pricing Disclosure Package, as of the Applicable Time, at the Closing Date or at any Option Closing Date (if any), did not, does not and will not include an untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading; and each Issuer Limited Use Free Writing Prospectus hereto does not conflict with the information contained in the Registration Statement, any Preliminary Prospectus, the Pricing Prospectus or the Prospectus, and each such Issuer Limited Use Free Writing Prospectus, as supplemented by and taken together with the Pricing Prospectus as of the Applicable Time, did not include an untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein, in light of the circumstances under which they were made, not misleading; provided, however, that this representation and warranty shall not apply to statements made or statements omitted in reliance upon and in conformity with written information furnished to the Company with respect to the Underwriters by the Representative expressly for use in the Registration Statement, the Pricing Prospectus or the Prospectus or any amendment thereof or supplement thereto. The parties acknowledge and agree that such information provided by or on behalf of any Underwriter consists solely of the following disclosure contained in the "Underwriting" section of the Prospectus: the names of the Underwriters, the information in the table under the subheading titled "Over-Allotment Option" and the information under the subheadings titled "Price Stabilization, Short Positions, and Penalty Bids", "Offering Information", "Affiliations", and "Electronic Offer, Sale and Distribution" (the "**Underwriters' Information**").

(iv) Neither the Prospectus nor any amendment or supplement thereto (including any prospectus wrapper), as of its issue date, at the time of any filing with the Commission pursuant to Rule 424(b), at the Closing Date or at any Option Closing Date, included, includes or will include an untrue statement of a material fact or omitted, omits or will omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading; provided, however, that this representation and warranty shall not apply to the Underwriters' Information.

2.4.2 Disclosure of Agreements. The agreements and documents described in the Registration Statement, the Pricing Disclosure Package and the Prospectus conform in all material respects to the descriptions thereof contained therein and there are no agreements or other documents required by the Securities Act and the Securities Act Regulations to be described in the Registration Statement, the Pricing Disclosure Package and the Prospectus or to be filed with the Commission as exhibits to the Registration Statement, that have not been so described or filed. Each agreement or other instrument (however characterized or described) to which the Company is a party or by which it is or may be bound or affected and (i) that is referred to in the Registration Statement, the Pricing Disclosure Package and the Prospectus, or (ii) is material to the Company's business, has been duly authorized and validly executed by the Company, is in full force and effect in all material respects and is enforceable against the Company and, to the Company's knowledge, the other parties thereto, in accordance with its terms, except (x) as such enforceability may be limited by bankruptcy, insolvency, reorganization or similar laws affecting creditors' rights generally, (y) as enforceability of any indemnification or contribution provision may be limited under the federal and state securities laws, and (z) that the remedy of specific performance and injunctive and other forms of equitable relief may be subject to the equitable defenses and to the discretion of the court before which any proceeding therefor may be brought. None of such agreements or instruments has been assigned by the Company, and neither the Company nor, to the Company's knowledge, any other party is in default thereunder and, to the Company's knowledge, no event has occurred that, with the lapse of time or the giving of notice, or both, would constitute a default thereunder. To the Company's knowledge, performance by the Company of the material provisions of such agreements or instruments will not result in a violation of any existing applicable law, rule, regulation, judgment, order or decree of any governmental or regulatory agency, authority, body, entity or court, domestic or foreign, having jurisdiction over the Company or any of its assets or businesses (each, a "**Governmental Entity**" and collectively, "**Governmental Entities**"), including, without limitation, those relating to environmental laws and regulations.

2.4.3 Regulations. The disclosures in the Registration Statement, the Pricing Disclosure Package and the Prospectus concerning the effects of federal, state, local and all foreign laws, rules and regulations relating to the Offering and the Company's business as currently conducted or contemplated are correct and complete in all material respects and no other such laws, rules or regulations are required under the Securities Act and the Securities Act Regulations to be disclosed in the Registration Statement, the Pricing Disclosure Package and the Prospectus which are not so disclosed.

2.4.4 No Other Distribution of Offering Materials. The Company has not, directly or indirectly, distributed and will not distribute any offering material in connection with the Offering other than any Preliminary Prospectus, any Issuer Free Writing Prospectus, the Prospectus and other materials, if any, permitted under the Securities Act and consistent with Section 3.2 below.

2.4.5 Prior Securities Transactions. No securities of the Company have been sold by the Company or by or on behalf of, or for the benefit of, any person or persons controlling, controlled by or under common control with the Company, except as disclosed in the Registration Statement, the Pricing Disclosure Package and the Preliminary Prospectus.

2.5 Changes After Dates in Registration Statement.

2.5.1 No Material Adverse Change. Since the respective dates as of which information is given in the Registration Statement, the Pricing Disclosure Package and the Prospectus, except as otherwise specifically stated therein: (i) there has been no material adverse change in the financial position or results of operations of the Company, nor any change or development that, singularly or in the aggregate, would reasonably be expected to result in a material adverse change, in or affecting the condition (financial or otherwise), results of operations, business, assets or prospects of the Company (a "**Material Adverse Change**"); (ii) there have been no material transactions entered into by the Company, other than as contemplated pursuant to this Agreement; and (iii) no officer or director of the Company has resigned from any position with the Company.

2.5.2 Recent Securities Transactions, etc. Subsequent to the respective dates as of which information is given in the Registration Statement, the Pricing Disclosure Package and the Prospectus, and except as may otherwise be indicated or contemplated herein or disclosed in the Registration Statement, the Pricing Disclosure Package and the Prospectus, the Company has not: (i) issued any securities or incurred any liability or obligation, direct or contingent, for borrowed money; or (ii) declared or paid any dividend or made any other distribution on or in respect to its capital stock.

2.6 Reserved.

2.7 Independent Accountants. BF Borgers CPA PC (the "**Auditor**"), whose report is filed with the Commission as part of the Registration Statement, the Pricing Disclosure Package and the Prospectus, is an independent registered public accounting firm as required by the Securities Act and the Securities Act Regulations and the Public Company Accounting Oversight Board. The Auditor has not, during the periods covered by the financial statements included in the Registration Statement, the Pricing Disclosure Package and the Prospectus, provided to the Company any non-audit services, as such term is used in Section 10A(g) of the Exchange Act.

2.8 Financial Statements, etc. The financial statements, including the notes thereto and supporting schedules included in the Registration Statement, the Pricing Disclosure Package and the Prospectus, fairly present the financial position and the results of operations of the Company at the dates and for the periods to which they apply; and such financial statements have been prepared in conformity with U.S. generally accepted accounting principles ("**GAAP**"), consistently applied throughout the periods involved (provided that unaudited interim financial statements are subject to year-end audit adjustments that are not expected to be material in the aggregate and do not contain all footnotes required by GAAP); and the supporting schedules included in the Registration Statement present fairly the information required to be stated therein. Except as included therein, no historical or pro forma financial statements are required to be included in the Registration Statement, the Pricing Disclosure Package or the Prospectus under the Securities Act or the Securities Act Regulations. The as adjusted financial information and the related notes, if any, included in the Registration Statement, the Pricing Disclosure Package and the Prospectus have been properly compiled and prepared in accordance with the applicable requirements of the Securities Act and the Securities Act Regulations and present fairly the information shown therein, and the assumptions used in the preparation thereof are reasonable and the adjustments used therein are appropriate to give effect to the transactions and circumstances referred to therein. All disclosures contained in the Registration Statement, the Pricing Disclosure Package or the Prospectus regarding "non-GAAP financial measures" (as such term is defined by the rules and regulations of the Commission), if any, comply with Regulation G of the Exchange Act and Item 10 of Regulation S-K of the Securities Act, to the extent applicable. Each of the Registration Statement, the Pricing Disclosure Package and the Prospectus discloses all material off-balance sheet transactions, arrangements, obligations (including contingent obligations), and other relationships of the Company with unconsolidated entities or other persons, if any, that may have a material current or future effect on the Company's financial condition, changes in financial condition, results of operations, liquidity, capital expenditures, capital resources, or significant components of revenues or expenses. Except as disclosed in the Registration Statement, the Pricing Disclosure Package and the Prospectus, (a) since the date of the last balance sheet included in the Registration Statement, the Pricing Disclosure Package and the Prospectus, neither the Company nor any of its direct and indirect subsidiaries, including each entity disclosed or described in the Registration Statement, the Pricing Disclosure Package and the Prospectus as being a subsidiary of the Company (each, a "**Subsidiary**" and, collectively, the "**Subsidiaries**") has incurred any material liabilities or obligations, direct or contingent, or entered into any material transactions other than in the ordinary course of business, (b) the Company has not declared or paid any dividends or made any distribution of any kind with respect to its capital stock, (c) there has not been any change in the capital stock of the Company, or, other than in the course of business, any grants under any stock compensation plan, and (d) there has not been any material adverse change in the Company's long-term or short-term debt. The Company represents that it has no direct or indirect Subsidiaries other than those listed in Exhibit 21.1 to the Registration Statement.

2.9 Authorized Capital; Options, etc. The Company had, at the date or dates indicated in the Registration Statement, the Pricing Disclosure Package and the Prospectus, the duly authorized, issued and outstanding capitalization as set forth therein. Based on the assumptions stated in the Registration Statement, the Pricing Disclosure Package and the Prospectus, the Company will have on the Closing Date the adjusted capitalization set forth therein. Except as set forth in, or contemplated by, the Registration Statement, the Pricing Disclosure Package and the Prospectus, on the Effective Date, as of the Applicable Time and on the Closing Date and any Option Closing Date, there will be no stock options, warrants, or other rights to purchase or otherwise acquire any authorized, but unissued shares of Common Stock of the Company or any security convertible or exercisable into shares of Common Stock of the Company, or any contracts or commitments to issue or sell shares of Common Stock or any such options, warrants, rights or convertible securities.

2.10 Valid Issuance of Securities, etc.

2.10.1 Outstanding Securities. All issued and outstanding securities of the Company issued prior to the transactions contemplated by this Agreement have been duly authorized and validly issued and are fully paid and non-assessable; the holders thereof have no rights of rescission or the ability to force the Company to repurchase such securities with respect thereto, and are not subject to personal liability by reason of being such holders; and none of such securities were issued in violation of the preemptive rights, rights of first refusal or rights of participation of any holders of any security of the Company or similar contractual rights granted by the Company. The authorized shares of Common Stock conform in all material respects to all statements relating thereto contained in the Registration Statement, the Pricing Disclosure Package and the Prospectus. The offers and sales of the outstanding shares of Common Stock, options, warrants and other outstanding securities convertible into or exercisable for shares of Common Stock, were at all relevant times either registered under the Securities Act and the applicable state securities or "blue sky" laws or, based in part on the representations and warranties of the purchasers of such shares of Common Stock, exempt from such registration requirements. The description of the Company's stock option, stock bonus and other related plans or arrangements, and options and/or other rights granted thereunder, as described in the Registration Statement, the Pricing Disclosure Package and the Prospectus, accurately and fairly present, in all material respects, the information required to be shown with respect to such plans, arrangements, options and rights.

2.10.2 Securities Sold Pursuant to this Agreement. The Public Securities and Representative's Securities have been duly authorized for issuance and sale and, when issued and paid for, will be validly issued, fully paid and non-assessable; the holders thereof are not and will not be subject to personal liability by reason of being such holders; the Public Securities and Representative's Securities are and will be free from all preemptive rights of any holders of any security of the Company, or similar contractual rights granted by the Company; and all corporate action required to be taken for the authorization, issuance and sale of the Public Securities and Representative's Securities has been duly and validly taken. The Warrants, when issued and paid for pursuant to this Agreement and the Warrant Agent Agreement (as defined below), will constitute valid and binding obligations of the Company to issue and sell, upon exercise thereof and payment therefor, the Warrant Shares. The Representative's Warrants, when issued and paid for pursuant to this Agreement, will constitute valid and binding obligations of the Company to issue and sell, upon exercise thereof and payment therefor, the underlying shares of Common Stock. The Public Securities and Representative's Securities conform in all material respects to all statements with respect thereto contained in the Registration Statement, the Pricing Disclosure Package and the Prospectus. All corporate action required to be taken for the authorization, issuance and sale of the Representative's Warrants has been duly and validly taken; the shares of Common Stock issuable upon exercise of the Representative's Warrants have been duly authorized and reserved for issuance by all necessary corporate action on the part of the Company and when paid for and issued in accordance with the Representative's Warrants and the Representative's Warrants, such shares of Common Stock will be validly issued, fully paid and nonassessable; the holders thereof are not and will not be subject to personal liability by reason of being such holders; and such shares of Common Stock are not and will not be subject to the preemptive rights of any holders of any security of the Company or similar contractual rights granted by the Company.

2.11 Registration Rights of Third Parties. Except as set forth in the Registration Statement, the Pricing Disclosure Package and the Prospectus, no holders of any securities of the Company or any options, warrants, rights or other securities exercisable for or convertible or exchangeable into securities of the Company have the right to require the Company to register any such securities of the Company under the Securities Act or to include any such securities in the Registration Statement or any other registration statement to be filed by the Company.

2.12 Validity and Binding Effect of Agreements. The execution, delivery and performance of this Agreement, the Warrants and the Representative's Warrants have been duly and validly authorized by the Company, and, when executed and delivered, will constitute, the valid and binding agreements of the Company, enforceable against the Company in accordance with their respective terms, except: (i) as such enforceability may be limited by bankruptcy, insolvency, reorganization or similar laws affecting creditors' rights generally; (ii) as enforceability of any indemnification or contribution provision may be limited under the federal and state securities laws; and (iii) that the remedy of specific performance and injunctive and other forms of equitable relief may be subject to the equitable defenses and to the discretion of the court before which any proceeding therefor may be brought.

2.13 No Conflicts, etc. The execution, delivery and performance by the Company of this Agreement, the Representative's Warrants, and all ancillary documents, the consummation by the Company of the transactions herein and therein contemplated and the compliance by the Company with the terms hereof and thereof do not and will not, with or without the giving of notice or the lapse of time or both: (i) result in a breach of, or conflict with any of the terms and provisions of, or constitute a default under, or result in the creation, modification, termination or imposition of any lien, charge or encumbrance upon any property or assets of the Company pursuant to the terms of any indenture, mortgage, deed of trust, loan agreement or any other agreement or instrument to which the Company is a party or as to which any property of the Company is a party except breaches, conflicts or defaults that would not reasonably be expected to result in a Material Adverse Change; (ii) result in any violation of the provisions of the Company's Certificate of Incorporation (as the same have been amended or restated from time to time, the "**Charter**") or the bylaws of the Company (the "**Bylaws**"); or (iii) violate in any material respect any existing applicable law, rule, regulation, judgment, order or decree of any Governmental Entity as of the date hereof having jurisdiction over the Company.

2.14 No Defaults; Violations. No default exists in the due performance and observance of any term, covenant or condition of any license, contract, indenture, mortgage, deed of trust, note, loan or credit agreement, or any other agreement or instrument evidencing an obligation for borrowed money, or any other agreement or instrument to which the Company is a party or by which the Company may be bound or to which any of the properties or assets of the Company is subject. The Company is not in violation of any term or provision of its Charter or Bylaws, or in violation of any franchise, license, permit, applicable law, rule, regulation, judgment or decree of any Governmental Entity.

2.15 Corporate Power; Licenses; Consents.

2.15.1 Conduct of Business. Except as described in the Registration Statement, the Pricing Disclosure Package and the Prospectus, the Company has all requisite corporate power and authority, and has all consents, authorizations, approvals, licenses, certificates, clearances, permits and orders and supplements and amendments thereto (each an "**Authorization**", and collectively, "**Authorizations**") of and from all Governmental Entities that it needs as of the date hereof to conduct its business purpose as described in the Registration Statement, the Pricing Disclosure Package and the Prospectus.

2.15.2 Transactions Contemplated Herein. The Company has all corporate power and authority to enter into this Agreement, the Representative's Warrants and the Warrant Agent Agreement and to carry out the provisions and conditions hereof, and all Authorizations required in connection therewith have been obtained. No Authorization of, and no filing with, any Governmental Entity or another body is required for the valid issuance, sale and delivery of the Public Securities and the Representative's Securities and the consummation of the transactions and agreements contemplated by this Agreement and the Representative's Warrants and as contemplated by the Registration Statement, the Pricing Disclosure Package and the Prospectus, except with respect to applicable Securities Act and Securities Act Regulations, the necessary filings and approvals from the Exchange to list the Public Securities and Representative's Securities,, state or foreign securities laws and the rules and regulations of the Financial Industry Regulatory Authority, Inc. ("**FINRA**"), such consents and approvals as have been obtained and are in full force and effect, and such consents, approvals, orders, authorizations and filings the failure of which to make or obtain is not reasonably likely to result in a Material Adverse Change.

2.16 D&O Questionnaires. All information contained in the questionnaires (the "**Questionnaires**") completed by each of the Company's directors and officers immediately prior to the Offering (the "**Insiders**") as supplemented by all information concerning the Insiders as described in the Registration Statement, the Pricing Disclosure Package and the Prospectus, as well as in the Lock-Up Agreement (as defined in Section 2.25 below), provided to the Underwriters, is true and correct in all material respects and the Company has not become aware of any information which would cause the information disclosed in the Questionnaires to become materially inaccurate and incorrect.

2.17 Litigation; Governmental Proceedings. There is no action, suit, proceeding, inquiry, arbitration, investigation, litigation or governmental proceeding pending or, to the Company's knowledge, threatened against, or involving the Company or, to the Company's knowledge, any executive officer or director which has not been disclosed in the Registration Statement, the Pricing Disclosure Package and the Prospectus, or in connection with the Company's listing application for the listing of the Public Securities on the Exchange.

2.18 Good Standing. The Company has been duly incorporated and is validly existing as a corporation and is in good standing under the laws of the State of Delaware as of the date hereof, and is duly qualified to do business and is in good standing in each other jurisdiction in which its ownership or lease of property or the conduct of business requires such qualification, except where the failure to qualify, singularly or in the aggregate, would not have or reasonably be expected to result in a Material Adverse Change.

2.19 Insurance. The Company carries or is entitled to the benefits of insurance (including, without limitation, as to directors and officers insurance coverage), with reputable insurers, in such amounts and covering such risks which the Company believes are adequate as are customary for companies engaged in similar business, and to the Company's knowledge all such insurance is in full force and effect. The Company has no reason to believe that it will not be able (i) to renew its existing insurance coverage as and when such policies expire or (ii) to obtain comparable coverage from similar institutions as may be necessary or appropriate to conduct its business as now conducted and

at a cost that would not reasonably be expected to result in a Material Adverse Change.

2.20 Transactions Affecting Disclosure to FINRA.

2.20.1 Finder's Fees. Except as described in the Registration Statement, the Pricing Disclosure Package and the Prospectus, there are no claims, payments, arrangements, agreements or understandings relating to the payment of a finder's, consulting or origination fee by the Company or any Insider with respect to the sale of the Public Securities hereunder or any other arrangements, agreements or understandings of the Company or, to the Company's knowledge, any of its stockholders that may affect the Underwriters' compensation, as determined by FINRA.

2.20.2 Payments Within Twelve (12) Months. Except as described in the Registration Statement, the Pricing Disclosure Package and the Prospectus, the Company has not made any direct or indirect payments (in cash, securities or otherwise) to: (i) any person, as a finder's fee, consulting fee or otherwise, in consideration of such person raising capital for the Company or introducing to the Company persons who raised or provided capital to the Company; (ii) any FINRA member; or (iii) any person or entity that has any direct or indirect affiliation or association with any FINRA member, within the twelve (12) months prior to the Effective Date, other than the payment to the Underwriters as provided hereunder in connection with the Offering.

2.20.3 Use of Proceeds. None of the net proceeds of the Offering will be paid by the Company to any participating FINRA member or its affiliates, except as specifically authorized herein.

2.20.4 FINRA Affiliation. There is no (i) officer or director of the Company, (ii) beneficial owner of 5% or more of any class of the Company's securities or (iii) beneficial owner of the Company's unregistered equity securities which were acquired during the 180-day period immediately preceding the filing of the Registration Statement that is an affiliate or associated person of a FINRA member participating in the Offering (as determined in accordance with the rules and regulations of FINRA).

2.20.5 Information. All information provided by the Company in its FINRA questionnaire to Representative Counsel specifically for use by Representative Counsel in connection with its Public Offering System filings (and related disclosure) with FINRA is true, correct and complete in all material respects.

2.21 Foreign Corrupt Practices Act. None of the Company or, to the Company's knowledge, any director, officer, agent, employee or affiliate of the Company or any other person acting on behalf of, and with authority from, the Company, has, directly or indirectly, given or agreed to give any money, gift or similar benefit (other than legal price concessions to customers in the ordinary course of business) to any customer, supplier, employee or agent of a customer or supplier, or official or employee of any Governmental Entity (domestic or foreign) or any political party or candidate for office (domestic or foreign) or other person who was, is, or may be in a position to help or hinder the business of the Company (or assist it in connection with any actual or proposed transaction) that could reasonably be expected to (i) subject the Company to any damage or penalty in any civil, criminal or governmental litigation or proceeding, (ii) if not given in the past, have had a Material Adverse Change or (iii) if not continued in the future, adversely affect the assets, business, operations or prospects of the Company. The Company has taken reasonable steps to ensure that its accounting controls and procedures are sufficient to cause the Company to comply in all material respects with the Foreign Corrupt Practices Act of 1977, as amended.

2.22 Compliance with OFAC. None of the Company or, to the Company's knowledge, any director, officer, agent, employee or affiliate of the Company or any other person acting on behalf of, and with authority from, the Company, is currently subject to any U.S. sanctions administered by the Office of Foreign Assets Control of the U.S. Department of the Treasury ("**OFAC**"), and the Company will not, directly or indirectly, use the proceeds of the Offering hereunder, or lend, contribute or otherwise make available such proceeds to any subsidiary, joint venture partner or other person or entity, for the purpose of financing the activities of any person currently subject to any U.S. sanctions administered by OFAC.

2.23 Anti-Money Laundering Laws. The operations of the Company are and have been conducted at all times in compliance with applicable financial recordkeeping and reporting requirements, including those of the Currency and Foreign Transactions Reporting Act of 1970, as amended, the applicable money laundering statutes of all jurisdictions where the Company or any of its subsidiaries conducts business, the rules and regulations thereunder and any related or similar rules, regulations or guidelines issued, administered or enforced by any Governmental Entity (collectively, the "**Anti-Money Laundering Laws**"); and no action, suit or proceeding by or before any Governmental Entity involving the Company with respect to the Anti-Money Laundering Laws is pending or, to the Company's knowledge, threatened.

2.24 Officers' Certificate. Any certificate signed by any duly authorized officer of the Company and delivered to the Representative or to Representative Counsel on the Closing Date or on the Option Closing Date shall be deemed a representation and warranty by the Company to the Underwriters as to the matters covered thereby.

2.25 Lock-Up Agreements. Schedule 3 hereto contains a complete and accurate list of the Company's officers, directors and each owner of record of all of the Company's outstanding shares of Common Stock (or securities convertible or exercisable into shares of Common Stock) (collectively, the "**Lock-Up Parties**"). The Company has caused each of the Lock-Up Parties to deliver to the Representative an executed Lock-Up Agreement, in a form substantially similar to that attached hereto as Exhibit B (the "**Lock-Up Agreement**"), prior to the execution of this Agreement.

2.26 Subsidiaries. All direct and indirect Subsidiaries of the Company are duly organized and in good standing under the laws of the place of organization or incorporation, and each Subsidiary is in good standing in each jurisdiction in which its ownership or lease of property or the conduct of business requires such qualification, except where the failure to qualify would not have a material adverse effect on the assets, business or operations of the Company taken as a whole. The Company's ownership and control of each Subsidiary is as described in the Registration Statement, the Pricing Disclosure Package and the Prospectus.

2.27 Related Party Transactions. There are no business relationships or related party transactions involving the Company or any other person required to be described in the Registration Statement, the Pricing Disclosure Package and the Prospectus that have not been described as required under the Securities Act and the Securities Act Regulations.

2.28 Board of Directors. The Board of Directors of the Company is comprised of the persons set forth under the heading of the Pricing Prospectus and the Prospectus captioned "Management." The qualifications of the persons serving as board members and the overall composition of the board comply with the Exchange Act, the rules and regulations of the Commission promulgated thereunder (the "**Exchange Act Regulations**"), the Sarbanes- Oxley Act of 2002 and the rules promulgated thereunder (the "**Sarbanes-Oxley Act**") applicable to the Company and the listing rules of the Exchange. At least one member of the Audit Committee of the Board of Directors of the Company qualifies as an "audit committee financial expert," as such term is defined under Regulation S-K and the listing rules of the Exchange. In addition, at least a majority of the persons serving on the Board of Directors qualify as "independent," as defined under the listing rules of the Exchange.

2.29 Sarbanes-Oxley Compliance.

2.29.1 Disclosure Controls. The Company has designed a system of "disclosure controls and procedures" (as defined in Rule 13a-15(e) under the Exchange Act Regulations) that will comply with the requirements of the Exchange Act within the time period required and has been designed to ensure that information required to be

disclosed by the Company in reports that it files or submits under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in the Commission's rules and forms, including controls and procedures designed to ensure that such information is accumulated and communicated to the Company's management as appropriate to allow timely decisions regarding required disclosure.

2.29.2 Compliance. The Company is and at the Applicable Time and on the Closing Date will be, in material compliance with the provisions of the Sarbanes-Oxley Act that are then in effect and with which the Company is required to comply with as of the Applicable Time or on the Closing Date, and has taken reasonable steps to ensure the Company's future compliance (not later than the relevant statutory and regulatory deadlines therefor) with all of the material provisions of the Sarbanes-Oxley Act then applicable to the Company.

2.30 Accounting Controls. The Company maintains systems of "internal control over financial reporting" (as defined under Rules 13a-15 and 15d-15 under the Exchange Act Regulations) that comply with the requirements of the Exchange Act and have been designed by, or under the supervision of, its principal executive and principal financial officers, or persons performing similar functions, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with GAAP, including, but not limited to, internal accounting controls sufficient to provide reasonable assurance that (i) transactions are executed in accordance with management's general or specific authorizations; (ii) transactions are recorded as necessary to permit preparation of financial statements in conformity with GAAP and to maintain asset accountability; (iii) access to assets is permitted only in accordance with management's general or specific authorization; and (iv) the recorded accountability for assets is compared with the existing assets at reasonable intervals and appropriate action is taken with respect to any differences. Except as disclosed in the Registration Statement, the Pricing Disclosure Package and the Prospectus, the Company is not aware of any material weaknesses in its internal controls. To the Company's knowledge, the Company's auditors and the Audit Committee of the Board of Directors of the Company have been advised of: (i) all significant deficiencies and material weaknesses in the design or operation of internal controls over financial reporting which are known to the Company's management and that have adversely affected or are reasonably likely to adversely affect the Company's ability to record, process, summarize and report financial information; and (ii) any fraud known to the Company's management, whether or not material, that involves management or other employees who have a significant role in the Company's internal controls over financial reporting.

2.31 No Investment Company Status. The Company is not and, after giving effect to the Offering and the application of the proceeds thereof as described in the Registration Statement, the Pricing Disclosure Package and the Prospectus, will not be, required to register as an "investment company," as defined in the Investment Company Act of 1940, as amended.

2.32 No Labor Disputes. No labor dispute with the employees of the Company exists or, to the knowledge of the Company, is imminent. The Company is not aware that any officer, key employee or significant group of employees of the Company plans to terminate employment with the Company.

2.33 Intellectual Property Rights. The Company owns or possesses or has valid rights to use all patents, patent applications, trademarks, service marks, trade names, trademark registrations, service mark registrations, copyrights, licenses, inventions, trade secrets and similar rights ("**Intellectual Property Rights**") necessary for the conduct of the business of the Company as currently carried on and as described in the Registration Statement, the Pricing Disclosure Package and the Prospectus, except where the failure to own, possess or have valid rights to use any of the foregoing would not reasonably be expected to result in a Material Adverse Change on the Company. To the knowledge of the Company, no action or use by the Company necessary for the conduct of its business as currently carried on and as described in the Registration Statement and the Prospectus would reasonably be expected to involve or give rise to any infringement of, or license or similar fees for, any Intellectual Property Rights of others. The Company has not received any notice alleging any such infringement, fee or conflict with asserted Intellectual Property Rights of others. Except as would not reasonably be expected to result, individually or in the aggregate, in a Material Adverse Change: (A) to the knowledge of the Company, there is no infringement, misappropriation or violation by third parties of any of the Intellectual Property Rights owned by the Company; (B) there is no pending or, to the knowledge of the Company, threatened action, suit, proceeding or claim by others challenging the rights of the Company in or to any such Intellectual Property Rights, and the Company is unaware of any facts which would form a reasonable basis for any such claim; (C) the Intellectual Property Rights owned by the Company and, to the knowledge of the Company, the Intellectual Property Rights licensed to the Company have not been adjudged by a court of competent jurisdiction invalid or unenforceable, in whole or in part, and there is no pending or, to the Company's knowledge, threatened action, suit, proceeding or claim by others challenging the validity or scope of any such Intellectual Property Rights, and the Company is unaware of any facts which would form a reasonable basis for any such claim; (D) there is no pending or, to the Company's knowledge, threatened action, suit, proceeding or claim by others that the Company infringes, misappropriates or otherwise violates any Intellectual Property Rights or other proprietary rights of others, the Company has not received any written notice of such claim and the Company is unaware of any other facts which would form a reasonable basis for any such claim; and (E) to the Company's knowledge, no employee of the Company is in or has ever been in violation in any material respect of any term of any employment contract, patent disclosure agreement, invention assignment agreement, non-competition agreement, non-solicitation agreement, nondisclosure agreement or any restrictive covenant to or with a former employer where the basis of such violation relates to such employee's employment with the Company, or actions undertaken by the employee while employed with the Company. To the Company's knowledge, all material technical information developed by and belonging to the Company which has not been patented has been kept confidential. The Company is not a party to or bound by any options, licenses or agreements with respect to the Intellectual Property Rights of any other person or entity that are required to be set forth in the Registration Statement, the Pricing Disclosure Package and the Prospectus and are not described therein. The Registration Statement, the Pricing Disclosure Package and the Prospectus contain in all material respects the same description of the matters set forth in the preceding sentence. None of the technology employed by the Company has been obtained or is being used by the Company in violation of any contractual obligation binding on the Company or, to the Company's knowledge, any of its officers, directors or employees, or otherwise in violation of the rights of any persons.

2.34 Taxes. The Company has filed all returns (as hereinafter defined) required to be filed with taxing authorities prior to the date hereof or has duly obtained extensions of time for the filing thereof. The Company has paid all taxes (as hereinafter defined) shown as due on such returns that were filed and has paid all taxes imposed on or assessed against the Company except those that are being contested in good faith or as would not have, individually or in the aggregate, result in a Material Adverse Change. The provisions for taxes payable, if any, shown on the financial statements filed with or as part of the Registration Statement are sufficient for all accrued and unpaid taxes, whether or not disputed, and for all periods to and including the dates of such consolidated financial statements. Except as disclosed in writing to the Underwriters, (i) no material issues have been raised (and are currently pending) by any taxing authority in connection with any of the returns or taxes asserted as due from the Company, and (ii) no waivers of statutes of limitation with respect to the returns or collection of taxes have been given by or requested from the Company. To the Company's knowledge, there are no tax liens against the assets, properties or business of the Company. The term "**taxes**" means all federal, state, local, foreign and other net income, gross income, gross receipts, sales, use, ad valorem, transfer, franchise, profits, license, lease, service, service use, withholding, payroll, employment, excise, severance, stamp, occupation, premium, property, windfall profits, customs, duties or other taxes, fees, assessments or charges of any kind whatever, together with any interest and any penalties, additions to tax or additional amounts with respect thereto. The term "**returns**" means all returns, declarations, reports, statements and other documents required to be filed in respect to taxes.

2.35 ERISA Compliance. The Company and any "employee benefit plan" (as defined under the Employee Retirement Income Security Act of 1974, as amended, and the regulations and published interpretations thereunder (collectively, "**ERISA**")) established or maintained by the Company or its "ERISA Affiliates" (as defined below) are in compliance in all material respects with ERISA. "**ERISA Affiliate**" means, with respect to the Company, any member of any group of organizations described in Sections 414(b), (c), (m) or (o) of the Internal Revenue Code of 1986, as amended, and the regulations and published interpretations thereunder (the "**Code**") of which the Company is a member. No "reportable event" (as defined under ERISA) has occurred or is reasonably expected to occur with respect to any "employee benefit plan" established or maintained by the Company or any of its ERISA Affiliates. No "employee benefit plan" established or maintained by the Company or any of its ERISA Affiliates, if such "employee benefit plan" were terminated, would have any "amount of unfunded benefit liabilities" (as defined under ERISA). Neither the Company nor any of its ERISA Affiliates has incurred or reasonably expects to incur any material liability under (i) Title IV of ERISA with respect to termination of, or withdrawal from, any "employee benefit plan" or (ii) Sections 412, 4971, 4975 or 4980B of the Code. Each "employee benefit plan" established or maintained by the Company or any of its ERISA Affiliates that is intended to be

qualified under Section 401(a) of the Code is so qualified and, to the knowledge of the Company, nothing has occurred, whether by action or failure to act, which would cause the loss of such qualification.

2.36 Compliance with Laws. The Company: (A) is and at all times has been in compliance with all statutes, rules, or regulations applicable to the business of the Company as currently conducted ("**Applicable Laws**"), except as could not, individually or in the aggregate, reasonably be expected to have a Material Adverse Change; (B) has not received any warning letter, untitled letter or other correspondence or written notice from any Governmental Entity alleging or asserting noncompliance with any Applicable Laws or any Authorizations; (C) possesses all Authorizations and such Authorizations are valid and in full force and effect and are not in violation of any term of any such Authorizations; (D) has not received written notice of any claim, action, suit, proceeding, hearing, enforcement, investigation, arbitration or other action from any Governmental Entity or third party alleging that any activity conducted by the Company is in violation of any Applicable Laws or Authorizations and has no knowledge that any such Governmental Entity or third party is considering any such claim, litigation, arbitration, action, suit, investigation or proceeding that if brought, would result in a Material Adverse Result, nor, to the Company's knowledge, has there been any material noncompliance with or violation of any Applicable Laws by the Company that could reasonably be expected to require the issuance of any such communication or result in an investigation, corrective action, or enforcement action by any Governmental Entity; (E) has not received written notice that any Governmental Entity has taken, is taking or intends to take action to limit, suspend, modify or revoke any Authorizations and has no knowledge that any such Governmental Entity is considering such action; and (F) has filed, obtained, maintained or submitted all reports, documents, forms, notices, applications, records, claims, submissions and supplements or amendments as required by any Applicable Laws or Authorizations and that all such reports, documents, forms, notices, applications, records, claims, submissions and supplements or amendments were complete and correct on the date filed (or were corrected or supplemented by a subsequent submission), except where the failure to be so in compliance would not, individually or in the aggregate, result in a Material Adverse Change.

2.37 Emerging Growth Company. From the time of the initial confidential submission of the Registration Statement to the Commission (or, if earlier, the first date on which the Company engaged directly in or through any Person authorized to act on its behalf in any Testing-the Waters Communication) through the date hereof, the Company has been and is an "emerging growth company," as defined in Section 2(a) of the Securities Act. "Testing-the-Waters Communication" means any oral or written communication with potential investors undertaken in reliance on Section 5(d) of the Securities Act.

2.38 Environmental Laws. The Company is in compliance with all foreign, federal, state and local rules, laws and regulations relating to the use, treatment, storage and disposal of hazardous or toxic substances or waste and protection of health and safety or the environment which are applicable to their businesses ("**Environmental Laws**"), except where the failure to comply would not, singularly or in the aggregate, result in a Material Adverse Change. There has been no storage, generation, transportation, handling, treatment, disposal, discharge, emission, or other release of any kind of toxic or other wastes or other hazardous substances by, due to, or caused by the Company (or, to the Company's knowledge, any other entity for whose acts or omissions the Company is or may otherwise be liable) upon any of the property now or previously owned or leased by the Company, or upon any other property, in violation of any law, statute, ordinance, rule, regulation, order, judgment, decree or permit or which would, under any law, statute, ordinance, rule (including rule of common law), regulation, order, judgment, decree or permit, give rise to any liability, except for any violation or liability which would not have, singularly or in the aggregate with all such violations and liabilities, a Material Adverse Change; and there has been no disposal, discharge, emission or other release of any kind onto such property or into the environment surrounding such property of any toxic or other wastes or other hazardous substances with respect to which the Company has knowledge, except for any such disposal, discharge, emission, or other release of any kind which would not have, singularly or in the aggregate with all such discharges and other releases, a Material Adverse Change. In the ordinary course of business, the Company conducts periodic reviews of the effect of Environmental Laws on its business and assets, in the course of which they identify and evaluate associated costs and liabilities (including, without limitation, any capital or operating expenditures required for clean-up, closure of properties or compliance with Environmental Laws or governmental permits issued thereunder, any related constraints on operating activities and any potential liabilities to third parties). On the basis of such reviews, the Company has reasonably concluded that such associated costs and liabilities would not have, singularly or in the aggregate, a Material Adverse Change.

2.39 Title to Property. Except as set forth in the Registration Statement, the Pricing Disclosure Package and the Prospectus, the Company has good and marketable title in fee simple to, or has valid rights to lease or otherwise use, all items of real or personal property which are material to the business of the Company, in each case free and clear of all liens, encumbrances, security interests, claims and defects that do not, singly or in the aggregate, materially affect the value of such property and do not interfere with the use made and proposed to be made of such property by the Company; and all of the leases and subleases material to the business of the Company and under which the Company holds properties described in the Registration Statement, the Pricing Disclosure Package and the Prospectus, are in full force and effect, and the Company has not received any notice of any material claim of any sort that has been asserted by anyone adverse to the rights of the Company under any of the leases or subleases mentioned above, or affecting or questioning the rights of the Company to the continued possession of the leased or subleased premises under any such lease or sublease.

2.40 Contracts Affecting Capital. There are no transactions, arrangements or other relationships between and/or among the Company, any of its affiliates (as such term is defined in Rule 405 of the Securities Act Regulations) and any unconsolidated entity, including, but not limited to, any structured finance, special purpose or limited purpose entity that could reasonably be expected to materially affect the Company's liquidity or the availability of or requirements for its capital resources required to be described or incorporated by reference in the Registration Statement, the Pricing Disclosure Package and the Prospectus which have not been described or incorporated by reference as required.

2.41 Loans to Directors or Officers. There are no outstanding loans, advances (except normal advances for business expenses in the ordinary course of business) or guarantees or indebtedness by the Company to or for the benefit of any of the officers or directors of the Company or any of their respective family members, except as disclosed in the Registration Statement, the Pricing Disclosure Package and the Prospectus.

2.42 Ineligible Issuer. At the time of filing the Registration Statement and any post-effective amendment thereto, at the Effective Date and at the time of any amendment thereto, at the earliest time thereafter that the Company or another offering participant made a bona fide offer (within the meaning of Rule 164(h)(2) of the Securities Act Regulations) of the Public Securities and at the Effective Date, the Company was not and is not an "ineligible issuer," as defined in Rule 405, without taking account of any determination by the Commission pursuant to Rule 405 that it is not necessary that the Company be considered an ineligible issuer.

2.43 Smaller Reporting Company. As of the time of filing of the Registration Statement, the Company was a "smaller reporting company," as defined in Rule 12b-2 of the Exchange Act Regulations.

2.44 Industry Data. The statistical and market-related data included in each of the Registration Statement, the Pricing Disclosure Package and the Prospectus are based on or derived from sources that the Company reasonably and in good faith believes are reliable and accurate or represent the Company's good faith estimates that are made on the basis of data derived from such sources.

2.45 Electronic Road Show. The Company has made available a Bona Fide Electronic Road Show in compliance with Rule 433(d)(8)(ii) of the Securities Act Regulations such that no filing of any "road show" (as defined in Rule 433(h) of the Securities Act Regulations) is required in connection with the Offering.

2.46 Margin Securities. The Company owns no "margin securities" as that term is defined in Regulation U of the Board of Governors of the Federal Reserve System (the "**Federal Reserve Board**"), and none of the proceeds of Offering will be used, directly or indirectly, for the purpose of purchasing or carrying any margin security, for the

purpose of reducing or retiring any indebtedness which was originally incurred to purchase or carry any margin security or for any other purpose which might cause any of the Public Securities to be considered a "purpose credit" within the meanings of Regulation T, U or X of the Federal Reserve Board.

2.47 Forward-Looking Statements. No forward-looking statement (within the meaning of Section 27A of the Securities Act and Section 21E of the Exchange Act) contained in the Registration Statement, the Pricing Disclosure Package or the Prospectus has been made or reaffirmed without a reasonable basis or has been disclosed other than in good faith.

2.48 Integration. Neither the Company, nor any of its affiliates, nor any person acting on its or their behalf has, directly or indirectly, made any offers or sales of any security or solicited any offers to buy any security, under circumstances that would cause the Offering to be integrated with prior offerings by the Company for purposes of the Securities Act that would require the registration of any such securities issued in such prior offerings under the Securities Act.

2.49 Confidentiality and Non-Competition. No director, officer, key employee or consultant of the Company is subject to any confidentiality, non-disclosure, non-competition agreement or non-solicitation agreement with any employer (other than the Company) or prior employer that could materially affect his or her ability to be and act in his or her respective capacity of the Company or be reasonable expected to result in a Material Adverse Change.

2.50 Corporate Records. The minute books of the Company have been made available to the Representative and Representative Counsel and such books (i) contain minutes of all material meetings and actions of the Board of Directors (including each board committee) and stockholders of the Company, and (ii) reflect all material transactions referred to in such minutes.

2.51 Diligence Materials. The Company has provided to the Representative and Representative Counsel all materials required or necessary to respond in all material respects to the diligence request submitted to the Company or Company Counsel by the Representative.

2.52 Stabilization. Neither the Company nor, to its knowledge, any of its employees, directors or stockholders (without the consent of the Representative) has taken, directly or indirectly, any action designed to or that has constituted or that might reasonably be expected to cause or result in, under Regulation M of the Exchange Act, or otherwise, stabilization or manipulation of the price of any security of the Company to facilitate the sale or resale of the Public Securities.

3. COVENANTS OF THE COMPANY.

The Company covenants and agrees as follows:

3.1 Amendments to Registration Statement. The Company shall deliver to the Representative, at least one (1) Business Day (or such shorter time mutually agreed by the parties hereto) prior to filing, any amendment or supplement to the Registration Statement or Prospectus proposed to be filed after the Effective Date and not file any such amendment or supplement to which the Representative shall reasonably object in writing.

3.2 Federal Securities Laws.

3.2.1 Compliance. The Company, subject to Section 3.2.2, shall comply with the requirements of Rule 430A of the Securities Act Regulations, and will, during the period required to permit the completion of the distribution of the Public Securities as contemplated in this Agreement and in the Registration Statement, the Pricing Disclosure Package and the Prospectus, notify the Representative promptly, and confirm the notice in writing, (i) when any post-effective amendment to the Registration Statement shall become effective or any amendment or supplement to the Prospectus shall have been filed; (ii) of its receipt of any comments from the Commission; (iii) of any request by the Commission for any amendment to the Registration Statement or any amendment or supplement to the Prospectus or for additional information; (iv) of the issuance by the Commission of any stop order suspending the effectiveness of the Registration Statement or any post-effective amendment or of any order preventing or suspending the use of any Preliminary Prospectus or the Prospectus, or of the suspension of the qualification of the Public Securities and Representative's Securities for offering or sale in any jurisdiction, or of the initiation or threatening of any proceedings for any of such purposes or of any examination pursuant to Section 8(d) or 8(e) of the Securities Act concerning the Registration Statement; and (v) if the Company becomes the subject of a proceeding under Section 8A of the Securities Act in connection with the Offering of the Public Securities and Representative's Securities. The Company shall effect all filings required under Rule 424(b) of the Securities Act Regulations, in the manner and within the time period required by Rule 424(b) (without reliance on Rule 424(b)(8)), and shall take such steps as it deems necessary to ascertain promptly whether the form of prospectus transmitted for filing under Rule 424(b) was received for filing by the Commission and, in the event that it was not, it will promptly file such prospectus. The Company shall use its best efforts to prevent the issuance of any stop order, prevention or suspension and, if any such order is issued, to obtain the lifting thereof at the earliest possible moment.

3.2.2 Continued Compliance. The Company shall comply with the Securities Act, the Securities Act Regulations, the Exchange Act and the Exchange Act Regulations so as to permit the completion of the distribution of the Public Securities as contemplated in this Agreement and in the Registration Statement, the Pricing Disclosure Package and the Prospectus. If at any time when a prospectus relating to the Public Securities is (or, but for the exception afforded by Rule 172 of the Securities Act Regulations ("**Rule 172**"), would be) required by the Securities Act to be delivered in connection with sales of the Public Securities, any event shall occur or condition shall exist as a result of which it is necessary, in the opinion of Representative Counsel or Company Counsel, to (i) amend the Registration Statement in order that the Registration Statement will not include an untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein not misleading; (ii) amend or supplement the Pricing Disclosure Package or the Prospectus in order that the Pricing Disclosure Package or the Prospectus, as the case may be, will not include any untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein not misleading in the light of the circumstances existing at the time it is delivered to a purchaser; or (iii) amend the Registration Statement or amend or supplement the Pricing Disclosure Package or the Prospectus, as the case may be, in order to comply with the requirements of the Securities Act or the Securities Act Regulations, the Company will promptly (A) give the Representative notice of such event; (B) prepare any amendment or supplement as may be necessary to correct such statement or omission or to make the Registration Statement, the Pricing Disclosure Package or the Prospectus comply with such requirements and, a reasonable amount of time prior to any proposed filing or use, furnish the Representative with copies of any such amendment or supplement; and (C) file with the Commission any such amendment or supplement; provided that the Company shall not file or use any such amendment or supplement to which the Representative or Representative Counsel shall reasonably object. The Company will furnish to the Underwriters such number of copies of such amendment or supplement as the Underwriters may reasonably request. The Company shall give the Representative notice of its intention to make any such filing from the Applicable Time until the later of the Closing Date and the exercise in full or expiration of the Over-allotment Option specified in Section 1.2 hereof and will furnish the Representative with copies of the related document(s) a reasonable amount of time prior to such proposed filing, as the case may be, and will not file or use any such document to which the Representative or Representative Counsel shall reasonably object.

3.2.3 Exchange Act Registration. Until the later of (i) three (3) years after the date of this Agreement and (ii) the expiration date of the Warrants (or the date that all of the Warrants have been exercised, if earlier), the Company shall use its reasonable best efforts to maintain the registration of the Common Stock and the Warrants under the Exchange Act. The Company shall not deregister the Common Stock or the Warrants under the Exchange Act without the prior written consent of the Representative.

3.2.4 Free Writing Prospectuses. The Company agrees that, unless it obtains the prior written consent of the Representative, it shall not make any offer relating to the Public Securities that would constitute an Issuer Free Writing Prospectus or that would otherwise constitute a "free writing prospectus," or a portion thereof, required to be filed by the Company with the Commission or retained by the Company under Rule 433; provided that the Representative shall be deemed to have consented to each Issuer General Use Free Writing Prospectus set forth in Schedule 2-B. The Company represents that it has treated or agrees that it will treat each such free writing prospectus consented to, or deemed consented to, by the Representative as an "issuer free writing prospectus," as defined in Rule 433, and that it has complied and will comply with the applicable requirements of Rule 433 with respect thereto, including timely filing with the Commission where required, legending and record keeping. If at any time following issuance of an Issuer Free Writing Prospectus the Company has knowledge that there has occurred or is occurring an event or development as a result of which such Issuer Free Writing Prospectus conflicted or would conflict with the information contained in the Registration Statement or included or would include an untrue statement of a material fact or omitted or would omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances existing at that subsequent time, not misleading, the Company will promptly notify the Representative and will promptly amend or supplement, at its own expense, such Issuer Free Writing Prospectus to eliminate or correct such conflict, untrue statement or omission.

3.2.5 Testing-the-Waters Communications. If at any time following the distribution of any Written Testing-the-Waters Communication the Company has knowledge that there occurred or is occurring an event or development as a result of which such Written Testing-the-Waters Communication included or would include an untrue statement of a material fact or omitted or would omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances existing at that subsequent time, not misleading, the Company shall promptly notify the Representative and shall promptly amend or supplement, at its own expense, such Written Testing-the-Waters Communication to eliminate or correct such untrue statement or omission.

3.3 Delivery to the Underwriters of Registration Statements. The Company has delivered or made available or shall deliver or make available to the Representative and Representative Counsel, without charge, conformed copies of the Registration Statement as originally filed and each amendment thereto (including exhibits filed therewith) and signed copies of all consents and certificates of experts, and will also deliver to each Underwriter, without charge, a conformed copy of the Registration Statement as originally filed and each amendment thereto (without exhibits) upon receipt of a written request therefor from such Underwriter. The copies of the Registration Statement and each amendment thereto furnished to the Underwriters will be identical to the electronically transmitted copies thereof filed with the Commission pursuant to EDGAR, except to the extent permitted by Regulation S-T.

3.4 Delivery to the Underwriters of Prospectuses. The Company has delivered or made available or will deliver or make available to each Underwriter, without charge, as many copies of each Preliminary Prospectus as such Underwriter reasonably requested, and the Company hereby consents to the use of such copies for purposes permitted by the Securities Act. The Company will furnish to each Underwriter, without charge, during the period when a prospectus relating to the Public Securities is (or, but for the exception afforded by Rule 172 of the Securities Act Regulations, would be) required to be delivered under the Securities Act, such number of copies of the Prospectus (as amended or supplemented) as such Underwriter may reasonably request. The Prospectus and any amendments or supplements thereto furnished to the Underwriters will be identical to the electronically transmitted copies thereof filed with the Commission pursuant to EDGAR, except to the extent permitted by Regulation S-T.

3.5 Effectiveness and Events Requiring Notice to the Representative. The Company shall use its best efforts to cause the Registration Statement to remain effective with a current prospectus through and including the expiration date of the Warrants (or the date that all of the Warrants have been exercised, if earlier), and shall notify the Representative immediately and confirm the notice in writing: (i) of the effectiveness of the Registration Statement and any amendment thereto; (ii) of the issuance by the Commission of any stop order or of the initiation, or the threatening, of any proceeding for that purpose; (iii) of the issuance by any state securities commission of any proceedings for the suspension of the qualification of the Public Securities for offering or sale in any jurisdiction or of the initiation, or the threatening, of any proceeding for that purpose; (iv) of the mailing and delivery to the Commission for filing of any amendment or supplement to the Registration Statement or Prospectus; (v) of the receipt of any comments or request for any additional information from the Commission; and (vi) of the happening of any event during the period described in this Section 3.5 that, in the judgment of the Company, makes any statement of a material fact made in the Registration Statement, the Pricing Disclosure Package or the Prospectus untrue or that requires the making of any changes in (a) the Registration Statement in order to make the statements therein not misleading, or (b) in the Pricing Disclosure Package or the Prospectus in order to make the statements therein, in light of the circumstances under which they were made, not misleading. If the Commission or any state securities commission shall enter a stop order or suspend such qualification at any time, the Company shall use its commercially reasonable efforts to obtain promptly the lifting of such order.

3.6 Review of Financial Statements. For a period of three (3) years after the date of this Agreement, the Company, at its expense, shall cause its regularly engaged independent registered public accounting firm to review (but not audit) the Company's financial statements for each of the three fiscal quarters immediately preceding the announcement of any quarterly financial information.

3.7 Listing. The Company shall use its reasonable best efforts to maintain the listing of the shares of Common Stock and the Warrants (including the Public Securities) on the Exchange for at least three (3) years from the date of this Agreement.

3.8 Financial Public Relations. As of the Effective Date, the Company shall have retained a financial public relations firm reasonably acceptable to the Representative and the Company, which firm shall be experienced in assisting issuers in initial public offerings of securities and in their relations with their security holders, and shall retain such firm or another firm reasonably acceptable to the Representative for a period of not less than two (2) years after the Effective Date.

3.9 Reports to the Representative.

3.9.1 Periodic Reports, etc. For a period of three (3) years after the date of this Agreement, the Company shall furnish or make available to the Representative copies of such financial statements and other periodic and special reports as the Company from time to time furnishes generally to holders of any class of its securities and also promptly furnish to the Representative: (i) a copy of each periodic report the Company shall be required to file with the Commission under the Exchange Act and the Exchange Act Regulations; (ii) a copy of every press release and every news item and article with respect to the Company or its affairs which was released by the Company; (iii) a copy of each Form 8-K prepared and filed by the Company; (iv) a copy of each registration statement filed by the Company under the Securities Act; (v) a copy of each report or other communication furnished to stockholders and (vi) such additional documents and information with respect to the Company and the affairs of any future subsidiaries of the Company as the Representative may from time to time reasonably request. Documents filed with the Commission pursuant to its EDGAR system or press releases shall be deemed to have been delivered to the Representative pursuant to this Section 3.9.1. Any documents not filed with the Commission pursuant to its EDGAR system shall be delivered to jrallo@efhuttongroup.com, with a copy to dboral@efhuttongroup.com.

3.9.2 Transfer Agent; Transfer Sheets. For a period of three (3) years after the date of this Agreement, the Company shall retain a transfer agent and registrar acceptable to the Representative (the "**Transfer Agent**") and shall furnish to the Representative at the Company's sole cost and expense such transfer sheets of the Company's securities as the Representative may reasonably request, including the daily and monthly consolidated transfer sheets of the Transfer Agent and DTC. VStock Transfer, LLC is acceptable to the Representative to act as Transfer Agent for the shares of Common Stock and the Warrants.

3.9.3 Trading Reports. During such time as any of the Public Securities are listed on the Exchange, the Company shall provide to the Representative, at the Company's expense, such reports published by the Exchange relating to price trading of the Public Securities, as the Representative shall reasonably request.

3.10 Payment of Expenses. The Company hereby agrees to pay on each of the Closing Date and the Option Closing Date, if any, to the extent not paid at the Closing Date, all expenses related to the Offering or otherwise incident to the performance of the obligations of the Company under this Agreement, including, but not limited to: (a) all filing fees and communication expenses relating to the registration of the Public Securities and Representative's Securities with the Commission; (b) all Public Filing System filing fees associated with the review of the Offering by FINRA; (c) all fees and expenses relating to the listing of such Public Securities and Representative's Securities on the Exchange and such other stock exchanges as the Company and the Representative together determine, including any fees charged by DTC; (d) all fees, expenses and disbursements relating to background checks of the Company's officers and directors; (e) all fees, expenses and disbursements relating to the registration or qualification of the Public Securities under the "blue sky" securities laws of such states and other jurisdictions as the Representative may reasonably designate; (f) all fees, expenses and disbursements relating to the registration, qualification or exemption of the Public Securities under the securities laws of such foreign jurisdictions as the Representative may reasonably designate; (g) the costs of all mailing and printing of the underwriting documents (including, without limitation, the Underwriting Agreement, any Blue Sky Surveys and, if appropriate, any Agreement Among Underwriters, Selected Dealers' Agreement, Underwriters' Questionnaire and Power of Attorney), Registration Statements, Prospectuses and all amendments, supplements and exhibits thereto and as many preliminary and final Prospectuses as the Representative may reasonably deem necessary; (h) the costs and expenses of a public relations firm; (i) the costs of preparing, printing and delivering certificates representing the Public Securities; (j) fees and expenses of the Transfer Agent for the shares of Common Stock and fees and expenses of the warrant agent under the Warrant Agent Agreement; (k) stock transfer and/or stamp taxes, if any, payable upon the transfer of the Public Securities from the Company to the Underwriters; (l) the costs associated with one set of bound volumes of the public offering materials as well as commemorative mementos and lucite tombstones, each of which the Company or its designee shall provide within a reasonable time after the Closing Date in such quantities as the Representative may reasonably request; (m) the fees and expenses of the Company's accountants; (n) the fees and expenses of the Company's legal counsel and other agents and representatives; (o) the fees and expenses of Representative Counsel; (p) the cost associated with the Underwriters' use of Ipreo's book- building, prospectus tracking and compliance software for the Offering; (q) to the extent approved by the Company in writing, the costs associated with post-Closing advertising of the Offering in the national editions of the Wall Street Journal and New York Times; and (r) the Underwriters' actual accountable expenses for the Offering, including, without limitation related to the "road show." Notwithstanding the foregoing, the Company's obligations to reimburse the Representative for any out-of-pocket expenses actually incurred as set forth in the preceding sentence shall not exceed $175,000 in the aggregate for all of the foregoing fees and expenses. The Representative may deduct from the net proceeds of the Offering payable to the Company on the Closing Date, or the Option Closing Date, if any, the expenses set forth herein to be paid by the Company to the Underwriters, less the Advance (as such term is defined in Section 8.3 hereof).

3.11 Application of Net Proceeds. The Company shall apply the net proceeds from the Offering received by it in a manner consistent with the application thereof described under the caption "Use of Proceeds" in the Registration Statement, the Pricing Disclosure Package and the Prospectus.

3.12 Delivery of Earnings Statements to Security Holders. The Company shall make generally available to its security holders as soon as practicable, but not later than the first day of the fifteenth (15th) full calendar month following the date of this Agreement, an earnings statement (which need not be certified by an independent registered public accounting firm unless required by the Securities Act or the Securities Act Regulations, but which shall satisfy the provisions of Rule 158(a) under Section 11(a) of the Securities Act) covering a period of at least twelve (12) consecutive months beginning after the date of this Agreement.

3.13 Stabilization. Neither the Company nor, to its knowledge, any of its employees, directors or stockholders has taken or shall take, directly or indirectly, any action designed to or that has constituted or that might reasonably be expected to cause or result in, under Regulation M of the Exchange Act, or otherwise, stabilization or manipulation of the price of any security of the Company to facilitate the sale or resale of the Public Securities.

3.14 Internal Controls. The Company shall maintain a system of internal accounting controls sufficient to provide reasonable assurances that: (i) transactions are executed in accordance with management's general or specific authorization; (ii) transactions are recorded as necessary in order to permit preparation of financial statements in accordance with GAAP and to maintain accountability for assets; (iii) access to assets is permitted only in accordance with management's general or specific authorization; and (iv) the recorded accountability for assets is compared with existing assets at reasonable intervals and appropriate action is taken with respect to any differences.

3.15 Accountants. As of the date of this Agreement, the Company has retained an independent registered public accounting firm, as required by the Securities Act and the Securities Act Regulations and the Public Company Accounting Oversight Board, reasonably acceptable to the Representative, and the Company shall continue to retain a nationally recognized independent registered public accounting firm for a period of at least three (3) years after the date of this Agreement. The Representative acknowledges that BF Borgers CPA PC is acceptable to the Representative.

3.16 FINRA. For a period of 90 days from the later of the Closing Date or the Option Closing Date, the Company shall advise the Representative (who shall make an appropriate filing with FINRA) if it is or becomes aware that (i) any officer or director of the Company, (ii) any beneficial owner of 5% or more of any class of the Company's securities or (iii) any beneficial owner of the Company's unregistered equity securities which were acquired during the 180 days immediately preceding the filing of the Registration Statement is or becomes an affiliate or associated person of a FINRA member participating in the Offering (as determined in accordance with the rules and regulations of FINRA).

3.17 No Fiduciary Duties. The Company acknowledges and agrees that the Underwriters' responsibility to the Company is solely contractual in nature and that none of the Underwriters or their affiliates or any selling agent shall be deemed to be acting in a fiduciary capacity, or otherwise owes any fiduciary duty to the Company or any of its affiliates in connection with the Offering and the other transactions contemplated by this Agreement.

3.18 Company Lock-Up Agreements. The Company, on behalf of itself and any successor entity, agrees that, without the prior written consent of the Representative, it will not, for a period of twelve (12) months after the date of this Agreement (the "**Lock-Up Period**"), (i) offer, pledge, sell, contract to sell, sell any option or contract to purchase, purchase any option or contract to sell, grant any option, right or warrant to purchase, lend, or otherwise transfer or dispose of, directly or indirectly, any shares of capital stock of the Company or any securities convertible into or exercisable or exchangeable for shares of capital stock of the Company; (ii) file or cause to be filed any registration statement with the Commission relating to the offering of any shares of capital stock of the Company or any securities convertible into or exercisable or exchangeable for shares of capital stock of the Company other than a registration statement on Form S-4 or S-8; (iii) complete any offering of debt securities of the Company, other than entering into a line of credit or senior credit facility with a traditional bank or other lending institution; or (iv) enter into any swap or other arrangement that transfers to another, in whole or in part, any of the economic consequences of ownership of capital stock of the Company, whether any such transaction described in clause (i), (ii), (iii), or (iv) above is to be settled by delivery of shares of capital stock of the Company or such other securities, in cash or otherwise.

The restrictions contained in this Section 3.18 shall not apply to (i) the Public Securities or the Representative's Securities; (ii) the issuance by the Company of shares of Common Stock upon the exercise of a stock option or warrant or the conversion of a security, in each case outstanding on the date hereof, provided that such options, warrants, securities are disclosed in the Registration Statement, the Pricing Disclosure Package or the Prospectus and have not been amended since the date of this Agreement to increase the number of such securities or to decrease the exercise price, exchange price or conversion price of such securities or to extend the term of such securities, (iii) the issuance of shares of Common Stock issued as part of the purchase price in connection with acquisitions or strategic transactions, or (iv) the issuance by the Company of any shares of Common Stock or standard options to purchase Common Stock to directors, officers or employees of the Company in their capacity as such pursuant to an Approved Stock Plan (as defined below). "**Approved Stock Plan**" means any employee benefit plan which has been approved by the board of directors of the Company prior to or subsequent to the date hereof pursuant to which shares of Common Stock and standard options to purchase Common Stock may be issued to any employee, officer or director for services provided to the Company in their capacity as such.

3.19 Release of D&O Lock-up Period. If the Representative, in its sole discretion, agrees to release or waive the restrictions set forth in the Lock-Up Agreements described in Section 2.25 hereof for an officer or director of the Company and provides the Company with notice of the impending release or waiver at least three (3) Business Days before the effective date of the release or waiver, the Company agrees to announce the impending release or waiver by a press release substantially in the form of Exhibit C hereto through a major news service at least two (2) Business Days before the effective date of the release or waiver.

3.20 Blue Sky Qualifications. The Company shall use its best efforts, in cooperation with the Underwriters, if necessary, to qualify the Public Securities for offering and sale under the applicable securities laws of such states and other jurisdictions (domestic or foreign) as the Representative may reasonably designate and to maintain such qualifications in effect so long as required to complete the distribution of the Public Securities; provided, however, that the Company shall not be obligated to file any general consent to service of process or to qualify as a foreign corporation or as a dealer in securities in any jurisdiction in which it is not so qualified or to subject itself to taxation in respect of doing business in any jurisdiction in which it is not otherwise so subject.

3.21 Reporting Requirements. The Company, during the period when a prospectus relating to the Public Securities is (or, but for the exception afforded by Rule 172, would be) required to be delivered under the Securities Act, will file all documents required to be filed with the Commission pursuant to the Exchange Act within the time periods required by the Exchange Act and Exchange Act Regulations. Additionally, the Company shall report the use of proceeds from the issuance of the Public Securities as may be required under Rule 463 under the Securities Act Regulations.

3.22 Press Releases. Prior to the Closing Date and any Option Closing Date, the Company shall not issue any press release or other communication directly or indirectly or hold any press conference with respect to the Company, its condition, financial or otherwise, or earnings, business affairs or business prospects (except for routine oral marketing communications in the ordinary course of business and consistent with the past practices of the Company and of which the Representative is notified), without the prior written consent of the Representative, which consent shall not be unreasonably withheld, unless in the judgment of the Company and its counsel, and after notification to the Representative, such press release or communication is required by law.

3.23 Sarbanes-Oxley. For a period of one (1) year after the date of this Agreement, the Company shall at all times comply in all material respects with all applicable provisions of the Sarbanes-Oxley Act in effect from time to time.

3.24 IRS Forms. If requested by the Representative, the Company shall deliver to each Underwriter (or its agent), prior to or at the Closing Date, a properly completed and executed Internal Revenue Service ("IRS") Form W-9 or an IRS Form W-8, as appropriate, together with all required attachments to such form.

3.25 Warrant Agent. For so long as the Warrants are outstanding, the Company will maintain the Warrant Agent Agreement in full force and effect with VStock Transfer, LLC or a transfer agent of similar competence and quality. The Firm Warrants, and, if applicable, Option Warrants, will be issued in accordance with the Warrant Agent Agreement.

4. CONDITIONS OF UNDERWRITERS' OBLIGATIONS.

The obligations of the Underwriters to purchase and pay for the Public Securities, as provided herein, shall be subject to (i) the continuing accuracy of the representations and warranties of the Company as of the date hereof and as of each of the Closing Date and the Option Closing Date, if any; (ii) the accuracy of the statements of officers of the Company made pursuant to the provisions hereof; (iii) the performance by the Company of its obligations hereunder; and (iv) the following conditions:

4.1 Regulatory Matters.

4.1.1 Effectiveness of Registration Statement; Rule 430A Information. The Registration Statement has become effective not later than 5:00 p.m., Eastern time, on the date of this Agreement or such later date and time as shall be consented to in writing by the Representative, and, at each of the Closing Date and any Option Closing Date, no stop order suspending the effectiveness of the Registration Statement or any post-effective amendment thereto shall have been issued under the Securities Act, no order preventing or suspending the use of any Preliminary Prospectus or the Prospectus shall have been issued and no proceedings for any of those purposes shall have been instituted or are pending or, to the Company's knowledge, contemplated by the Commission. The Company has complied with each request (if any) from the Commission for additional information. A prospectus containing the Rule 430A Information shall have been filed with the Commission in the manner and within the time frame required by Rule 424(b) under the Securities Act Regulations (without reliance on Rule 424(b)(8)) or a post-effective amendment providing such information shall have been filed with, and declared effective by, the Commission in accordance with the requirements of Rule 430A under the Securities Act Regulations.

4.1.2 FINRA Clearance. On or before the date of this Agreement, the Representative shall have received clearance from FINRA as to the amount of compensation allowable or payable to the Underwriters as described in the Registration Statement.

4.1.3 Exchange Clearance. On the Closing Date, the Common Stock and Warrants shall have been approved for listing on the Exchange, subject only to official notice of issuance. On the first Option Closing Date (if any), the Company's shares of Common Stock, including the Option Shares, and Option Warrants, including the Warrant Shares, shall have been approved for listing on the Exchange, subject only to official notice of issuance.

4.2 Company Counsel Matters.

4.2.1 Closing Date Opinion of Counsel. On the Closing Date, the Representative shall have received the favorable opinions and negative assurance letter of K&L Gates LLP ("**Company Counsel**"), counsel to the Company, dated the Closing Date and addressed to the Representative, in form and substance reasonably satisfactory to the Representative.

4.2.2 Option Closing Date Opinions of Counsel. On the Option Closing Date, if any, the Representative shall have received the favorable opinion and negative assurance letter of Company Counsel listed in Section 4.2.1, dated the Option Closing Date, addressed to the Representative and in form and substance reasonably satisfactory to the Representative, confirming as of the Option Closing Date, the statements made by such counsel in its opinion or their respective opinions delivered on the Closing Date.

4.2.3 Reliance. The opinion of Company Counsel and any opinion relied upon by Company Counsel shall include a statement to the effect that it may be relied upon by Representative Counsel in its opinion delivered to the Underwriters.

4.3 Comfort Letters.

4.3.1 Comfort Letter. At the time this Agreement is executed the Representative shall have received a cold comfort letter from the Auditors containing statements and information of the type customarily included in accountants' comfort letters with respect to the financial statements and certain financial information contained in the Registration Statement, the Pricing Disclosure Package and the Prospectus, addressed to the Representative and in form and substance reasonably satisfactory in all respects to the Representative and to Representative Counsel from the Auditors, dated as of the date of this Agreement.

4.3.2 Bring-down Comfort Letter. At each of the Closing Date and the Option Closing Date, if any, the Representative shall have received from the Auditors a letter, dated as of the Closing Date or the Option Closing Date, as applicable, to the effect that the Auditors reaffirms the statements made in the letter furnished pursuant to Section 4.3.1.

4.4 Officers' Certificates.

4.4.1 Officers' Certificate. The Company shall have furnished to the Representative a certificate, dated the Closing Date and any Option Closing Date (if such date is other than the Closing Date), of its Chief Executive Officer and its Chief Financial Officer stating that on behalf of the Company and not in an individual capacity that (i) such officers have examined the Registration Statement, the Pricing Disclosure Package, any Issuer Free Writing Prospectus and the Prospectus and, in their opinion, the Registration Statement and each amendment thereto, as of the Applicable Time and as of the Closing Date (or any Option Closing Date if such date is other than the Closing Date) did not include any untrue statement of a material fact and did not omit to state a material fact required to be stated therein or necessary to make the statements therein not misleading, and the Pricing Disclosure Package, as of the Applicable Time and as of the Closing Date (or any Option Closing Date if such date is other than the Closing Date), any Issuer Free Writing Prospectus as of its date and as of the Closing Date (or any Option Closing Date if such date is other than the Closing Date), the Prospectus and each amendment or supplement thereto, as of the respective date thereof and as of the Closing Date, did not include any untrue statement of a material fact and did not omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances in which they were made, not misleading, (ii) since the effective date of the Registration Statement, no event has occurred which should have been set forth in a supplement or amendment to the Registration Statement, the Pricing Disclosure Package or the Prospectus, (iii) to their knowledge after reasonable investigation, as of the Closing Date (or any Option Closing Date if such date is other than the Closing Date), the representations and warranties of the Company in this Agreement are true and correct and the Company has complied with all agreements and satisfied all conditions on its part to be performed or satisfied hereunder at or prior to the Closing Date (or any Option Closing Date if such date is other than the Closing Date), and (iv) there has not been, subsequent to the date of the most recent audited financial statements included in the Pricing Disclosure Package, any Material Adverse Change.

4.4.2 Secretary's Certificate. At each of the Closing Date and the Option Closing Date, if any, the Representative shall have received a certificate of the Company signed by the Secretary of the Company, dated the Closing Date or the Option Closing Date, as the case may be, respectively, certifying on behalf of the Company and not in an individual capacity: (i) that each of the Charter and Bylaws is true and complete, has not been modified and is in full force and effect; (ii) that the resolutions of the Company's Board of Directors relating to the Offering are in full force and effect and have not been modified; (iii) as to the accuracy and completeness of all correspondence between the Company or its counsel and the Commission; and (iv) as to the incumbency of the officers of the Company. The documents referred to in such certificate shall be attached to such certificate.

4.5 No Material Changes. Prior to and on each of the Closing Date and each Option Closing Date, if any: (i) there shall have been no Material Adverse Change in the condition or prospects or the business activities, financial or otherwise, of the Company from the latest dates as of which such condition is set forth in the Registration Statement, the Pricing Disclosure Package and the Prospectus; (ii) no action, suit or proceeding, at law or in equity, shall have been pending or threatened against the Company or any Insider before or by any court or federal or state commission, board or other administrative agency wherein an unfavorable decision, ruling or finding may reasonably be expected to cause a Material Adverse Change, except as set forth in the Registration Statement, the Pricing Disclosure Package and the Prospectus; (iii) no stop order shall have been issued under the Securities Act and no proceedings therefor shall have been initiated or threatened by the Commission; and (iv) the Registration Statement, the Pricing Disclosure Package and the Prospectus and any amendments or supplements thereto shall contain all material statements which are required to be stated therein in accordance with the Securities Act and the Securities Act Regulations and shall conform in all material respects to the requirements of the Securities Act and the Securities Act Regulations, and neither the Registration Statement, the Pricing Disclosure Package nor the Prospectus nor any amendment or supplement thereto shall contain any untrue statement of a material fact or omit to state any material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they were made, not misleading.

4.6 No Material Misstatement or Omission. The Underwriters shall not have discovered and disclosed to the Company on or prior to the Closing Date and any Option Closing Date that the Registration Statement or any amendment or supplement thereto contains an untrue statement of a fact which, in the opinion of Representative Counsel, is material or omits to state any fact which, in the opinion of such counsel, is material and is required to be stated therein or is necessary to make the statements therein not misleading, or that the Registration Statement, the Pricing Disclosure Package, any Issuer Free Writing Prospectus or the Prospectus or any amendment or supplement thereto contains an untrue statement of fact which, in the opinion of Representative Counsel, is material or omits to state any fact which, in the opinion of Representative Counsel, is material and is necessary in order to make the statements, in the light of the circumstances under which they were made, not misleading.

4.7 Corporate Proceedings. All corporate proceedings and other legal matters incident to the authorization, form and validity of each of this Agreement, the Public Securities, the Registration Statement, the Pricing Disclosure Package, each Issuer Free Writing Prospectus, if any, and the Prospectus and all other legal matters relating to this Agreement, the Representative's Warrants and the transactions contemplated hereby shall be reasonably satisfactory in all material respects to Representative Counsel, and the Company shall have furnished to such counsel all documents and information that they may reasonably request to enable them to pass upon such matters.

4.8 Lock-Up Agreements. On or before the date of this Agreement, the Company shall have delivered to the Representative executed copies of the Lock-Up Agreements from each of the persons listed in Schedule 3 hereto.

4.9 Warrant Agent Agreement. On or before the date of this Agreement, the Company shall have entered into a Warrant Agent Agreement between the Company and VStock Transfer, LLC, as warrant agent with respect to the Warrants, in the form filed as an exhibit to the Registration Statement (the "**Warrant Agent Agreement**"), or if applicable, as otherwise directed by the Underwriters.

4.10 Representative's Warrants. On the Closing Date, the Company shall have delivered to the Representative executed copies of the Representative's Warrants.

4.11 Additional Documents. At the Closing Date and at each Option Closing Date (if any) Representative Counsel shall have been furnished with such documents and opinions as they may reasonably require for the purpose of enabling Representative Counsel to deliver an opinion to the Underwriters, or in order to evidence the accuracy of any of the representations or warranties, or the fulfillment of any of the conditions, herein contained; and all proceedings taken by the Company in connection with the issuance and sale of the Public Securities and Representative's Securities as herein contemplated shall be reasonably satisfactory in form and substance to the Representative and Representative Counsel.

5. INDEMNIFICATION.

5.1 Indemnification of the Underwriters.

5.1.1 General. The Company shall indemnify and hold harmless each Underwriter, its affiliates and each of its and their respective directors, officers, members, employees, representatives, partners, shareholders, affiliates, counsel and agents and each person, if any, who controls any such Underwriter within the meaning of Section 15 of the Securities Act or Section 20 of the Exchange Act (collectively the "**Underwriter Indemnified Parties**," and each an "**Underwriter Indemnified Party**"),

against any and all loss, liability, claim, damage and expense whatsoever (including but not limited to any and all legal or other expenses reasonably incurred in investigating, preparing or defending against any litigation, commenced or threatened, or any claim whatsoever, whether arising out of any action between any of the Underwriter Indemnified Parties and the Company or between any of the Underwriter Indemnified Parties and any third party, or otherwise) to which they or any of them may become subject under the Securities Act, the Exchange Act or any other statute or at common law or otherwise or under the laws of foreign countries, arising out of or based upon any untrue statement or alleged untrue statement of a material fact contained in (i) the Registration Statement, the Pricing Disclosure Package, the Preliminary Prospectus, the Prospectus or any Issuer Free Writing Prospectus (as from time to time each may be amended and supplemented); (ii) any materials or information provided to investors by, or with the approval of, the Company in connection with the marketing of the Offering, including any "road show" or investor presentations made to investors by the Company (whether in person or electronically); or (iii) any application or other document or written communication (in this Section 5, collectively called "**application**") executed by the Company or based upon written information furnished by the Company in any jurisdiction in order to qualify the Public Securities and the Representative's Securities under the securities laws thereof or filed with the Commission, any state securities commission or agency, the Exchange or any other national securities exchange; or the omission or alleged omission therefrom of a material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading, unless such statement or omission was made in reliance upon, and in conformity with, the Underwriters' Information. With respect to any untrue statement or omission or alleged untrue statement or omission made in the Pricing Disclosure Package, the indemnity agreement contained in this Section 5.1.1 shall not inure to the benefit of any Underwriter Indemnified Party to the extent that any loss, liability, claim, damage or expense of such Underwriter Indemnified Party (a) is based on the Underwriters' Information or material omission therefrom, (b) results from the fact that a copy of the Prospectus was not given or sent to the person asserting any such loss, liability, claim or damage at or prior to the written confirmation of sale of the Public Securities to such person as required by the Securities Act and the Securities Act Regulations, and if the untrue statement or omission has been corrected in the Prospectus, unless such failure to deliver the Prospectus was a result of non-compliance by the Company with its obligations under Section 3.3 hereof, or (c) is found in a final, non-appealable judgment of a court of competent jurisdiction to have resulted primarily from the willful misconduct or gross negligence of such Underwriter Indemnified Party.

5.1.2 Procedure. If any action is brought against an Underwriter Indemnified Party in respect of which indemnity may be sought against the Company pursuant to Section 5.1.1, such Underwriter Indemnified Party shall promptly notify the Company in writing of the institution of such action and the Company shall be entitled to participate therein and, to the extent that it wishes, jointly with any other similarly notified indemnifying party, to assume the defense of such action, including the employment and fees of counsel (subject to the reasonable approval of such Underwriter Indemnified Party) and payment of actual expenses. Such Underwriter Indemnified Party shall have the right to employ its or their own counsel in any such case, but the fees and expenses of such counsel shall be at the expense of such Underwriter Indemnified Party unless (i) the employment of such counsel at the expense of the Company shall have been authorized in writing by the Company in connection with the defense of such action, or (ii) the Company shall not have employed counsel to have charge of the defense of such action, or (iii) the action includes both the Company and the indemnified party as defendants and such indemnified party or parties shall have been advised by its counsel that there may be defenses available to it or them which are different from or additional to those available to the Company which makes it impossible or inadvisable for the Company and such indemnified party to be represented in the action by the same counsel (in which case the Company shall not have the right to direct the defense of such action on behalf of the indemnified party), in any of which events the reasonable fees and expenses of not more than one additional firm of attorneys selected by the Underwriter Indemnified Parties who are party to such action (in addition to local counsel) shall be borne by the Company. Notwithstanding anything to the contrary contained herein, if any Underwriter Indemnified Party shall assume the defense of such action as provided above, the Company shall have the right to approve the terms of any settlement of such action, which approval shall not be unreasonably withheld.

5.2 Indemnification of the Company. Each Underwriter, severally and not jointly, shall indemnify and hold harmless the Company, its directors, its officers who signed the Registration Statement and persons who control the Company within the meaning of Section 15 of the Securities Act or Section 20 of the Exchange Act against any and all loss, liability, claim, damage and expense described in the foregoing indemnity from the Company to the several Underwriters, as incurred, but only with respect to such losses, liabilities, claims, damages and expenses (or actions in respect thereof) which arise out of or are based upon untrue statements or omissions made in the Registration Statement, any Preliminary Prospectus, the Pricing Disclosure Package or Prospectus or any amendment or supplement thereto or in any application, in reliance upon, and in strict conformity with, the Underwriters' Information. In case any action shall be brought against the Company or any other person so indemnified based on any Preliminary Prospectus, the Registration Statement, the Pricing Disclosure Package or Prospectus or any amendment or supplement thereto or any application, and in respect of which indemnity may be sought against any Underwriter, such Underwriter shall have the rights and duties given to the Company, and the Company and each other person so indemnified shall have the rights and duties given to the several Underwriters by the provisions of Section 5.1.2. The Company agrees promptly to notify the Representative of the commencement of any litigation or proceedings against the Company or any of its officers, directors or any person, if any, who controls the Company within the meaning of Section 15 of the Securities Act or Section 20 of the Exchange Act, in connection with the issuance and sale of the Public Securities or in connection with the Registration Statement, the Pricing Disclosure Package, the Prospectus or any Issuer Free Writing Prospectus.

5.3 Contribution.

5.3.1 Contribution Rights. If the indemnification provided for in this Section 5 shall for any reason be unavailable to or insufficient to hold harmless an indemnified party under Section 5.1 or 5.2 in respect of any loss, claim, damage or liability, or any action in respect thereof, referred to therein, then each indemnifying party shall, in lieu of indemnifying such indemnified party, contribute to the amount paid or payable by such indemnified party as a result of such loss, claim, damage or liability, or action in respect thereof, (i) in such proportion as shall be appropriate to reflect the relative benefits received by the Company, on the one hand, and each of the Underwriters, on the other hand, from the Offering, or (ii) if the allocation provided by clause (i) above is not permitted by applicable law, in such proportion as is appropriate to reflect not only the relative benefits referred to in clause (i) above but also the relative fault of the Company, on the one hand, and the Underwriters, on the other, with respect to the statements or omissions that resulted in such loss, claim, damage or liability, or action in respect thereof, as well as any other relevant equitable considerations. The relative benefits received by the Company, on the one hand, and the Underwriters, on the other, with respect to such Offering shall be deemed to be in the same proportion as the total proceeds from the Offering (before deducting expenses) received by the Company bear to the total underwriting discount and commissions received by the Underwriters in connection with the Offering, in each case as set forth in the table on the cover page of the Prospectus. The relative fault of the Company, on the one hand, and the Underwriters, on the other, shall be determined by reference to, among other things, whether the untrue or alleged untrue statement of a material fact or the omission or alleged omission to state a material fact relates to information supplied by the Company, on the one hand, or the Underwriters, on the other, the intent of the parties and their relative knowledge, access to information and opportunity to correct or prevent such untrue statement, omission, act or failure to act; provided that the parties hereto agree that the written information furnished to the Company through the Representative by or on behalf of any Underwriter for use in any Preliminary Prospectus, any Registration Statement or the Prospectus, or in any amendment or supplement thereto, consists solely of the Underwriters' Information and any material information that was omitted therefrom. The Company and the Underwriters agree that it would not be just and equitable if contributions pursuant to this Section 5.3.1 were to be determined by pro rata allocation or by any other method of allocation that does not take into account the equitable considerations referred to herein. The amount paid or payable by an indemnified party as a result of the loss, claim, damage, expense, liability, action, investigation or proceeding referred to above in this Section 5.3.1 shall be deemed to include, for purposes of this Section 5.3.1, any legal or other expenses reasonably incurred by such indemnified party in connection with investigating, preparing to defend or defending against or appearing as a third party witness in respect of, or otherwise incurred in connection with, any such loss, claim, damage, expense, liability, action, investigation or proceeding. Notwithstanding the provisions of this Section 5.3.1 no Underwriter shall be required to contribute any amount in excess of the total discount and commission received by such Underwriter in connection with the Offering less the amount of any damages which such Underwriter has otherwise paid or becomes liable to pay by reason of any untrue or alleged untrue statement, omission or alleged omission, act or alleged act or failure to act or alleged failure to act. No person guilty of fraudulent misrepresentation (within the meaning of Section 11(f) of the Securities Act) shall be entitled to contribution from any person who was not guilty of such fraudulent misrepresentation.

5.3.2 Contribution Procedure. Within fifteen (15) days after receipt by any party to this Agreement (or its representative) of notice of the commencement of any action, suit or proceeding, such party will, if a claim for contribution in respect thereof is to be made against another party ("contributing party"), notify the contributing party of the commencement thereof, but the failure to so notify the contributing party will not relieve it from any liability which it may have to any other party other than for contribution hereunder. In case any such action, suit or proceeding is brought against any party, and such party notifies a contributing party or its representative of the commencement thereof within the aforesaid 15 days, the contributing party will be entitled to participate therein with the notifying party and any other contributing party similarly notified. Any such contributing party shall not be liable to any party seeking contribution on account of any settlement of any claim, action or proceeding affected by such party seeking contribution without the written consent of such contributing party. The contribution provisions contained in this Section 5.3.2 are intended to supersede, to the extent permitted by law, any right to contribution under the Securities Act, the Exchange Act or otherwise available. Each Underwriter's obligations to contribute as provided in this Section 5.3 are several and in proportion to their respective underwriting obligation, and not joint.

6. DEFAULT BY AN UNDERWRITER.

6.1 Default Not Exceeding 10% of Firm Units or Option Securities If any Underwriter or Underwriters shall default in its or their obligations to purchase the Firm Units or the Option Securities, if the Over-allotment Option is exercised hereunder, and if the number of the Firm Units or Option Securities with respect to which such default relates does not exceed in the aggregate 10% of the number of Firm Units or Option Securities that all Underwriters have agreed to purchase hereunder, then such Firm Units or Option Securities to which the default relates shall be purchased by the non-defaulting Underwriters in proportion to their respective commitments hereunder.

6.2 Default Exceeding 10% of Firm Units or Option Securities In the event that the default addressed in Section 6.1 relates to more than 10% of the number of Firm Units or Option Securities, the Representative may in its discretion arrange for itself or for another party or parties to purchase such Firm Units or Option Securities to which such default relates on the terms contained herein. If, within one (1) Business Day after such default relating to more than 10% of the number of Firm Units or Option Securities, the Representative does not arrange for the purchase of such Firm Units or Option Securities, then the Company shall be entitled to a further period of one (1) Business Day within which to procure another party or parties satisfactory to the Representative to purchase said Firm Units or Option Securities on such terms. In the event that neither the Representative nor the Company arrange for the purchase of the Firm Units or Option Securities to which a default relates as provided in this Section 6, this Agreement will automatically be terminated by the Representative or the Company without liability on the part of the Company (except as provided in Sections 3.10 and 5 hereof) or the several Underwriters (except as provided in Section 5 hereof); provided, however, that if such default occurs with respect to the Option Securities, this Agreement will not terminate as to the Firm Units; and provided, further, that nothing herein shall relieve a defaulting Underwriter of its liability, if any, to the other Underwriters and to the Company for damages occasioned by its default hereunder.

6.3 Postponement of Closing Date. In the event that the Firm Units or Option Securities to which the default relates are to be purchased by the non-defaulting Underwriters, or are to be purchased by another party or parties as aforesaid, the Representative or the Company shall have the right to postpone the Closing Date or Option Closing Date for a reasonable period, but not in any event exceeding five (5) Business Days, in order to effect whatever changes may thereby be made necessary in the Registration Statement, the Pricing Disclosure Package or the Prospectus or in any other documents and arrangements, and the Company agrees to file promptly any amendment to the Registration Statement, the Pricing Disclosure Package or the Prospectus that in the reasonable opinion of Representative Counsel may thereby be made necessary. The term "**Underwriter**" as used in this Agreement shall include any party substituted under this Section 6 with like effect as if it had originally been a party to this Agreement with respect to such Firm Units or Option Securities.

7. ADDITIONAL COVENANTS.

7.1 Prohibition on Press Releases and Public Announcements. The Company shall not issue press releases or engage in any other publicity, without the Representative's prior written consent, for a period ending at 5:00 p.m., Eastern time, on the first (1st) Business Day following the forty-fifth (45th) day after the Closing Date, other than normal and customary releases issued in the ordinary course of the Company's business.

7.2 [Intentionally Omitted].

7.3 Tail Period. Notwithstanding any other provision of this Agreement, in the event that the Offering is not consummated by the Underwriters as contemplated herein, the Company agrees to pay the Representative a cash fee equal to eight percent (8.0%) of the gross proceeds received by the Company from the sale of the securities offered to any investor actually introduced by the Representative to the Company during the Engagement Period (as defined below) (the "**Tail Financing**"), and such Tail Financing is consummated at any time during the Engagement Period or within the twelve (12) month period following the expiration of the Engagement Period, provided that such financing is by a party actually introduced to the Company in an offering in which the Company has direct knowledge of such party's participation and not a party that the Company can demonstrate was already known to the Company. In addition, unless (x) the Company terminates this Agreement for "Cause" (as defined below), or (y) the Representative fails to provide the underwriting services provided in this Agreement, upon termination of this Agreement, if the Company subsequently completes a public or private financing with any investors introduced to the Company by the Representative during the twelve (12) month period following such termination, the Representative shall be entitled to receive the same compensation to be paid to the Representative in connection with the Offering. "**Cause**", for the purpose of this Agreement, shall mean, as determined by a court of competent jurisdiction, willful misconduct, gross negligence or a material breach of this Agreement by the Representative. In the event that the Company believes that the Representative has engaged in conduct constituting Cause, the Company must first notify the Representative in writing of the facts and circumstances supporting such an assertion(s), and the Representative shall have twenty (20) days to cure such alleged conduct. "**Engagement Period**" shall mean the period beginning on October 14, 2021, and ending on the earlier of (i) twelve (12) months from the date of such date, (ii) the final closing, if any, of the Offering, or (iii) the date that either party to this Agreement gives the other party to this Agreement at least thirty (30) days' advance written notice of termination of that certain engagement letter agreement by and between the Company and the Representative, dated as of October 14, 2021 in accordance with the terms thereof.

8. EFFECTIVE DATE OF THIS AGREEMENT AND TERMINATION THEREOF.

8.1 Effective Date. This Agreement shall become effective when both the Company and the Representative have executed the same and delivered counterparts of such signatures to the other party.

8.2 Termination. The Representative shall have the right to terminate this Agreement at any time prior to any Closing Date, (i) if any domestic or international event or act or occurrence has materially disrupted, or in the Representative's reasonable opinion will in the immediate future materially disrupt, general securities markets in the United States; or (ii) if trading on the New York Stock Exchange or the Nasdaq Stock Market LLC shall have been suspended or materially limited, or minimum or maximum prices for trading shall have been fixed, or maximum ranges for prices for securities shall have been required by FINRA or by order of the Commission or any other government authority having jurisdiction; or (iii) if the United States shall have become involved in a new war or an increase in major hostilities; or (iv) if a banking moratorium has been declared by a New York State or federal authority; or (v) if a moratorium on foreign exchange trading has been declared which materially adversely impacts the United States securities markets; or (vi) if the Company shall have sustained a material loss by fire, flood, accident, hurricane, earthquake, theft, sabotage or other calamity or malicious act which, whether or not such loss shall have been insured, will, in the Representative's reasonable opinion, make it inadvisable to proceed with the delivery of the Firm Units or Option Securities; or (vii) if the Company is in material breach of any of its representations, warranties or covenants hereunder; or (viii) if the Representative shall have become

aware after the date hereof of a Material Adverse Change, or an adverse material change in general market conditions as in the Representative's judgment would make it impracticable to proceed with the offering, sale and/or delivery of the Public Securities or to enforce contracts made by the Underwriters for the sale of the Public Securities.

8.3 Expenses. Notwithstanding anything to the contrary in this Agreement, except in the case of a default by the Underwriters, pursuant to Section 6.2 above, in the event that this Agreement shall not be carried out for any reason whatsoever, within the time specified herein or any extensions thereof pursuant to the terms herein, the Company shall be obligated to pay to the Underwriters their actual and accountable out-of-pocket expenses related to the transactions contemplated herein then due and payable (including the fees and disbursements of Representative Counsel) up to $50,000, inclusive of the payments totaling up to $50,000 in advance for accountable expenses previously paid by the Company to the Representative (the "**Advance**"), and upon demand the Company shall pay the full amount thereof to the Representative on behalf of the Underwriters; provided, however, that such expense cap in no way limits or impairs the indemnification and contribution provisions of this Agreement.

Notwithstanding the foregoing, any advance received by the Representative will be reimbursed to the Company to the extent not actually incurred in compliance with FINRA Rule 5110(g)(4)(A).

8.4 Indemnification. Notwithstanding any contrary provision contained in this Agreement, any election hereunder or any termination of this Agreement, and whether or not this Agreement is otherwise carried out, the provisions of Section 5 shall remain in full force and effect and shall not be in any way affected by, such election or termination or failure to carry out the terms of this Agreement or any part hereof.

8.5 Representations, Warranties, Agreements to Survive. All representations, warranties and agreements contained in this Agreement or in certificates of officers of the Company submitted pursuant hereto, shall remain operative and in full force and effect regardless of (i) any investigation made by or on behalf of any Underwriter or its affiliates or selling agents, any person controlling any Underwriter, its officers or directors or any person controlling the Company or (ii) delivery of and payment for the Public Securities.

9. MISCELLANEOUS.

9.1 Constructive Knowledge. Whenever a representation or warranty or other statement in this Agreement (including, without limitation, schedules hereto) is made with respect to a party's "knowledge," such statement refers to the knowledge, after reasonable inquiry, of such party's employees or agents who were or are responsible for or involved with the indicated matter.

9.2 Notices. All communications hereunder, except as herein otherwise specifically provided, shall be in writing and shall be mailed (registered or certified mail, return receipt requested), personally delivered or sent by email or facsimile transmission and confirmed and shall be deemed given when so delivered or emailed or faxed and confirmed (which confirmation may be by email or facsimile transmission) or if mailed, two (2) days after such mailing.

If to the Representative:

EF Hutton

590 Madison Avenue, 39th Floor
New York, New York 10022
Attn: Joseph T. Rallo
Email: jrallo@efhuttongroupcm.com

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

Mitchell Silberberg & Knupp LLP
437 Madison Avenue
New York, New York 10022
Attn: Blake Baron
Fax No.: (917) 546-7686

If to the Company:

Yoshiharu Global Co.
6940 Beach Blvd., Suite D-705
Buena Park, California 90621
Attn: James Chae, Chief Executive Officer
Fax No.: [ ]

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

K&L Gates LLP
599 Lexington Avenue
New York, New York 10022
Attn: Matthew Ogurick
Fax No.: [ ]

9.3 Headings. The headings contained herein are for the sole purpose of convenience of reference, and shall not in any way limit or affect the meaning or interpretation of any of the terms or provisions of this Agreement.

9.4 Amendment. This Agreement may only be amended by a written instrument executed by each of the parties hereto.

9.5 Entire Agreement. This Agreement (together with the other agreements and documents being delivered pursuant to or in connection with this Agreement) constitutes the entire agreement of the parties hereto with respect to the subject matter hereof and thereof, and supersedes all prior agreements and understandings of the parties, oral and written, with respect to the subject matter hereof.

9.6 Binding Effect. This Agreement shall inure solely to the benefit of and shall be binding upon the Representative, the Underwriters, the Company and the controlling persons, directors and officers referred to in Section 5 hereof, and their respective successors, legal representatives, heirs and assigns, and no other person shall have or be construed to have any legal or equitable right, remedy or claim under or in respect of or by virtue of this Agreement or any provisions herein contained. The term

"successors and assigns" shall not include a purchaser, in its capacity as such, of securities from any of the Underwriters.

9.7 Governing Law; Consent to Jurisdiction; Trial by Jury. This Agreement shall be governed by and construed and enforced in accordance with the laws of the State of New York, without giving effect to conflict of laws principles thereof to the extent that such principles or rules would require or permit the application of the laws of any jurisdiction other than those of the State of New York. The Company hereby agrees that any action, proceeding or claim against it arising out of, or relating in any way to this Agreement shall be brought and enforced in the New York Supreme Court, County of New York, or in the United States District Court for the Southern District of New York, and irrevocably submits to such jurisdiction, which jurisdiction shall be exclusive. The Company hereby waives any objection to such exclusive jurisdiction and that such courts represent an inconvenient forum. Any such process or summons to be served upon the Company may be served by transmitting a copy thereof by registered or certified mail, return receipt requested, postage prepaid, addressed to it at the address set forth in Section 9.1 hereof. Such mailing shall be deemed personal service and shall be legal and binding upon the Company in any action, proceeding or claim. The Company agrees that the prevailing party(ies) in any such action shall be entitled to recover from the other party(ies) all of its reasonable attorneys' fees and expenses relating to such action or proceeding and/or incurred in connection with the preparation therefor. The Company (on its behalf and, to the extent permitted by applicable law, on behalf of its stockholders and affiliates) and each of the Underwriters hereby irrevocably waives, to the fullest extent permitted by applicable law, any and all right to trial by jury in any legal proceeding arising out of or relating to this Agreement or the transactions contemplated hereby.

9.8 Execution in Counterparts. This Agreement may be executed in one or more counterparts, and by the different parties hereto in separate counterparts, each of which shall be deemed to be an original, but all of which taken together shall constitute one and the same agreement, and shall become effective when one or more counterparts has been signed by each of the parties hereto and delivered to each of the other parties hereto. Delivery of a signed counterpart of this Agreement by facsimile or email/pdf transmission shall constitute valid and sufficient delivery thereof.

9.9 Waiver, etc. The failure of any of the parties hereto to at any time enforce any of the provisions of this Agreement shall not be deemed or construed to be a waiver of any such provision, nor to in any way affect the validity of this Agreement or any provision hereof or the right of any of the parties hereto to thereafter enforce each and every provision of this Agreement. No waiver of any breach, non-compliance or non-fulfillment of any of the provisions of this Agreement shall be effective unless set forth in a written instrument executed by the party or parties against whom or which enforcement of such waiver is sought; and no waiver of any such breach, non-compliance or non-fulfillment shall be construed or deemed to be a waiver of any other or subsequent breach, non-compliance or non-fulfillment.

[Signature Page Follows]

If the foregoing correctly sets forth the understanding between the Underwriters and the Company, please so indicate in the space provided below for that purpose, whereupon this letter shall constitute a binding agreement between us.

Very truly yours,

Yoshiharu Global Co.

By: _____
Name:
Title:

as of the date first written above mentioned, on behalf of itself and as Representative of the several Underwriters named on Schedule 1 hereto:

EF HUTTON,
division of Benchmark Investments, LLC

By: _____
Name: Sam Fleischman
Title: Supervisory Principal

[Signature Page to Underwriting Agreement]

SCHEDULE 1

Underwriter	Total Number of Firm Units to be Purchased	Number of Additional Option Shares and Option Warrants to be Purchased if the Over-Allotment Option is Fully Exercised
EF Hutton, division of Benchmark Investments, LLC		
TOTAL		

SCHEDULE 2-A

Pricing Information

Number of Firm Units:
Number of Option Shares:
Number of Option Warrants:
Public Offering Price per Firm Unit:

Public Offering Price per Option Share and Option Warrant:
Underwriting Discount per Firm Unit:
Underwriting Discount per Option Share and Option Warrant:
Proceeds to Company per Firm Unit (before expenses):
Proceeds to Company per Option Share and Option Warrant (before expenses):

SCHEDULE 2-B

Issuer General Use Free Writing Prospectuses

None.

SCHEDULE 3

List of Lock-Up Parties[1]

James Chae
Kevin Hartley
Jay Kim
Helen Lee
Ho Suk Kang

[1] NTD: subject to the inclusion of additional parties based on completed S-1 beneficial ownership table.

EXHIBIT A

Form of Representative's Warrant

THE REGISTERED HOLDER OF THIS PURCHASE WARRANT BY ITS ACCEPTANCE HEREOF, AGREES THAT IT WILL NOT SELL, TRANSFER OR ASSIGN THIS PURCHASE WARRANT EXCEPT AS HEREIN PROVIDED AND THE REGISTERED HOLDER OF THIS PURCHASE WARRANT AGREES THAT IT WILL NOT SELL, TRANSFER, ASSIGN, PLEDGE OR HYPOTHECATE THIS PURCHASE WARRANT FOR A PERIOD OF ONE HUNDRED EIGHTY DAYS FOLLOWING THE EFFECTIVE DATE (DEFINED BELOW) TO ANYONE OTHER THAN (I) EF HUTTON, DIVISION OF BENCHMARK INVESTMENTS, LLC OR AN UNDERWRITER OR A SELECTED DEALER IN CONNECTION WITH THE OFFERING, OR (II) A BONA FIDE OFFICER OR PARTNER OF EF HUTTON, DIVISION OF BENCHMARK INVESTMENTS, LLC OR OF ANY SUCH UNDERWRITER OR SELECTED DEALER.

THIS PURCHASE WARRANT IS NOT EXERCISABLE PRIOR TO [ ] [**DATE THAT IS SIX MONTHS FROM THE EFFECTIVE DATE OF THE OFFERING**]. VOID AFTER 5:00 P.M., EASTERN TIME, [ ] [**DATE THAT IS FIVE YEARS FROM THE EFFECTIVE DATE OF THE OFFERING**].

COMMON STOCK PURCHASE WARRANT

For the Purchase of [ ] Shares of Common Stock of

Yoshiharu Global Co.

1. Purchase Warrant. THIS CERTIFIES THAT, in consideration of funds duly paid by or on behalf of EF Hutton, division of Benchmark Investments, LLC ("**Holder**"), as registered owner of this Purchase Warrant Yoshiharu Global Co., a Delaware corporation (the "**Company**"), Holder is entitled, at any time or from time to time from [ ] [**DATE THAT IS SIX MONTHS FROM THE EFFECTIVE DATE OF THE OFFERING**] (the "**Commencement Date**"), and at or before 5:00 p.m., Eastern time, [ ] [**DATE THAT IS FIVE YEARS FROM THE EFFECTIVE DATE OF THE OFFERING**] (the "**Expiration Date**"), but not thereafter, to subscribe for, purchase and receive, in whole or in part, up to [ ] shares of common stock of the Company, par value $0.0001 per share (the "**Shares**"), subject to adjustment as provided in Section 6 hereof. If the Expiration Date is a day on which banking institutions are authorized by law to close, then this Purchase Warrant may be exercised on the next succeeding day which is not such a day in accordance with the terms herein. During the period ending on the Expiration Date, the Company agrees not to take any action that would terminate this Purchase Warrant. This Purchase Warrant is initially exercisable at $[ ] per Share; provided, however, that upon the occurrence of any of the events specified in Section 6 hereof, the rights granted by this Purchase Warrant, including the exercise price per Share and the number of Shares to be received upon such exercise, shall be adjusted as therein specified. The term "**Exercise Price**" shall mean the initial exercise price or the adjusted exercise price, depending on the context. The term "**Effective Date**" shall mean [ ], 2022, the date on which the Registration Statement on Form S-1 (File No. 333- [ ]) of the Company was declared effective by the Securities and Exchange Commission.

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2. Exercise.

2.1 Exercise Form. In order to exercise this Purchase Warrant, the exercise form attached hereto must be duly executed and completed and delivered to the Company, together with this Purchase Warrant and payment of the Exercise Price for the Shares being purchased payable in cash by wire transfer of immediately available funds to an account designated by the Company or by certified check or official bank check. If the subscription rights represented hereby shall not be exercised at or before 5:00 p.m., Eastern time, on the Expiration Date, this Purchase Warrant shall become and be void without further force or effect, and all rights represented hereby shall cease and expire.

2.2 Cashless Exercise. If at any time after the Commencement Date there is no effective registration statement registering, or no current prospectus available for, the resale of the Shares by the Holder, then in lieu of exercising this Purchase Warrant by payment of cash or check payable to the order of the Company pursuant to Section 2.1 above, Holder may elect to receive the number of Shares equal to the value of this Purchase Warrant (or the portion thereof being exercised), by surrender of this Purchase Warrant to the Company, together with the exercise form attached hereto, in which event the Company shall issue to Holder, Shares in accordance with the following formula:

X = Y(A-B)

A

Where,

X = The number of Shares to be issued to Holder;

Y = The number of Shares for which the Purchase Warrant is being exercised; A = The fair market value of one Share; and

B = The Exercise Price.

For purposes of this Section 2.2, the fair market value of a Share is defined as follows:

(i) if the Company's common stock is traded on a securities exchange, the value shall be deemed to be the closing price on such exchange prior to the exercise form being submitted in connection with the exercise of the Purchase Warrant; or

(ii) if the Company's common stock is actively traded over-the-counter, the value shall be deemed to be the closing bid price prior to the exercise form being submitted in connection with the exercise of the Purchase Warrant; if there is no active public market, the value shall be the fair market value thereof, as determined in good faith by the Company's Board of Directors.

2.3 Legend. Each certificate for the securities purchased under this Purchase Warrant shall bear a legend as follows unless such securities have been registered under the Securities Act of 1933, as amended (the "**Securities Act**"):

"THE SECURITIES REPRESENTED BY THIS CERTIFICATE HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), OR APPLICABLE STATE LAW. NEITHER THE SECURITIES NOR ANY INTEREST THEREIN MAY BE OFFERED FOR SALE, SOLD OR OTHERWISE TRANSFERRED EXCEPT PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT UNDER THE SECURITIES ACT, OR PURSUANT TO AN EXEMPTION FROM REGISTRATION UNDER THE SECURITIES ACT AND APPLICABLE STATE LAW WHICH, IN THE OPINION OF COUNSEL TO THE COMPANY, IS AVAILABLE."

3. Transfer.

3.1 General Restrictions. The registered Holder of this Purchase Warrant agrees by his, her or its acceptance hereof, that such Holder will not: (a) sell, transfer, assign, pledge or hypothecate this Purchase Warrant or the securities issuable hereunder for a period of one hundred eighty (180) days following the Effective Date to anyone other than: (i) EF Hutton, division of Benchmark Investments, LLC ("**EF Hutton**") or an underwriter or a selected dealer participating in the Offering, or (ii) a bona fide officer or partner of EF Hutton or of any such underwriter or selected dealer, in each case in accordance with FINRA Conduct Rule 5110(e)(1), or (b) for a period of one hundred eighty (180) days following the Effective Date, cause this Purchase Warrant or the securities issuable hereunder to be the subject of any hedging, short sale, derivative, put or call transaction that would result in the effective economic disposition of this Purchase Warrant or the securities hereunder, except as provided for in FINRA Rule 5110(e)(2). On and after one hundred eighty (180) days after the Effective Date, transfers to others may be made subject to compliance with or exemptions from applicable securities laws. In order to make any permitted assignment, the Holder must deliver to the Company the assignment form attached hereto duly executed and completed, together with the Purchase Warrant and payment of all transfer taxes, if any, payable in connection therewith. The Company shall within five (5) business days transfer this Purchase Warrant on the books of the Company and shall execute and deliver a new Purchase Warrant or Purchase Warrants of like tenor to the appropriate assignee(s) expressly evidencing the right to purchase the aggregate number of Shares purchasable hereunder or such portion of such number as shall be contemplated by any such assignment.

3.2 Restrictions Imposed by the Securities Act. The securities evidenced by this Purchase Warrant shall not be transferred unless and until: (i) the Company has received the opinion of counsel for the Holder that the securities may be transferred pursuant to an exemption from registration under the Securities Act and applicable state securities laws, the availability of which is established to the reasonable satisfaction of the Company (the Company hereby agreeing that the opinion of K&L Gates LLP shall be deemed satisfactory evidence of the availability of an exemption), or (ii) a registration statement or a post-effective amendment to the Registration Statement relating to the offer and sale of such securities has been filed by the Company and declared effective by the U.S. Securities and Exchange Commission (the "**Commission**") and compliance with applicable state securities law has been established.

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4. Registration Rights.

4.1 Demand Registration.

4.1.1 Grant of Right. The Company, upon written demand (a "**Demand Notice**") of the Holders of at least 51% of the Purchase Warrants and/or the underlying Shares, agrees to register, on one (1) occasion, all or any portion of the Shares underlying the Purchase Warrants (collectively, the " **Registrable Securities**"). On such occasion, the Company will file a registration statement with the Commission covering the Registrable Securities within sixty (60) days after receipt of a Demand Notice and use its reasonable best efforts to have the registration statement declared effective promptly thereafter, subject to compliance with review by the Commission; provided, however, that the Company shall not be required to comply with a Demand Notice if the Company has filed a registration statement with respect to which the Holder is entitled to piggyback registration rights pursuant to Section 4.2 hereof and either: (i) the Holder has elected to participate in the offering covered by such registration statement or (ii) if such registration statement relates to an underwritten primary offering of securities of the Company, until the offering covered by such registration statement has been withdrawn or until thirty (30) days after such offering is consummated. The Company covenants and agrees to give written notice of its receipt of any Demand Notice by any Holders to all other registered Holders of the Purchase Warrants and/or the Registrable Securities within ten (10) days after the date of the receipt of any such Demand Notice.

4.1.2 Terms. The Company shall bear all fees and expenses attendant to the registration of the Registrable Securities pursuant to Section 4.1.1, but the Holders shall pay any and all underwriting commissions and the expenses of any legal counsel selected by the Holders to represent them in connection with the sale of the Registrable Securities. The Company agrees to use its reasonable best efforts to cause the filing required herein to become effective promptly and to qualify or register the Registrable Securities in such states as are reasonably requested by the Holders; provided, however, that in no event shall the Company be required to register the Registrable Securities in a State in which such registration would cause: (i) the Company to be obligated to register or license to do business in such State or submit to general service of process in such State, or (ii) the principal stockholders of the Company to be obligated to escrow their shares of capital stock of the Company. The Company shall cause any registration statement filed pursuant to the demand right granted under Section 4.1.1 to remain effective for a period of at least twelve (12) consecutive months after the date that the Holders of the Registrable Securities covered by such registration statement are first given the opportunity to sell all of such securities. The Holders shall only use the prospectuses provided by the Company to sell the shares covered by such registration statement, and will immediately cease to use any prospectus furnished by the Company if the Company advises the Holder that such prospectus may no longer be used due to a material misstatement or omission. Notwithstanding the provisions of this Section 4.1.2, the Holder shall be entitled to a demand registration under this Section 4.1.2 on only one (1) occasion and such demand registration right shall terminate on the fifth anniversary of the Effective Date in accordance with FINRA Rule 5110(g)(8)(C).

4.2 "Piggy-Back" Registration.

4.2.1 Grant of Right. In addition to the demand right of registration described in Section 4.1 hereof, the Holder shall have the right, for a period of no more than seven (7) years from the Effective Date in accordance with FINRA Rule 5110(g)(8)(D), to include the Registrable Securities as part of any other registration of securities filed by the Company (other than in connection with a transaction contemplated by Rule 145(a) promulgated under the Securities Act or pursuant to Form S-8 or Form S-4 or any equivalent form); provided, however, that if, solely in connection with any primary underwritten public offering for the account of the Company, the managing underwriter(s) thereof shall, in its reasonable discretion, impose a limitation on the number of shares of common stock which may be included in the Registration Statement because, in such underwriter(s)' judgment, marketing or other factors dictate such limitation is necessary to facilitate public distribution, then the Company shall be obligated to include in such Registration Statement only such limited portion of the Registrable Securities with respect to which the Holder requested inclusion hereunder as the underwriter shall reasonably permit. Any exclusion of Registrable Securities shall be made pro rata among the Holders seeking to include Registrable Securities in proportion to the number of Registrable Securities sought to be included by such Holders; provided, however, that the Company shall not exclude any Registrable Securities unless the Company has first excluded all outstanding securities, the holders of which are not entitled to inclusion of such securities in such Registration Statement or are not entitled to pro rata inclusion with the Registrable Securities.

4.2.2 Terms. The Company shall bear all fees and expenses attendant to registering the Registrable Securities pursuant to Section 4.2.1 hereof, but the Holders shall pay any and all underwriting commissions and the expenses of any legal counsel selected by the Holders to represent them in connection with the sale of the Registrable Securities. In the event of such a proposed registration, the Company shall furnish the then Holders of outstanding Registrable Securities with not less than thirty (30) days' written notice prior to the proposed date of filing of such registration statement. Such notice to the Holders shall continue to be given for each registration statement filed by the Company until such time as all of the Registrable Securities have been sold by the Holder. The holders of the Registrable Securities shall exercise the "piggy-back" rights provided for herein by giving written notice within ten (10) days of the receipt of the Company's notice of its intention to file a registration statement. Except as otherwise provided in this Purchase Warrant, there shall be no limit on the number of times the Holder may request registration under this Section 4.2.2; provided, however, that such registration rights shall terminate on the fifth anniversary of the Commencement Date.

4.3 General Terms.

4.3.1 Indemnification. The Company shall indemnify the Holders of the Registrable Securities to be sold pursuant to any registration statement hereunder and each person, if any, who controls such Holders within the meaning of Section 15 of the Securities Act or Section 20(a) of the Securities Exchange Act of 1934, as amended ("**Exchange Act**"), against all loss, claim, damage, expense or liability (including all reasonable attorneys' fees and other expenses reasonably incurred in investigating, preparing or defending against any claim whatsoever) to which any of them may become subject under the Securities Act, the Exchange Act or otherwise, arising from such registration statement but only to the same extent and with the same effect as the provisions pursuant to which the Company has agreed to indemnify the Underwriters contained in Section 5.1 of the Underwriting Agreement between the Underwriters and the Company, dated as of [ ], 2022. The Holders of the Registrable Securities to be sold pursuant to such registration statement, and their successors and assigns, shall severally, and not jointly, indemnify the Company, against all loss, claim, damage, expense or liability (including all reasonable attorneys' fees and other expenses reasonably incurred in investigating, preparing or defending against any claim whatsoever) to which they may become subject under the Securities Act, the Exchange Act or otherwise, arising from information furnished by or on behalf of such Holders, or their successors or assigns, in writing, for specific inclusion in such registration statement to the same extent and with the same effect as the provisions contained in Section 5.2 of the Underwriting Agreement pursuant to which the Underwriters have agreed to indemnify the Company.

4.3.2 Exercise of Purchase Warrants. Nothing contained in this Purchase Warrant shall be construed as requiring the Holders to exercise their Purchase Warrants prior to or after the initial filing of any registration statement or the effectiveness thereof.

4.3.3 Documents Delivered to Holders. The Company shall furnish to each Holder participating in any of the foregoing offerings and to each underwriter of any such offering, if any, a signed counterpart, addressed to such Holder or underwriter, of: (i) an opinion of counsel to the Company, dated the effective date of such registration statement (and, if such registration includes an underwritten public offering, an opinion dated the date of the closing under any underwriting agreement related thereto), and (ii) a "cold comfort" letter dated the effective date of such registration statement (and, if such registration includes an underwritten public offering, a letter dated the date of the closing under the underwriting agreement) signed by the independent registered public accounting firm which has issued a report on the Company's financial statements included in such registration statement, in each case covering substantially the same matters with respect to such registration statement (and the prospectus included therein) and, in the case of such accountants' letter, with respect to events subsequent to the date of such financial statements, as are customarily covered in opinions of issuer's counsel and in accountants' letters delivered to underwriters in underwritten public offerings of securities. The Company shall also deliver promptly to each Holder participating in the offering requesting the correspondence and memoranda described below and to the managing underwriter, if any, copies of all correspondence between the Commission and the Company, its counsel or auditors and all memoranda relating to discussions with the Commission or its staff with respect to the registration statement and permit each Holder and underwriter to do such investigation, upon reasonable advance notice, with respect to information contained in or omitted from the registration statement as it deems reasonably necessary to comply with applicable securities laws or rules of FINRA. Such investigation shall include access to books, records and properties and opportunities to discuss the business of the Company with its officers and independent auditors, all to such reasonable extent and at such reasonable times as any such Holder shall reasonably request.

4.3.4 Underwriting Agreement. The Company shall enter into an underwriting agreement with the managing underwriter(s), if any, selected by any Holders whose Registrable Securities are being registered pursuant to this Section 4, which managing underwriter shall be reasonably satisfactory to the Company. Such agreement shall be reasonably satisfactory in form and substance to the Company, each Holder and such managing underwriters, and shall contain such representations, warranties and covenants by the Company and such other terms as are customarily contained in agreements of that type used by the managing underwriter. The Holders shall be parties to any underwriting agreement relating to an underwritten sale of their Registrable Securities and may, at their option, require that any or all the representations, warranties and covenants of the Company to or for the benefit of such underwriters shall also be made to and for the benefit of such Holders. Such Holders shall not be required to make any representations or warranties to or agreements with the Company or the underwriters except as they may relate to such Holders, their Shares and their intended methods of distribution.

4.3.5 Documents to be Delivered by Holders. Each of the Holders participating in any of the foregoing offerings shall furnish to the Company a completed and executed questionnaire provided by the Company requesting information customarily sought of selling security holders.

4.3.6 Damages. Should the registration or the effectiveness thereof required by Sections 4.1 and 4.2 hereof be delayed by the Company or the Company otherwise fails to comply with such provisions, the Holders shall, in addition to any other legal or other relief available to the Holders, be entitled to obtain specific performance or other equitable (including injunctive) relief against the threatened breach of such provisions or the continuation of any such breach, without the necessity of proving actual damages and without the necessity of posting bond or other security.

4.4 Termination of Registration Rights. The registration rights afforded to the Holders under this Section 4 shall terminate on the earliest date when all Registrable

Securities of such Holder either: (i) have been publicly sold by such Holder pursuant to a Registration Statement, (ii) have been covered by an effective Registration Statement on Form S-1 or Form S-3 (or successor form), which may be kept effective as an evergreen Registration Statement, or (iii) may be sold by the Holder within a 90 day period without registration pursuant to Rule 144 or consistent with applicable SEC interpretive guidance (including CD&I no. 201.04 (April 2, 2007) or similar interpretive guidance).

5. New Purchase Warrants to be Issued.

5.1 Partial Exercise or Transfer. Subject to the restrictions in Section 3 hereof, this Purchase Warrant may be exercised or assigned in whole or in part. In the event of the exercise or assignment hereof in part only, upon surrender of this Purchase Warrant for cancellation, together with the duly executed exercise or assignment form and funds sufficient to pay any Exercise Price and/or transfer tax if exercised pursuant to Section 2.1 hereto, the Company shall cause to be delivered to the Holder without charge a new Purchase Warrant of like tenor to this Purchase Warrant in the name of the Holder evidencing the right of the Holder to purchase the number of Shares purchasable hereunder as to which this Purchase Warrant has not been exercised or assigned.

5.2 Lost Certificate. Upon receipt by the Company of evidence satisfactory to it of the loss, theft, destruction or mutilation of this Purchase Warrant and of reasonably satisfactory indemnification or the posting of a bond, the Company shall execute and deliver a new Purchase Warrant of like tenor and date. Any such new Purchase Warrant executed and delivered as a result of such loss, theft, mutilation or destruction shall constitute a substitute contractual obligation on the part of the Company.

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6. Adjustments.

6.1 Adjustments to Exercise Price and Number of Securities. The Exercise Price and the number of Shares underlying the Purchase Warrant shall be subject to adjustment from time to time as hereinafter set forth:

6.1.1 Share Dividends; Split Ups. If, after the date hereof, and subject to the provisions of Section 6.3 below, the number of outstanding Shares is increased by a stock dividend payable in Shares or by a split up of Shares or other similar event, then, on the effective day thereof, the number of Shares purchasable hereunder shall be increased in proportion to such increase in outstanding Shares, and the Exercise Price shall be proportionately decreased.

6.1.2 Aggregation of Shares. If, after the date hereof, and subject to the provisions of Section 6.3 below, the number of outstanding Shares is decreased by a consolidation, combination or reclassification of Shares or other similar event, then, on the effective date thereof, the number of Shares purchasable hereunder shall be decreased in proportion to such decrease in outstanding Shares, and the Exercise Price shall be proportionately increased.

6.1.3 Replacement of Securities upon Reorganization, etc. In case of any reclassification or reorganization of the outstanding Shares other than a change covered by Section 6.1.1 or 6.1.2 hereof or that solely affects the par value of such Shares, or in the case of any share reconstruction or amalgamation or consolidation of the Company with or into another corporation (other than a consolidation or share reconstruction or amalgamation in which the Company is the continuing corporation and that does not result in any reclassification or reorganization of the outstanding Shares), or in the case of any sale or conveyance to another corporation or entity of the property of the Company as an entirety or substantially as an entirety in connection with which the Company is dissolved, the Holder of this Purchase Warrant shall have the right thereafter (until the expiration of the right of exercise of this Purchase Warrant) to receive upon the exercise hereof, for the same aggregate Exercise Price payable hereunder immediately prior to such event, the kind and amount of shares of stock or other securities or property (including cash) receivable upon such reclassification, reorganization, share reconstruction or amalgamation, or consolidation, or upon a dissolution following any such sale or transfer, by a Holder of the number of Shares of the Company obtainable upon exercise of this Purchase Warrant immediately prior to such event; and if any reclassification also results in a change in Shares covered by Section 6.1.1 or 6.1.2, then such adjustment shall be made pursuant to Sections 6.1.1, 6.1.2 and this Section 6.1.3. The provisions of this Section 6.1.3 shall similarly apply to successive reclassifications, reorganizations, share reconstructions or amalgamations, or consolidations, sales or other transfers.

6.1.4 Changes in Form of Purchase Warrant. Except as may otherwise be required under Section 6.2 hereof, this form of Purchase Warrant need not be changed because of any change pursuant to this Section 6.1, and Purchase Warrants issued after such change may state the same Exercise Price and the same number of Shares as are stated in the Purchase Warrants initially issued pursuant to this Agreement. The acceptance by any Holder of the issuance of new Purchase Warrants reflecting a required or permissive change shall not be deemed to waive any rights to an adjustment occurring after the Commencement Date or the computation thereof.

6.2 Substitute Purchase Warrant. In case of any consolidation of the Company with, or share reconstruction or amalgamation of the Company with or into, another corporation (other than a consolidation or share reconstruction or amalgamation which does not result in any reclassification or change of the outstanding Shares), the corporation formed by such consolidation or share reconstruction or amalgamation shall execute and deliver to the Holder a supplemental Purchase Warrant providing that the holder of each Purchase Warrant then outstanding or to be outstanding shall have the right thereafter (until the stated expiration of such Purchase Warrant) to receive, upon exercise of such Purchase Warrant, the kind and amount of shares of stock and other securities and property receivable upon such consolidation or share reconstruction or amalgamation, by a holder of the number of Shares for which such Purchase Warrant might have been exercised immediately prior to such consolidation, share reconstruction or amalgamation, sale or transfer. Such supplemental Purchase Warrant shall provide for adjustments which shall be identical to the adjustments provided for in this Section 6. The above provision of this Section shall similarly apply to successive consolidations or share reconstructions or amalgamations.

6.3 Elimination of Fractional Interests. The Company shall not be required to issue certificates representing fractions of Shares upon the exercise of the Purchase Warrant, nor shall it be required to issue scrip or pay cash in lieu of any fractional interests, it being the intent of the parties that all fractional interests shall be eliminated by rounding any fraction up or down, as the case may be, to the nearest whole number of Shares or other securities, properties or rights.

7. Reservation and Listing. The Company shall at all times reserve and keep available out of its authorized Shares, solely for the purpose of issuance upon exercise of the Purchase Warrants, such number of Shares or other securities, properties or rights as shall be issuable upon the exercise thereof. The Company covenants and agrees that, upon exercise of the Purchase Warrants and payment of the Exercise Price therefor, in accordance with the terms hereby, all Shares and other securities issuable upon such exercise shall be duly and validly issued, fully paid and non- assessable and not subject to preemptive rights of any stockholder. As long as the Purchase Warrants shall be outstanding, the Company shall use its commercially reasonable efforts to cause all Shares issuable upon exercise of the Purchase Warrants to be listed (subject to official notice of issuance) on all national securities exchanges (or, if applicable, on the OTC Bulletin Board or any successor trading market) on which the Shares issued to the public in the Offering may then be listed and/or quoted.

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8. Certain Notice Requirements.

8.1 Holder's Right to Receive Notice. Nothing herein shall be construed as conferring upon the Holders the right to vote or consent or to receive notice as a stockholder for the election of directors or any other matter, or as having any rights whatsoever as a stockholder of the Company. If, however, at any time prior to the expiration of the Purchase Warrants and their exercise, any of the events described in Section 8.2 shall occur, then, in one or more of said events, the Company shall give written notice of such event at least fifteen (15) days prior to the date fixed as a record date or the date of closing the transfer books for the determination of the stockholders entitled to such dividend, distribution, conversion or exchange of securities or subscription rights, or entitled to vote on such proposed dissolution, liquidation, winding up or sale. Such notice shall

specify such record date or the date of the closing of the transfer books, as the case may be. Notwithstanding the foregoing, the Company shall deliver to each Holder a copy of each notice given to the other stockholders of the Company at the same time and in the same manner that such notice is given to the stockholders.

8.2 Events Requiring Notice. The Company shall be required to give the notice described in this Section 8 upon one or more of the following events: (i) if the Company shall take a record of the holders of its Shares for the purpose of entitling them to receive a dividend or distribution payable otherwise than in cash, or a cash dividend or distribution payable otherwise than out of retained earnings, as indicated by the accounting treatment of such dividend or distribution on the books of the Company; (ii) the Company shall offer to all the holders of its Shares any additional shares of capital stock of the Company or securities convertible into or exchangeable for shares of capital stock of the Company, or any option, right or warrant to subscribe therefor; or (iii) a dissolution, liquidation or winding up of the Company (other than in connection with a consolidation or share reconstruction or amalgamation) or a sale of all or substantially all of its property, assets and business shall be proposed.

8.3 Notice of Change in Exercise Price. The Company shall, promptly after an event requiring a change in the Exercise Price pursuant to Section 6 hereof, send notice to the Holders of such event and change ("**Price Notice**"). The Price Notice shall describe the event causing the change and the method of calculating same and shall be certified as being true and accurate by the Company's Chief Executive Officer or Chief Financial Officer.

8.4 Transmittal of Notices. All notices, requests, consents and other communications under this Purchase Warrant shall be in writing and shall be deemed to have been duly made when hand delivered or mailed by express mail or private courier service: (i) if to the registered Holder of the Purchase Warrant, to the address of such Holder as shown on the books of the Company, or (ii) if to the Company, to the following address or to such other address as the Company may designate by notice to the Holders:

If to the Holder:

EF Hutton

590 Madison Avenue, 39th Floor
New York, New York 10022
Attn: Joseph T. Rallo

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

Mitchell Silberberg & Knupp LLP
437 Madison Avenue
New York, New York 10022
Attn: Blake Baron
Fax No.: (917) 546-7686

If to the Company:

Yoshiharu Global Co.
6940 Beach Blvd., Suite D-705
Buena Park, California 90621
Attn: James Chae, Chief Executive Officer
Fax No.: [ ]

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

K&L Gates LLP
599 Lexington Avenue
New York, New York 10022
Attn: Matthew Ogurick
Fax No.: [ ]

9. Miscellaneous.

9.1 Amendments. The Company and EF Hutton may from time to time supplement or amend this Purchase Warrant without the approval of any of the Holders in order to cure any ambiguity, to correct or supplement any provision contained herein that may be defective or inconsistent with any other provisions herein, or to make any other provisions in regard to matters or questions arising hereunder that the Company and EF Hutton may deem necessary or desirable and that the Company and EF Hutton deem shall not adversely affect the interest of the Holders. All other modifications or amendments shall require the written consent of and be signed by the party against whom enforcement of the modification or amendment is sought.

9.2 Headings. The headings contained herein are for the sole purpose of convenience of reference, and shall not in any way limit or affect the meaning or interpretation of any of the terms or provisions of this Purchase Warrant.

9.3 Entire Agreement. This Purchase Warrant (together with the other agreements and documents being delivered pursuant to or in connection with this Purchase Warrant) constitutes the entire agreement of the parties hereto with respect to the subject matter hereof, and supersedes all prior agreements and understandings of the parties, oral and written, with respect to the subject matter hereof.

9.4 Binding Effect. This Purchase Warrant shall inure solely to the benefit of and shall be binding upon, the Holder and the Company and their permitted assignees, respective successors, legal representatives and assigns, and no other person shall have or be construed to have any legal or equitable right, remedy or claim under or in respect of or by virtue of this Purchase Warrant or any provisions herein contained.

9.5 Governing Law; Submission to Jurisdiction; Trial by Jury. This Purchase Warrant shall be governed by and construed and enforced in accordance with the laws of the State of New York, without giving effect to conflict of laws principles thereof. The Company hereby agrees that any action, proceeding or claim against it arising out of, or relating in any way to this Purchase Warrant shall be brought and enforced in the New York Supreme Court, County of New York, or in the United States District Court for the Southern District of New York, and irrevocably submits to such jurisdiction, which jurisdiction shall be exclusive. The Company hereby waives any objection to such exclusive jurisdiction and that such courts represent an inconvenient forum. Any process or summons to be served upon the Company may be served by transmitting a copy thereof by registered or certified mail, return receipt requested, postage prepaid, addressed to it at the address set forth in Section 8 hereof. Such mailing shall be deemed personal service and shall be legal and binding upon the Company in any action, proceeding or claim. The Company and the Holder agree that the prevailing party(ies) in any such action shall be entitled to recover from the other party(ies) all of its reasonable attorneys' fees and expenses relating to such action or proceeding and/or incurred in connection with the

preparation therefor. The Company (on its behalf and, to the extent permitted by applicable law, on behalf of its stockholders and affiliates) and the Holder hereby irrevocably waive, to the fullest extent permitted by applicable law, any and all right to trial by jury in any legal proceeding arising out of or relating to this Agreement or the transactions contemplated hereby.

9.6 Waiver, etc. The failure of the Company or the Holder to at any time enforce any of the provisions of this Purchase Warrant shall not be deemed or construed to be a waiver of any such provision, nor to in any way affect the validity of this Purchase Warrant or any provision hereof or the right of the Company or any Holder to thereafter enforce each and every provision of this Purchase Warrant. No waiver of any breach, non-compliance or non-fulfillment of any of the provisions of this Purchase Warrant shall be effective unless set forth in a written instrument executed by the party or parties against whom or which enforcement of such waiver is sought; and no waiver of any such breach, non-compliance or non-fulfillment shall be construed or deemed to be a waiver of any other or subsequent breach, non-compliance or non-fulfillment.

9.7 Execution in Counterparts. This Purchase Warrant may be executed in one or more counterparts, and by the different parties hereto in separate counterparts, each of which shall be deemed to be an original, but all of which taken together shall constitute one and the same agreement, and shall become effective when one or more counterparts has been signed by each of the parties hereto and delivered to each of the other parties hereto. Such counterparts may be delivered by facsimile transmission or other electronic transmission.

9.8 Exchange Agreement. As a condition of the Holder's receipt and acceptance of this Purchase Warrant, Holder agrees that, at any time prior to the complete exercise of this Purchase Warrant by Holder, if the Company and EF Hutton enter into an agreement ("**Exchange Agreement**") pursuant to which they agree that all outstanding Purchase Warrants will be exchanged for securities or cash or a combination of both, then Holder shall agree to such exchange and become a party to the Exchange Agreement.

[Signature Page Follows]

IN WITNESS WHEREOF, the Company has caused this Purchase Warrant to be signed by its duly authorized officer as of the __ day of _____, 2022.

Yoshiharu Global Co.

By: _____
Name:
Title:

[*Form to be used to exercise Purchase Warrant*]

Date: , 20

The undersigned hereby elects irrevocably to exercise the Purchase Warrant for shares of common stock, par value $0.0001 per share (the "**Shares**"), of Yoshiharu Global Co., a Delaware corporation (the "**Company**"), and hereby makes payment of $ (at the rate of $ per Share) in payment of the Exercise Price pursuant thereto. Please issue the Shares as to which this Purchase Warrant is exercised in accordance with the instructions given below and, if applicable, a new Purchase Warrant representing the number of Shares for which this Purchase Warrant has not been exercised.

or

The undersigned hereby elects irrevocably to convert its right to purchase Shares of the Company under the Purchase Warrant for Shares, as determined in accordance with the following formula:

$$X = \frac{Y(A-B)}{A}$$

Where,

X = The number of Shares to be issued to Holder;

Y = The number of Shares for which the Purchase Warrant is being exercised;

A = The fair market value of one Share which is equal to $; and

B = The Exercise Price which is equal to $ per share

The undersigned agrees and acknowledges that the calculation set forth above is subject to confirmation by the Company and any disagreement with respect to the calculation shall be resolved by the Company in its sole discretion.

Please issue the Shares as to which this Purchase Warrant is exercised in accordance with the instructions given below and, if applicable, a new Purchase Warrant representing the number of Shares for which this Purchase Warrant has not been converted.

Signature_____
Signature Guaranteed _____

INSTRUCTIONS FOR REGISTRATION OF SECURITIES

Name: _____
(Print in Block Letters)

Address: _____

NOTICE: The signature to this form must correspond with the name as written upon the face of the Purchase Warrant without alteration or enlargement or any change whatsoever, and must be guaranteed by a bank, other than a savings bank, or by a trust company or by a firm having membership on a registered national securities exchange.

[*Form to be used to assign Purchase Warrant*]

ASSIGNMENT

(To be executed by the registered Holder to effect a transfer of the within Purchase Warrant):

FOR VALUE RECEIVED, _ does hereby sell, assign and transfer unto the right to purchase shares of common stock, par value $0.0001 per share, of Yoshiharu Global Co., a Delaware corporation (the "**Company**"), evidenced by the Purchase Warrant and does hereby authorize the Company to transfer such right on the books of the Company.

Dated: _____, 20__

Signature_____

Signature Guaranteed_____

NOTICE: The signature to this form must correspond with the name as written upon the face of the within Purchase Warrant without alteration or enlargement or any change whatsoever, and must be guaranteed by a bank, other than a savings bank, or by a trust company or by a firm having membership on a registered national securities exchange.

EXHIBIT B

Form of Lock-Up Agreement

_____, 2022

EF HUTTON,

division of Benchmark Investments, LLC

as Representative of the Underwriters

590 Madison Avenue, 39th Floor

New York, New York 10022

Ladies and Gentlemen:

The undersigned understands that EF Hutton, division of Benchmark Investments, LLC (the "**Representative**") proposes to enter into an Underwriting Agreement (the "**Underwriting Agreement**") with Yoshiharu Global Co., a Delaware corporation (the "**Company**"), providing for the public offering (the "**Public Offering**") of shares of Class A common stock of the Company, par value $0.0001 per share (the " **Common Stock**"), together with warrants to purchase shares of Common Stock each at an exercise price equal to 125% of the public offering price per Firm Unit (as defined hereafter) (the "**Warrants**," and collectively with the Common Stock, the "**Securities**").

To induce the Representative to continue its efforts in connection with the Public Offering, the undersigned hereby agrees that, without the prior written consent of the Representative, the undersigned will not, during the period commencing on the date hereof and ending twelve (12) months after the date of the Underwriting Agreement (the "**Lock-Up Period**"), (1) offer, pledge, sell, contract to sell, grant, lend, or otherwise transfer or dispose of, directly or indirectly, any Common Stock or any securities convertible into or exercisable or exchangeable for the Common Stock, whether now owned or hereafter acquired by the undersigned or with respect to which the undersigned has or hereafter acquires the power of disposition (collectively, the "**Lock-Up Securities**"); (2) enter into any swap or other arrangement that transfers to another, in whole or in part, any of the economic consequences of ownership of the Lock-Up Securities, whether any such transaction described in clause (1) or (2) above is to be settled by delivery of Lock-Up Securities, in cash or otherwise; (3) make any demand for or exercise any right with respect to the registration of any Lock-Up Securities; or (4) publicly disclose the intention to make any offer, sale, pledge or disposition, or to enter into any transaction, swap, hedge or other arrangement relating to any Lock-Up Securities. Notwithstanding the foregoing, and subject to the conditions below, the undersigned may transfer Lock-Up Securities without the prior written consent of the Representative in connection with (a) transactions relating to Lock-Up Securities acquired in open market transactions after the completion of the Public Offering; provided that no filing under Section 13 or Section 16(a) of the Securities Exchange Act of 1934, as amended (the "**Exchange Act**"), or other public announcement shall be required or shall be voluntarily made during the Lock-Up Period in connection with subsequent sales of Lock-Up Securities acquired in such open market transactions; (b) transfers of Lock-Up Securities as a bona fide gift, by will or intestacy or to a family member or trust for the benefit of a family member (for purposes of this lock-up agreement, "family member" means any relationship by blood, marriage or adoption, not more remote than first cousin); (c) transfers of Lock-Up Securities to a charity or educational institution; or (d) if the undersigned, directly or indirectly, controls a corporation, partnership, limited liability company or other business entity, any transfers of Lock- Up Securities to any shareholder, partner or member of, or owner of similar equity interests in, the undersigned, as the case may be; provided that in the case of any transfer pursuant to the foregoing clauses (b), (c) or (d), (i) it shall be a condition to any such transfer that (i) the transferee/donee agrees to be bound by the terms of this lock-up agreement (including, without limitation, the restrictions set forth in the preceding sentence) to the same extent as if the transferee/donee were a party hereto; (ii) each party (donor, donee, transferor or transferee) shall not be required by law (including without limitation the disclosure requirements of the Securities Act of 1933, as amended (the "**Securities Act**"), and the Exchange Act) to make, and shall agree to not voluntarily make, any filing or public announcement of the transfer or disposition prior to the expiration of the Lock-Up Period; and (iii) the undersigned notifies the Representative at least two (2) business days prior to the proposed transfer or disposition.

In addition, the foregoing restrictions shall not apply to (i) the exercise or vesting of stock options or other equity awards granted pursuant to the Company's equity incentive plans; provided that it shall apply to any of the undersigned's Common Stock issued upon such exercise, (ii) the conversion or exercise of convertible debt or warrants; provided that it shall apply to any of the undersigned's Common Stock issued upon such exercise, or (iii) the establishment of any new plan (a "**Plan**") that satisfies all of the requirements of Rule 10b5-1(c)(1)(i)(B) under the Exchange Act; provided that no sales of the undersigned's Securities shall be made pursuant to such new Plan prior to the expiration of the Lock-Up Period (as such may have been extended pursuant to the provisions hereof), and such a Plan may only be established if no public announcement of the establishment or existence thereof and no filing with the Securities and Exchange Commission or other regulatory authority in respect thereof or transactions thereunder or contemplated thereby, by the undersigned, the Company or any other person, shall be required, and no such announcement or filing is made voluntarily, by the undersigned, the Company or any other person, prior to the expiration of the Lock-Up Period (as such may have been extended pursuant to the provisions hereof).

The undersigned also agrees and consents to the entry of stop transfer instructions with the Company's transfer agent and registrar against the transfer of the undersigned's Securities subject to this lock-up agreement except in compliance with this lock-up agreement.

If the undersigned is an officer or director of the Company, (i) the undersigned agrees that the foregoing restrictions shall be equally applicable to any Securities that the undersigned may purchase in the Public Offering; (ii) the Representative agrees that, at least three (3) business days before the effective date of any release or waiver of the foregoing restrictions in connection with a transfer of Lock-Up Securities, the Representative will notify the Company of the impending release or waiver; and (iii) the Company has agreed in the Underwriting Agreement to announce the impending release or waiver by press release through a major news service at least two (2) business days before the effective date of the release or waiver. Any release or waiver granted by the Representative hereunder to any such officer or director shall only be effective two (2) business days after the publication date of such press release. The provisions of this paragraph will not apply if (a) the release or waiver is effected solely to permit a transfer of Lock-Up Securities not for consideration and (b) the transferee has agreed in writing to be bound by the same terms described in this lock-up agreement to the extent and for the duration that such terms remain in effect at the time of such transfer.

The undersigned understands that the Company and the Representative are relying upon this lock-up agreement in proceeding toward consummation of the Public Offering. The undersigned further understands that this lock-up agreement is irrevocable and shall be binding upon the undersigned's heirs, legal representatives, successors and assigns.

The undersigned understands that, if the Underwriting Agreement does not become effective, or if the Underwriting Agreement (other than the provisions thereof which survive termination) shall terminate or be terminated prior to payment for and delivery of the Securities to be sold thereunder, the undersigned shall be released from all obligations under this lock-up agreement.

This lock-up agreement shall be governed by, and construed in accordance with, the laws of the State of New York.

Very truly yours,

_____
(Name - Please Print)

_____
(Signature)

_____
(Name of Signatory, in the case of entities - Please Print)

_____
(Title of Signatory, in the case of entities - Please Print)

_____
(Name - Please Print)

Address: _____

_____

_____

EXHIBIT C

Form of Press Release

[_____]

[Date]

Yoshiharu Global Co. (the "Company") announced today that EF Hutton, division of Benchmark Investments, LLC, acting as representative for the underwriters in the Company's recent public offering of units consisting of the Company's Class A common stock and warrants to purchase the Company's Class A common stock, is [waiving] [releasing] a lock-up restriction with respect to _____ shares of Class A common stock held by [certain officers or directors] [an officer or director] of the Company. The [waiver] [release] will take effect on_____, 2__, and such shares of Class A common stock may be sold on or after such date.

This press release is not an offer or sale of the securities in the United States or in any other jurisdiction where such offer or sale is prohibited, and such securities may not be offered or sold in the United States absent registration or an exemption from registration under the Securities Act of 1933, as amended.

Exhibit 2.1

SHARE EXCHANGE AGREEMENT

THIS SHARE EXCHANGE AGREEMENT (this "***Agreement***") is entered into as of January 9, 2021, by and amongYOSHIHARU GLOBAL CO., a Delaware corporation (the "***Company***"), YOSHIHARU HOLDINGS CO., a California corporation ("***HoldCo***") and JAMES CHAE, an individual (the "***Stockholder***").

RECITALS:

WHEREAS, the Stockholder owns one hundred percent (100%) of the issued and outstanding shares of capital stock of HoldCo as set forth on Schedule A attached hereto (the "Entity Capital Stock");

WHEREAS, the Company was incorporated in Delaware on December 9, 2021 and as of the date hereof, has no operations;

WHEREAS, the Company desires to acquire the Entity Capital Stock in exchange for the issuance by the Company to the Stockholder of an aggregate of 9,450,900 newly-issued shares of the Company's Class A common stock, par value $0.0001 per share (the " ***Company Common Stock***") as set forth on Schedule A attached hereto (the "***Exchange***"); and

WHEREAS, the parties hereto intend for this transaction to constitute a tax-free reorganization pursuant to the provisions of Section 368(a)(l)(B) and/or Section 351 of the Internal Revenue Code of 1986, as amended.

AGREEMENT:

NOW THEREFORE, on the stated premises and for and in consideration of the mutual covenants and agreements hereinafter set forth and the mutual benefits to the parties to be derived here from, and intending to be legally bound hereby, it is hereby agreed as follows:

ARTICLE 1
REPRESENTATIONS, COVENANTS, AND WARRANTIES OF THE STOCKHOLDER

As an inducement to, and to obtain the reliance of the Company, the Stockholder hereby respectively represents and warrants as of the Closing Date hereof (as defined below) as follows:

Section 1.01 Enforceability. This Agreement has been duly executed and delivered by the Stockholder and, assuming due authorization, execution and delivery by the Company, constitutes a legal, valid and binding obligation of the Stockholder, enforceable against the Stockholder in accordance with its terms, except as may be limited by bankruptcy, insolvency, moratorium or other similar laws affecting the enforcement of creditors' rights generally and subject to the qualification that the availability of equitable remedies is subject to the discretion of the court before which any proceeding therefore may be brought.

Section 1.02 Organization. HoldCo is duly organized, validly existing, and in good standing under the laws of California and has the corporate power and is duly authorized under all applicable laws, regulations, ordinances and orders of public authorities to carry on its business in all material respects as it is now being conducted. The execution and delivery of this Agreement does not, and the consummation of the transactions contemplated hereby will not, violate any provision of HoldCo's charter. HoldCo has taken all actions required by law, from its respective charters, or otherwise to authorize the execution and delivery of this Agreement.

Section 1.03 Capitalization. The authorized capitalization of HoldCo consists of _____, _____ par value per share, [respectively]. All of such shares of Entity Capital Stock are issued and outstanding in favor of Stockholder in the proportions set forth on Schedule A attached hereto. The issued and outstanding shares are legally issued, fully paid and non-assessable and not issued in violation of the preemptive or other rights of any person.

Section 1.04 Options or Warrants. There are no existing options, warrants, calls, or commitments of any character relating to the authorized and unissued shares of the capital stock of HoldCo.

Section 1.05 No Conflict With Other Instruments. The execution of this Agreement and the consummation of the transactions contemplated by this Agreement will not result in the breach of any term or provision of, constitute a default under, or terminate, accelerate or modify the terms of any indenture, mortgage, deed of trust, or other material agreement, or instrument to which HoldCo is a party or to which any of its assets, properties or operations are subject.

Section 1.06 Compliance With Laws and Regulations. To the best of the Stockholder's knowledge, HoldCo has complied with all applicable foreign and domestic statutes and regulations of any federal, state, provincial or other governmental entity or agency thereof, except to the extent that noncompliance would not materially and adversely affect the business, operations, properties, assets, or condition of HoldCo or except to the extent that noncompliance would not result in the occurrence of any material liability for HoldCo.

ARTICLE 2
REPRESENTATIONS, COVENANTS, AND WARRANTIES OF THE COMPANY

As an inducement to, and to obtain the reliance of the Stockholder, the Company represents and warrants, as of the Closing Date, as follows:

Section 2.01 Enforceability. This Agreement has been duly executed and delivered by the Company and, assuming due authorization, execution and delivery by the Stockholder, constitutes a legal, valid and binding obligation of the Company, enforceable against the Company in accordance with its terms, except as may be limited by bankruptcy, insolvency, moratorium or other similar laws affecting the enforcement of creditors' rights generally and subject to the qualification that the availability of equitable remedies is subject to the discretion of the court before which any proceeding therefore may be brought.

Section 2.02 Organization. The Company is duly organized, validly existing, and in good standing under the laws of Delaware and has the corporate power and is duly authorized under all applicable laws, regulations, ordinances and orders of public authorities to carry on its business in all material respects as it is now being conducted. The execution and delivery of this Agreement does not, and the consummation of the transactions contemplated hereby will not, violate any provision of the Company's charter. The Company has taken all actions required by law, from its charter, or otherwise to authorize the execution and delivery of this Agreement. The Company has full power, authority, and legal right and has taken all action required by law, its charter, and otherwise to consummate the transactions herein contemplated.

Section 2.03 Capitalization. The Company's authorized capitalization consists of ten million (10,000,000) shares of Class A common stock, zero shares of which are issued or outstanding. There are no existing options, warrants, calls, or commitments of any character relating to the authorized and unissued shares of the Company's capital

stock.

Section 2.04 No Conflict With Other Instruments. The execution of this Agreement and the consummation of the transactions contemplated by this Agreement will not result in the breach of any term or provision of, constitute a default under, or terminate, accelerate or modify the terms of any indenture, mortgage, deed of trust, or other material agreement, or instrument to which the Company is a party or to which any of its assets, properties or operations are subject.

Section 2.05 Approval of Agreement. The board of directors of the Company has unanimously authorized the execution and delivery of this Agreement by the Company and has approved this Agreement and the transactions contemplated hereby.

ARTICLE 3
PLAN OF EXCHANGE

Section 3.01 The Exchange. On the terms and subject to the conditions set forth in this Agreement, on the Closing Date (as defined below), the Stockholder, by executing this Agreement, shall assign, transfer and deliver, free and clear of all liens, pledges, encumbrances, charges, restrictions or known claims of any kind, nature, or description, the Entity Capital Stock, constituting all of the shares of capital stock, including, without limitation, voting power of HoldCo. In exchange for the transfer of the Entity Capital Stock by the Stockholder to the Company, the Company shall issue and deliver share certificates representing an aggregate of 9,450,900 shares of the Company Common Stock to the Stockholder in the proportions set forth on Schedule A attached hereto. As a result of the Exchange as contemplated herein, the Stockholder will beneficially own ____ percent (%) of the voting capital stock of the Company on the Closing Date. On the Closing Date, the Stockholder shall surrender its respective certificates representing the Entity Capital Stock to the Company, the Company's counselor to the Company's registrar or transfer agent. Upon consummation of the transaction contemplated herein, all of the shares of Entity Capital Stock shall be held by the Company. Upon consummation of the transaction contemplated herein there shall be 9,450,900 shares of the Company Common Stock issued and outstanding.

Section 3.02 Closing Events. On the first business day following the satisfaction by all parties of the conditions precedent set forth in Article V and Article VI herein (the "***Closing Date***"), the Company and the Stockholder, at the Company's principal office, shall execute, acknowledge, and deliver (or shall ensure to be executed, acknowledged, and delivered), any and all certificates, opm1ons, financial statements, schedules, agreements, resolutions, rulings or other instruments required by this Agreement, together with such other items as may be reasonably requested by the parties hereto and their respective legal counsel in order to effectuate or evidence the transactions contemplated hereby.

Section 3.03 Termination. This Agreement may be terminated by the board of directors of the Company or by any Stockholder only in the event that the Company or any Stockholder fails to meet the conditions precedent set forth in Articles V and VI herein. If this Agreement is terminated pursuant this Section, this Agreement shall be of no further force or effect, and no obligation, right or liability shall arise hereunder, except as set forth herein below.

ARTICLE 4
SPECIAL COVENANTS

Section 4.01 Access to Properties and Records. The Company and the Stockholder will each afford to the officers and authorized representatives of the other party, as applicable, full access to the properties, books and records of the Company and HoldCo, as the case may be, in order that each may have a full opportunity to make such reasonable investigation as it shall desire to make of the affairs of the other, and each will furnish the other with such additional financial and operating data and other information as to the business and properties of the Company and HoldCo, as the case may be, as the other shall from time to time reasonably request.

Section 4.02 Delivery of Books and Records. On or prior to the Closing Date, the Stockholder shall deliver to the Company the originals of the corporate minute books, books of account, contracts, records, and all other books or documents of HoldCo. The Company shall deliver to Stockholder the originals of the corporate minute books, books of account, contracts, records, and all other books or documents of now in the possession of the Company or its representatives.

Section 4.03 Third Party Consents and Certificates. The Company and the Stockholder hereby agree to cooperate with each other in order to obtain any required third party consents to this Agreement and the transactions herein contemplated.

Section 4.04 The Acquisition of the Company Common Stock. The Company and the Stockholder acknowledge and agree that the consummation of this Agreement including the issuance of the Company Common Stock in exchange for the Entity Capital Stock as contemplated hereby constitutes the offer and sale of securities under the Securities Act of 1933, as amended and applicable state statutes. The Company and the Stockholder agree that such transactions shall be consummated in reliance on exemptions from the registration and prospectus delivery requirements of such statutes, which depend, among other items, on the circumstances under which such securities are acquired.

(a) In connection with the transactions contemplated by this Agreement, the Company and the Stockholder shall file, with the assistance of the others and their respective legal counsel, such notices, applications, reports, or other instruments as may be deemed by them to be necessary or appropriate in an effort to document reliance on such exemptions, and the appropriate regulatory authority in the States where the Stockholder is domiciled or are otherwise required to file such notices, applications, reports or other instruments unless an exemption requiring no filing is available in such jurisdictions, all to the extent and in the manner as may be deemed by such parties to be appropriate.

(b) In order to more fully document reliance on the exemptions as provided herein, the Stockholder and the Company shall execute and deliver to the others, at or prior to the Closing Date, such further letters of representation, acknowledgment, suitability, or the like as their respective counsel may reasonably request in connection with reliance on exemptions from registration under such securities laws.

(c) The Stockholder acknowledges that the basis for relying on exemptions from registration or qualifications are factual, depending on the conduct of the various parties.

ARTICLE 5
CONDITIONS PRECEDENT TO OBLIGATIONS OF THE COMPANY

The obligations of the Company under this Agreement are subject to the satisfaction, on or before the Closing Date, of the following conditions:

Section 5.01 Accuracy of Representations and Performance of Covenants. The representations and warranties made by the Stockholder in this Agreement shall be true at the Closing Date. The Stockholder shall have performed or complied with all covenants and conditions required by this Agreement to be performed or complied with by the Stockholder prior to or on the Closing Date.

Section 5.02 Good Standing. The Company shall have received certificates of good standing (or the equivalent from the appropriate authority in the California), dated within five (5) business days prior to the Closing Date certifying that HoldCo is in good standing as corporations in the State of California.

Section 5.03 Approval by Stockholder. The Exchange shall have been approved, and shares delivered in accordance with Section 3.0I, by the holders of not less than one hundred percent (100%) of the outstanding Entity Capital Stock, including, without limitation voting power, of HoldCo.

Section 5.04 No Governmental Prohibition. No order, statute, rule, regulation, executive order, injunction, stay, decree, judgment or restraining order shall have been enacted, entered, promulgated or enforced by any court or governmental or regulatory authority or instrumentality which prohibits the consummation of the transactions contemplated hereby.

Section 5.05 Consents. All consents, approvals, waivers or amendments pursuant to all contracts, licenses, permits, trademarks and other intangibles in connection with the transactions contemplated herein, or for the continued operation of HoldCo after the Closing Date on the basis as presently operated shall have been obtained.

Section 5.06 Other Items. The Company shall have received such further opinions, documents, certificates or instruments relating to the transactions contemplated hereby as the Company may reasonably request.

ARTICLE 6
CONDITIONS PRECEDENT TO OBLIGATIONS OF HOLDCO AND THE STOCKHOLDER

The obligations of HoldCo and the Stockholder under this Agreement are subject to the satisfaction, on or before the Closing Date, of the following conditions:

Section 6.01 Accuracy of Representations and Performance of Covenants. The representations and warranties made by the Company shall be true at the Closing Date. The Company shall have performed or complied with all covenants and conditions required by this Agreement to be performed or complied with by the Company prior to or on the Closing Date.

Section 6.02 Good Standing. The Stockholder shall have received certificates of good standing (or the equivalent from the appropriate authority in the Delaware), dated within five (5) business days prior to the Closing Date certifying that the Company is in good standing as a corporation in the State of Delaware.

Section 6.03 No Governmental Prohibition. No order, statute, rule, regulation, executive order, injunction, stay, decree, judgment or restraining order shall have been enacted, entered, promulgated or enforced by any court or governmental or regulatory authority or instrumentality which prohibits the consummation of the transactions contemplated hereby.

Section 6.04 Consents. All consents, approvals, waivers or amendments pursuant to all contracts, licenses, permits, trademarks and other intangibles in connection with the transactions contemplated herein, or for the continued operation of the Company after the Closing Date on the basis as presently operated shall have been obtained.

Section 6.05 Other Items. The Stockholder shall have received such further opinions, documents, certificates or instruments relating to the transactions contemplated hereby as the Stockholder may reasonably request.

ARTICLE 7
MISCELLANEOUS

Section 7.01 Brokers. The Company and the Stockholder agree that there were no finders or brokers involved in bringing the parties together or who were instrumental in the negotiation, execution or consummation of this Agreement. The Company and the Stockholder agree to indemnify the other against any claim by any third person other than the described above for any commission, brokerage, or finder's fee arising from the transactions contemplated hereby based on any alleged agreement or understanding between the indemnifying party and such third person, whether express or implied from the actions of the indemnifying party.

Section 7.02 Governing Law. This Agreement shall be governed by, enforced, and construed under and in accordance with the laws of the State of California.

Section 7.03 Notices. Any notice or other communications required or permitted hereunder shall be in writing and shall be sufficiently given if personally delivered to it or sent by facsimile, overnight counter or registered mail or certified mail, postage prepaid, addressed as follows:

If to the Company, to: Yoshiharu Global Co.
6940 Beach Blvd. Suite D-705,
Buena Park, CA 90621
Telephone: (213) 272-1780
Facsimile:

lf to Stockholder, to: James Chae
Telephone:
Facsimile:

or such other addresses as shall be furnished in writing by any party in the manner for giving notices hereunder, and any such notice or communication shall be deemed to have been given (i) upon receipt, if personally delivered, (ii) on the day after dispatch, if sent by overnight courier and (iii) upon dispatch, if transmitted by facsimile or telecopy and receipt is confirmed by telephone.

Section 7.04 Recitals. The recitals to this Agreement are true and correct and are incorporated herein, in their entirety, by this reference.

Section 7.05 Third Party Beneficiaries. This Agreement is strictly between the Company and the Stockholder and, except as specifically provided herein, no director, officer, stockholder (other than the Stockholder), employee, agent, independent contractor or any other person or entity shall be deemed to be a third party beneficiary of this Agreement.

Section 7.06 Survival; Termination. The representations, warranties, and covenants of the respective parties shall survive the Closing Date and the consummation of the transactions herein contemplated for a period of one (1) year.

Section 7.07 Counterparts. This Agreement may be executed in multiple counterparts, each of which shall be deemed an original and all of which taken together shall be but a single instrument.

Section 7.08 Amendment or Waiver. Every right and remedy provided herein shall be cumulative with every other right and remedy, whether conferred herein, at law, or in equity, and may be enforced concurrently herewith, and no waiver by any party of the performance of any obligation by the other shall be construed as a waiver of the same or any other default then, theretofore, or thereafter occurring or existing. At any time prior to the Closing Date, this Agreement may by amended by a writing signed by all parties hereto, with respect to any of the terms contained herein, and any term or condition of this Agreement may be waived or the time for performance may be extended by a writing signed by the party or parties for whose benefit the provision is intended.

Section 7.09 Best Efforts. Subject to the terms and conditions herein provided, each party shall use its best efforts to perform or fulfill all conditions and obligations to be performed or fulfilled by it under this Agreement so that the transactions contemplated hereby shall be consummated as soon as practicable. Each party also agrees that it shall use its best efforts to take, or cause to be taken, all actions and to do, or cause to be done, all things necessary, proper or advisable under applicable laws and regulations to consummate and make effective this Agreement and the transactions contemplated herein.

Section 7.10 Entire Agreement. This Agreement represents the entire agreement between the parties relating to the subject matter thereof and supersedes all prior agreements, understandings and negotiations, written or oral, with respect to such subject matter.

Section 7.11 Severability. Each provision of this Agreement is severable and distinct from the others. The Parties intend that each of those provisions shall be and remain valid and enforceable to the fullest extent permitted by law. If one or more of the provisions of this Agreement shall be invalid, illegal or unenforceable in any respect under any applicable law or decision, the validity, legality or enforceability of the remaining provisions contained herein shall continue to be effective and shall not be affected or impaired in any way, subject to the operation of this clause not negating the commercial intent and purpose of the Parties under this Agreement.

[Remainder of page intentionally left blank. Signatures to follow]

IN WITNESS WHEREOF, the corporate parties hereto have caused this Share Exchange Agreement to be executed by their respective officers, hereunto duly authorized, as of the date first- above written.

Yoshiharu Global Co.

By: _____
Name: _____
Title: _____

Yoshiharu Holdings Co.

By: _____
Name: _____
Title: _____

_____
Name: James Chae

SCHEDULE A

Stockholder	Ownership of shares of HoldCo Common Stock prior to the consummation of this Agreement	Ownership of shares of the Company Common Stock following the consummation of this Agreement
James Chae	10,000,000 shares (100%)	9,450,900 shares (__%)

Delaware

The First State

I, JEFFREY W. BULLOCK, SECRETARY OF STATE OF THE STATE OF DELAWARE, DO HEREBY CERTIFY THE ATTACHED IS A TRUE AND CORRECT COPY OF THE CERTIFICATE OF INCORPORATION OF "YOSHIHARU GLOBAL CO.", FILED IN THIS OFFICE ON THE NINTH DAY OF DECEMBER, A.D. 2021, AT 5:02 O`CLOCK P.M.

Jeffrey W. Bullock, Secretary of State

6463509 8100
SR# 20214041783

Authentication: 204931787
Date: 12-09-21

You may verify this certificate online at corp.delaware.gov/authver.shtml

State of Delaware
Secretary of State
Division of Corporations
Delivered 05:02 PM 12/09/2021
FILED 05:02 PM 12/09/2021
SR 20214041783 - File Number 6463509

STATE OF DELAWARE
CERTIFICATE OF INCORPORATION
OF
YOSHIHARU GLOBAL CO.

FIRST: The name of the corporation is Yoshiharu Global Co. (the "Corporation").

SECOND: The address of the Corporation's registered office in the State of Delaware is 108 Lakeland Avenue, in the City of Dover, County of Kent, 19901. The name of its registered agent at such address is Capitol Services, Inc.

THIRD: The purpose of the Corporation is to engage in any lawful act or activity for which corporations may be organized under the General Corporation Law of the State of Delaware (the "General Corporation Law").

FOURTH: The total number of shares of stock which the Corporation shall have authority to issue is 50,000,000, consisting of (a) 49,000,000 shares of Class A Common Stock of the par value of $0.0001 per share, and (b) 1,000,000 shares of Class B Common Stock of the par value of $0.0001 per share.

The following is a statement of the designations and the powers, privileges and rights, and the qualifications, limitations or restrictions thereof in respect of each class of capital stock of the Corporation.

A. VOTING RIGHTS.

1. The holders of the Class A Common Stock and Class B Common Stock shall have voting rights in the election of directors and on all other matters presented to stockholders (whether at a meeting of stockholders or by written action in lieu of meetings), with each holder being entitled to one vote for each share of Class A Common Stock and ten votes for each share of Class B Common Stock held of record by such holder on such matters. There shall be no cumulative voting.

2. The number of authorized shares of Class A Common Stock and/or Class B Common Stock may be increased or decreased (but not below the number of shares thereof then outstanding) by the affirmative vote of the holders of shares of capital stock of the Corporation representing a majority of the votes represented by all outstanding shares of capital stock of the Corporation entitled to vote, voting as a single group, irrespective of the provisions of Section 242(b)(2) of the General Corporation Law.

B. DIVIDENDS. The holders of shares of Class A Common Stock and/or Class B Common Stock shall be entitled to receive dividends out of any assets legal available therefore, payable only when, as and if declared by the Board of Directors of the Corporation.

C. LIQUIDATION RIGHTS.

1. Upon any liquidation, dissolution, or winding up of the Corporation, whether voluntary or involuntary (a "***Liquidation Event***"), the remaining assets of the Corporation legally available for distribution in such Liquidation Event (or the consideration received by the Corporation or its stockholders in an Acquisition or Asset Transfer (defined below)), if any, shall be distributed ratably to the holders of the Class A Common Stock and the Class B Common Stock.

2. For the purposes of this Section C of Article FOURTH, the following definitions shall apply:

i. "***Acquisition***" shall mean any consolidation or merger of the Corporation with or into any other corporation or other entity or person, or any other corporate reorganization, other than any such consolidation, merger or reorganization in which the shares of capital stock of the Corporation immediately prior to such consolidation, merger or reorganization, continue to represent a majority of the voting power of the surviving entity (or, if the surviving entity is a wholly owned subsidiary, its parent) immediately after such consolidation, merger or reorganization; and

ii. "***Asset Transfer***" shall mean a sale, lease, exclusive license or other disposition of all or substantially all of the assets of the Corporation.

3. In any Acquisition or Asset Transfer, if the consideration to be received is securities of a corporation or other property other than cash, its value will be deemed its fair market value as determined in good faith by the Board of Directors on the date such determination is made.

4. The Corporation shall not have the power to effect an Acquisition or Asset Transfer unless the definitive agreement for such transaction provides that the consideration payable to the stockholders of the Corporation in connection therewith shall be allocated among the holders of capital stock of the Corporation in accordance with this Section C of Article FOURTH.

D. CONVERSION RIGHTS.

1. The holders of shares of Class A Common Stock shall not be entitled to conversion rights.

2. The holders of shares of Class B Common Stock shall be entitled to conversion rights. Each share of Class B Common Stock shall be automatically convertible into one share of Class A common stock upon the earliest of the date such share ceases to be beneficially owned, as such term is defined under Section 13(d) of the Securities Exchange Act of 1934. In addition, each share of Class B common stock may be converted at any time into one share of Class A common stock at the option of the holder. The one-to-one conversion ratio will be equitably preserved in the event of any stock dividend, stock split or combination or merger, consolidation or other reorganization by us with another entity.

E. PREEMPTIVE RIGHTS. The holders of shares of Class A Common Stock and/or Class B Common Stock shall not be entitled to preemptive rights.

F. REDEMPTION. Neither the Class A Common Stock nor the Class B Common Stock is redeemable at the option of the holder thereof.

FIFTH: The name and mailing address of the incorporator are James Chae, 6940 Beach Blvd., Suite D-705, Buena Park, CA 90621.

SIXTH: The Corporation is to have a perpetual existence.

SEVENTH: In furtherance and not in limitation of the powers conferred by statute, the board of directors is expressly authorized to adopt, amend or repeal the bylaws of the Corporation.

EIGHTH: The number of members of the Board of Directors of the Corporation shall be determined in the manner set forth in the Bylaws of the Corporation. Elections of members of the Board of Directors need not be by written ballot unless otherwise provided in the Bylaws of the Corporation.

NINTH: Meetings of stockholders may be held within or without the State of Delaware, as the bylaws may provide. The books of the Corporation may be kept (subject to any provision contained in the statutes) outside the State of Delaware at such place or places as may be designated from time to time by the board of directors or in the bylaws of the Corporation. Elections of directors need not be by written ballot unless the bylaws of the Corporation shall so provide.

TENTH: The Corporation reserves the right to amend, alter, change or repeal any provision contained in this Certificate of Incorporation, in the manner now or hereafter prescribed by statute, and all rights conferred upon stockholders herein are granted subject to this reservation.

ELEVENTH: The Corporation shall indemnify, to the fullest extent now or hereafter permitted by law, each director or officer of the Corporation who was or is made a party or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative, by reason of the fact that he or she is or was an authorized representative of the Corporation, against all expenses (including attorneys' fees and disbursements), judgments, fines (including excise taxes and penalties) and amounts paid in settlement actually and reasonably incurred by him in connection with such action, suit or proceeding. Notwithstanding the foregoing, the Corporation shall not be required to indemnify any person in connection with any action, suit or proceeding (or part thereof) commenced by such person, unless the commencement of such action, suit or proceeding (or part thereof) by the person was authorized in the specific case by the board of directors of the Corporation.

A director of the Corporation shall not be personally liable to the Corporation or its stockholders for monetary damages for breach of fiduciary duty as a director; provided however, that this provision shall not eliminate or limit the liability of a director to the extent that such elimination or limitation of liability is expressly prohibited by the General Corporation Law of the State of Delaware as in effect at the time of the alleged breach of duty by such director.

Any repeal or modification of this Article by the stockholders of the Corporation shall not adversely affect any right or protection existing at the time of such repeal or modification to which any person may be entitled under this Article. The rights conferred by this Article shall not be exclusive of any other right which the Corporation may now or hereafter grant, or any person may have or hereafter acquire, under any statute, provision of this Certificate of Incorporation, bylaws, agreement, vote of stockholders or disinterested directors or otherwise. The rights conferred by this Article shall continue as to any person who has ceased to be a director or officer of the Corporation and shall inure to the benefit of the heirs, executors and administrators of such person.

For the purposes of this Article, the term "authorized representative" shall mean a director or officer of the Corporation or, while a director or officer of the Corporation, a person was serving at the request of the Corporation as a director or officer of any subsidiary of the Corporation, or as a trustee, custodian, administrator, committeeman or fiduciary of any employee benefit plan established and maintained by the Corporation or by any subsidiary of the Corporation.

THE UNDERSIGNED, being the incorporator named above, for the purposes of forming a corporation pursuant to the General Corporation Law of the State of Delaware, does make this certificate, hereby declaring and certifying that this is my act and deed and the facts herein stated are true, and accordingly have hereunto set my hand this 9th day of December, 2021.

/s/ James Chae
James Chae, Incorporator

Exhibit 3.2

BYLAWS OF

YOSHIHARU GLOBAL CO.

ARTICLE I
CORPORATE OFFICES

Section 1.1 Registered Office. The registered office of Yoshiharu Global Co. (the "**Corporation**") shall be fixed in the Corporation's Certificate of Incorporation, as the same may be amended from time to time.

Section 1.2 Other Offices. The Corporation may also have an office or offices, and keep the books and records of the Corporation, except as may otherwise be required by law, at such other place or places, either within or without the State of Delaware, as the Board of Directors may from time to time determine or the business of the Corporation may require.

ARTICLE II
MEETINGS OF STOCKHOLDERS

Section 2.1 Annual Meeting. The annual meeting of stockholders, for the election of directors to succeed those whose terms expire and for the transaction of such other business as may properly come before the meeting, shall be held at such place, if any, on such date, and at such time as may be determined by the Board of Directors. The Board of Directors may cancel, postpone or reschedule any previously scheduled annual meeting at any time, before or after the notice for such meeting has been sent to the stockholders.

Section 2.2 Special Meetings. A special meeting of the stockholders may be called at any time only by the Board of Directors, or by the Chairperson of the Board of Directors or the Chief Executive Officer with the concurrence of a majority of the Board of Directors. The Board of Directors may cancel, postpone or reschedule any previously scheduled special meeting at any time, before or after the notice for such meeting has been sent to the stockholders.

Section 2.3 Notice of Stockholders' Meetings.

(a) Notice of the place, if any, date, and time of all meetings of the stockholders, the record date for determining the stockholders entitled to vote at the meeting (if such date is different from the record date for determining the stockholders entitled to notice of the meeting) and the means of remote communications, if any, by which stockholders and proxyholders may be deemed to be present in person and vote at such meeting, shall be given, not less than 10 nor more than 60 days before the date on which the meeting is to be held, to each stockholder entitled to vote at such meeting as of the record date for determining the stockholders entitled to notice of the meeting, except as otherwise provided herein or required by law. In the case of a special meeting, the purpose or purposes for which the meeting is called also shall be set forth in the notice. Notice may be given personally, by mail or by electronic transmission ("**electronic transmission**") in accordance with Section 232 of the General Corporation Law of the State of Delaware (the "**DGCL**"). If mailed, such notice shall be deemed given when deposited in the United States mail, postage prepaid, directed to each stockholder at such stockholder's address appearing on the books of the Corporation or given by the stockholder for such purpose. Notice by electronic transmission shall be deemed given as provided in Section 232 of the DGCL. An affidavit of the mailing or other means of giving any notice of any stockholders' meeting, executed by the Secretary, Assistant Secretary or any transfer agent of the Corporation giving the notice, shall be *prima facie* evidence of the giving of such notice or report. Notice shall be deemed to have been given to all stockholders of record who share an address if notice is given in accordance with the "householding" rules set forth in Rule 14a-3(e) under the Securities and Exchange Act of 1934, as amended (the "**Exchange Act**") and Section 233 of the DGCL.

(b) When a meeting is adjourned to another time or place, notice need not be given of the adjourned meeting if the place, if any, date and time thereof, and the means of remote communications, if any, by which stockholders and proxyholders may be deemed to be present in person and vote at such adjourned meeting are announced at the meeting at which the adjournment is taken; *provided*, *however*, that if the date of any adjourned meeting is more than 30 days after the date for which the meeting was originally called, a notice of the adjourned meeting shall be given to each stockholder of record entitled to vote at the meeting. If after the adjournment a new record date for stockholders entitled to vote is fixed for the adjourned meeting, the Board of Directors shall fix a new record date for notice of such adjourned meeting in accordance with Section 7.7(a) of these Bylaws, and shall give notice of the adjourned meeting to each stockholder of record entitled to vote at such adjourned meeting as of the record date for notice of such adjourned meeting.

(c) Notice of any meeting of stockholders may be waived in writing, either before or after the meeting, and to the extent permitted by law, will be waived by any stockholder by attendance thereat, in person or by proxy, except when the person objects at the beginning of the meeting to the transaction of any business because the meeting is not lawfully called or convened.

Section 2.4 Organization.

(a) Meetings of stockholders shall be presided over by the Chairperson of the Board of Directors, if any, the Chief Executive Officer (in the absence of the Chairperson of the Board of Directors) or the President in the absence of the Chairperson of the Board of Directors and the Chief Executive Officer, on in their absence any other executive officer of the Corporation designated by the Board of Directors. The Secretary, or in his or her absence, an Assistant Secretary, or in the absence of the Secretary and all Assistant Secretaries, a person whom the chairperson of the meeting shall appoint, shall act as Secretary of the meeting and keep a record of the proceedings thereof.

(b) The Board of Directors, and the chairperson of any meeting, each shall have the authority to adopt and enforce such rules or regulations for the conduct of meetings of stockholders as it shall deem necessary, appropriate or convenient. Subject to such rules and regulations of the Board of Directors, if any, the chairperson of the meeting further shall have the right and authority to prescribe such rules, regulations and procedures and to do all such acts as, in the judgment of such chairperson, are necessary, appropriate or convenient for the proper conduct of the meeting, including, without limitation, establishing an agenda or order of business for the meeting, rules and procedures for maintaining order at the meeting and the safety of those present, limitations on participation in the meeting to stockholders of record of the Corporation, their duly authorized and constituted proxies and such other persons as such chairperson shall permit, restrictions on entry to the meeting after the time fixed for the commencement thereof, limitations on the time allotted for consideration of each agenda item and for questions and comments by participants and regulation of the opening and closing of the polls for balloting and matters which are to be voted on by ballot. The chairperson of any stockholder meeting shall have the power to adjourn the meeting to another place, if any, date or time.

Section 2.5 List of Stockholders. The officer who has charge of the stock ledger shall prepare and make, at least 10 days before every meeting of stockholders, a complete list of the stockholders entitled to vote at the meeting, *provided*, *however*, that if the record date for determining the stockholders entitled to vote is less than 10 days before the date of the meeting, the list shall reflect the stockholders entitled to vote as of the 10th day before the meeting date. Such list shall be arranged in alphabetical order and shall show the address of each stockholder and the number of shares registered in the name of each stockholder. The Corporation shall not be required to include electronic mail addresses or other electronic contact information on such list. Such list shall be open to the examination of any stockholder, for any purpose germane to the meeting at least 10 days prior to the meeting (a) on a reasonably accessible electronic network, provided that the information required to gain access to such list is provided with the notice of meeting or (b) during ordinary business hours at the principal place of business of the Corporation. If the meeting is to be held at a place, then a list of stockholders entitled to vote at the meeting shall be produced and kept at the time and place of the meeting during the whole time thereof and may be examined by any stockholder who is present. If the meeting is to be held solely by means of remote communication, then the list shall also be open to the examination of any stockholder during the whole time of the meeting on a reasonably accessible electronic network, and the information required to access such list shall be provided with the notice of the meeting. Except as otherwise provided by law,

the stock ledger shall be the only evidence as to who are the stockholders entitled to examine the list of stockholders required by this Section 2.5 or to vote in person or by proxy at any meeting of stockholders.

Section 2.6 Quorum. At any meeting of stockholders, the holders of a majority in voting power of all issued and outstanding stock entitled to vote thereat, present in person or represented by proxy, shall constitute a quorum for the transaction of business; *provided* that where a separate vote by a class or series is required, the holders of a majority in voting power of all issued and outstanding stock of such class or series entitled to vote on such matter, present in person or represented by proxy, shall constitute a quorum entitled to take action with respect to such matter. If a quorum is not present or represented at any meeting of stockholders, then the chairperson of the meeting or the holders of a majority in voting power of the stock entitled to vote thereat, present in person or represented by proxy, shall have power to adjourn the meeting from time to time in accordance with Section 2.7, without notice other than announcement at the meeting and except as provided in Section 2.3(b), until a quorum is present or represented. If a quorum initially is present at any meeting of stockholders, the stockholders may continue to transact business until adjournment, notwithstanding the withdrawal of enough stockholders to leave less than a quorum, but if a quorum is not present at least initially, no business other than adjournment may be transacted.

Section 2.7 Adjourned Meeting. Any annual or special meeting of stockholders, whether or not a quorum is present, may be adjourned for any reason from time to time by the chairperson of the meeting. At any such adjourned meeting at which a quorum may be present, any business may be transacted that might have been transacted at the meeting as originally called.

Section 2.8 Voting.

(a) At all meetings of stockholders, each stockholder shall be entitled to such number of votes, if any, for each share of stock entitled to vote and held of record by such stockholder as may be fixed in the Certificate of Incorporation, subject to any powers, restrictions or qualifications set forth in the Certificate of Incorporation.

(b) Except as otherwise provided by law, the Certificate of Incorporation or these Bylaws, at each meeting of stockholders at which a quorum is present, all corporate actions to be taken by vote of the stockholders shall be authorized by the affirmative vote of the holders of a majority in voting power of the stock entitled to vote thereat and with respect to the matter on which a vote is taken, present in person or represented by proxy, and where a separate vote by class or series is required, if a quorum of such class or series is present, such act shall be authorized by the affirmative vote of the holders of a majority in voting power of the stock of such class or series entitled to vote thereat with respect to the matter on which a vote is taken, present in person or represented by proxy.

Section 2.9 Proxies. Every person entitled to vote for directors, or on any other matter, shall have the right to do so either in person or by one or more agents authorized by an instrument in writing or by a transmission permitted by law filed in accordance with the procedure established for the meeting, but no such proxy shall be voted or acted upon after three years from its date, unless the proxy provides for a longer period. A proxy shall be deemed signed if the stockholder's name is placed on the proxy by the stockholder or the stockholder's attorney-in-fact. A duly executed proxy shall be irrevocable if it states that it is irrevocable and if, and only as long as, it is coupled with an interest sufficient in law to support an irrevocable power. A stockholder may revoke any proxy which is not irrevocable by attending the meeting and voting in person or by filing an instrument in writing revoking the proxy or by filing another duly executed proxy bearing a later date with the Secretary of the Corporation. A proxy is not revoked by the death or incapacity of the maker unless, before the vote is counted, written notice of such death or incapacity is received by the Corporation.

Section 2.10 Notice of Stockholder Business and Nominations.

(a) Annual Meeting.

(i) Nominations of persons for election to the Board of Directors and the proposal of business other than nominations to be considered by the stockholders may be made at an annual meeting of stockholders only (A) pursuant to the Corporation's notice of meeting (or any supplement thereto), (B) by or at the direction of the Board of Directors (or any committee thereof) or (C) by any stockholder of the Corporation who is a stockholder of record at the time the notice provided for in this Section 2.10(a) is delivered to the Secretary of the Corporation, who is entitled to vote at the meeting and who complies with the notice procedures set forth in this Section 2.10(a).

(ii) For nominations or other business to be properly brought before an annual meeting by a stockholder pursuant to clause (C) of the foregoing paragraph, the stockholder must have given timely notice thereof in writing to the Secretary of the Corporation and such business must be a proper subject for stockholder action. To be timely, a stockholder's notice must be delivered to the Secretary at the principal executive offices of the Corporation not later than the close of business on the 90th day nor earlier than the close of business on the 120th day prior to the first anniversary of the preceding year's annual meeting; *provided*, *however*, that in the event that the date of the annual meeting is more than 30 days before or more than 70 days after such anniversary date, notice by the stockholder to be timely must be so delivered not earlier than the close of business on the 120th day prior to such annual meeting and not later than the close of business on the later of the 90th day prior to such annual meeting or the 10th day following the date on which public announcement (as defined below) of the date of such meeting is first made by the Corporation. In no event shall the public announcement of an adjournment or postponement of an annual meeting commence a new time period (or extend any time period) for the giving of a stockholder's notice as described above. Such stockholder's notice shall set forth:

(A) as to each person whom the stockholder proposes to nominate for election or re-election as a director (1) all information relating to such person that is required to be disclosed in solicitations of proxies for election of directors in an election contest, or is otherwise required, in each case pursuant to and in accordance with Regulation 14A under the Exchange Act, (2) such person's written consent to being named in the proxy statement as a nominee and to serving as a director if elected and (3) such other information as the Corporation may reasonably require to determine the eligibility of such proposed nominee to serve as a director of the Corporation;

(B) as to any other business that the stockholder proposes to bring before the meeting, a brief description of the business desired to be brought before the meeting, the text of the proposal or business (including the text of any resolutions proposed for consideration and in the event that such business includes a proposal to amend the Bylaws of the Corporation, the language of the proposed amendment), the reasons for conducting such business at the meeting and any substantial interest (within the meaning of Item 5 of Schedule 14A under the Exchange Act) in such business of such stockholder and the beneficial owner (within the meaning of Section 13(d) of the Exchange Act), if any, on whose behalf the proposal is made;

(C) as to the stockholder giving the notice and the beneficial owner, if any, on whose behalf the nomination is made or the business is proposed:

(1) the name and address of such stockholder, as they appear on the Corporation's books, and the name and address of such beneficial owner,

(2) the class and number of shares of capital stock of the Corporation which are owned of record by such stockholder and such beneficial owner as of the date of the notice, and a representation that the stockholder will notify the Corporation in writing within five business days after the record date for such meeting of the class and number of shares of capital stock of the Corporation owned of record by the stockholder and such beneficial owner as of the record date for the meeting (except as otherwise provided in Section 2.10(a)(iii) below), and

(3) a representation that the stockholder intends to appear in person or by proxy at the meeting to propose such nomination or business;

(D) as to the stockholder giving the notice or, if the notice is given on behalf of a beneficial owner on whose behalf the nomination is made or the business is proposed, as to such beneficial owner:

(1) the class and number of shares of capital stock of the Corporation which are beneficially owned (as defined below) by such stockholder or beneficial owner as of the date of the notice, and a representation that the stockholder will notify the Corporation in writing within five business days after the record date for such meeting of the class and number of shares of capital stock of the Corporation beneficially owned by such stockholder or beneficial owner as of the record date for the meeting (except as otherwise provided in Section 2.10(a)(iii) below),

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(2) a description of any agreement, arrangement or understanding with respect to the nomination or other business between or among such stockholder or beneficial owner and any other person, including without limitation any agreements that would be required to be disclosed pursuant to Item 5 or Item 6 of Exchange Act Schedule 13D (regardless of whether the requirement to file a Schedule 13D is applicable to the stockholder or beneficial owner) and a representation that the stockholder will notify the Corporation in writing within five business days after the record date for such meeting of any such agreement, arrangement or understanding in effect as of the record date for the meeting (except as otherwise provided in Section 2.10(a)(iii) below),

(3) a description of any agreement, arrangement or understanding (including any derivative or short positions, profit interests, options, hedging transactions, and borrowed or loaned shares) that has been entered into as of the date of the stockholder's notice by, or on behalf of, such stockholder or beneficial owner, the effect or intent of which is to mitigate loss, manage risk or benefit from changes in the share price of any class of the Corporation's capital stock, or maintain, increase or decrease the voting power of the stockholder or beneficial owner with respect to shares of stock of the Corporation, and a representation that the stockholder will notify the Corporation in writing within five business days after the record date for such meeting of any such agreement, arrangement or understanding in effect as of the record date for the meeting (except as otherwise provided in Section 2.10(a)(iii) below),

(iii) The Corporation may require any proposed nominee to furnish such other information as may reasonably be required by the Corporation to determine the eligibility of such proposed nominee to serve as a director of the Corporation, including information relevant to a determination whether such proposed nominee can be considered an independent director. Notwithstanding anything in Section 2.10(a)(ii) above to the contrary, if the record date for determining the stockholders entitled to vote at any meeting of stockholders is different from the record date for determining the stockholders entitled to notice of the meeting, a stockholder's notice required by this Section 2.10(a) shall set forth a representation that the stockholder will notify the Corporation in writing within five business days after the record date for determining the stockholders entitled to vote at the meeting, or by the opening of business on the date of the meeting (whichever is earlier), of the information required under clauses (a)(ii)(C)(2) and (a)(ii)(D)(1)-(3) of this Section 2.10, and such information when provided to the Corporation shall be current as of the record date for determining the stockholders entitled to vote at the meeting.

(iv) This Section 2.10(a) shall not apply to a proposal proposed to be made by a stockholder if the stockholder has notified the Corporation of his or her intention to present the proposal at an annual or special meeting only pursuant to and in compliance with Rule 14a-8 under the Exchange Act and such proposal has been included in a proxy statement that has been prepared by the Corporation to solicit proxies for such meeting.

(b) Special Meeting. Only such business shall be conducted at a special meeting of stockholders as shall have been brought before the meeting pursuant to the Corporation's notice of meeting. Nominations of persons for election to the Board of Directors may be made at a special meeting of stockholders at which directors are to be elected pursuant to the Corporation's notice of meeting (i) by or at the direction of the Board of Directors (or any committee thereof) or (ii) provided that the Board of Directors has determined that directors shall be elected at such meeting, by any stockholder of the Corporation who is a stockholder of record at the time the notice provided for in this Section 2.10(b) is delivered to the Secretary of the Corporation, who is entitled to vote at the meeting and upon such election and who complies with the notice procedures set forth in this Section 2.10. In the event the Corporation calls a special meeting of stockholders for the purpose of electing one or more directors to the Board of Directors, any such stockholder entitled to vote in such election of directors may nominate a person or persons (as the case may be) for election to such position(s) as specified in the Corporation's notice of meeting, if the notice required by paragraph (a)(ii) of this Section 2.10 shall be delivered to the Secretary at the principal executive offices of the Corporation not earlier than the close of business on the 120th day prior to such special meeting and not later than the close of business on the later of the 90th day prior to such special meeting or the 10th day following the day on which public announcement is first made of the date of the special meeting and of the nominees proposed by the Board of Directors to be elected at such meeting. In no event shall the public announcement of an adjournment or postponement of a special meeting commence a new time period (or extend any time period) for the giving of a stockholder's notice as described above.

(c) General.

(i) Only such persons who are nominated in accordance with the procedures set forth in this Section 2.10 shall be eligible to be elected at any meeting of stockholders of the Corporation to serve as directors and only such business shall be conducted at a meeting of stockholders as shall have been brought before the meeting in accordance with the procedures set forth in this Section 2.10. Except as otherwise provided by law, the Board of Directors shall have the power and duty to determine whether a nomination or any business proposed to be brought before the meeting was made or proposed, as the case may be, in accordance with the procedures set forth in this Section 2.10 (including whether the stockholder or beneficial owner, if any, on whose behalf the nomination or proposal is made solicited (or is part of a group which solicited) or did not so solicit, as the case may be, proxies in compliance with such stockholder's representation as required by this Section 2.10). If any proposed nomination or business was not made or proposed in compliance with this Section 2.10, then except as otherwise provided by law, the chairperson of the meeting shall have the power and duty to declare that such nomination shall be disregarded or that such proposed business shall not be transacted. Notwithstanding the foregoing provisions of this Section 2.10, unless otherwise required by law, if the stockholder does not provide the information required under clauses (a)(ii)(C)(2) and (a)(ii)(D)(1)-(3) of this Section 2.10 to the Corporation within the times frames specified herein, as the case may be, or if the stockholder (or a qualified representative of the stockholder) does not appear at the annual or special meeting of stockholders of the Corporation to present a nomination or proposed business, such nomination shall be disregarded and such proposed business shall not be transacted, notwithstanding that proxies in respect of such vote may have been received by the Corporation. For purposes of this Section 2.10, to be considered a qualified representative of the stockholder, a person must be a duly authorized officer, manager or partner of such stockholder or authorized by a writing executed by such stockholder (or a reliable reproduction or electronic transmission of the writing) delivered to the Corporation prior to the making of such nomination or proposal at such meeting by such stockholder stating that such person is authorized to act for such stockholder as proxy at the meeting of stockholders.

(ii) For purposes of this Section 2.10, a "public announcement" shall mean disclosure in a press release reported by a national news service or in a document publicly filed by the Corporation with the Securities and Exchange Commission pursuant to Sections 13, 14 or 15(d) of the Exchange Act. For purposes of clause (a)(ii)(D)(1) of this Section 2.10, shares shall be treated as "beneficially owned" by a person if the person beneficially owns such shares, directly or indirectly, for purposes of Section 13(d) of the Exchange Act and Regulations 13D and 13G thereunder or has or shares pursuant to any agreement, arrangement or understanding (whether or not in writing): (A) the right to acquire such shares (whether such right is exercisable immediately or only after the passage of time or the fulfillment of a condition or both), (B) the right to vote such shares, alone or in concert with others and/or (C) investment power with respect to such shares, including the power to dispose of, or to direct the disposition of, such shares.

Section 2.11 Action by Written Consent.

(a) To the extent permitted by the Certificate of Incorporation, any action required or permitted to be taken at any annual or special meeting of stockholders of the Corporation may be taken without a meeting, without prior notice and without a vote, if a consent or consents in writing, setting forth the action so taken, are signed by the holders of issued and outstanding stock having not less than the minimum number of votes that would be necessary to authorize or take such action at a meeting at which all shares entitled to vote thereon were present and voted. To be effective, a written consent must be delivered to the Corporation by delivery to its registered office, its principal place of business or an officer or agent of the Corporation having custody of the books in which proceedings of meetings of stockholders are recorded. Delivery made to the Corporation's registered office shall be by hand or by certified or registered mail, return receipt requested. Every written consent shall bear the date of signature of each stockholder who signs the consent and no written consent shall be effective to take the corporate action referred to therein unless, within 60 days of the earliest dated consent delivered in the manner required by this Section 2.11 to the Corporation, written consents signed by a sufficient number of holders to take action are delivered to the Corporation in accordance with this Section 2.11.

(b) Any electronic transmission consenting to an action to be taken and transmitted by a stockholder or proxyholder, or by a person or persons authorized to act for a stockholder or proxyholder, shall be deemed to be written, signed and dated for purposes of this Section 2.11, provided that any such electronic transmission sets forth or is delivered with information from which the Corporation can determine (i) that the electronic transmission was transmitted by the stockholder or proxyholder or by a person or persons authorized to act for the stockholder or proxyholder and (ii) the date on which such stockholder or proxyholder or authorized person or persons transmitted such electronic transmission. The date on which such electronic transmission is transmitted shall be deemed to be the date on which such consent was signed. Except to the extent and in the manner authorized by the Board of Directors, no consent given by electronic transmission shall be deemed to have been delivered until such consent is reproduced in paper form and until such paper form shall be delivered to the Corporation by delivery to its registered office, its principal place of business or an officer or agent of the Corporation having custody of the books in which proceedings of meetings of stockholders are recorded. Delivery made to the Corporation's registered office shall be made by hand or by certified or registered mail, return receipt requested.

(c) Any copy, facsimile, or other reliable reproduction of a consent in writing may be substituted or used in lieu of the original writing for any and all purposes for which the original writing could be used, provided that such copy, facsimile, or other reproduction shall be a complete reproduction of the entire writing.

(d) Prompt notice of the taking of the corporate action without a meeting by less than unanimous written consent shall be given to those stockholders who have not consented in writing and who, if the action had been taken at a meeting, would have been entitled to notice of the meeting if the record date for notice of such meeting had been the date that written consents signed by a sufficient number of stockholders to take the action were delivered to the Corporation in the manner required by this Section 2.11.

Section 2.12 Inspectors of Election. Before any meeting of stockholders, the Board of Directors shall appoint one or more inspectors of election to act at the meeting or its adjournment. If any person appointed as inspector fails to appear or fails or refuses to act, then the chairperson of the meeting may, and upon the request of any stockholder or a stockholder's proxy shall, appoint a person to fill that vacancy. Inspectors need not be stockholders. No director or nominee for the office of director shall be appointed such an inspector.

Such inspectors shall:

(a) determine the number of shares outstanding and the voting power of each, the number of shares represented at the meeting, the existence of a quorum, and the authenticity, validity, and effect of proxies;

(b) receive votes, ballots or consents;

(c) hear and determine all challenges and questions in any way arising in connection with the right to vote;

(d) count and tabulate all votes or consents;

(e) determine when the polls shall close;

(f) determine the result; and

(g) do any other acts that may be proper to conduct the election or vote with fairness to all stockholders.

The inspectors of election shall perform their duties impartially, in good faith, to the best of their ability and as expeditiously as is practical. Any report or certificate made by the inspectors of election shall be *prima facie* evidence of the facts stated therein.

Section 2.13 Meetings by Remote Communications. The Board of Directors may, in its sole discretion, determine that a meeting of stockholders shall not be held at any place, but may instead be held solely by means of remote communication in accordance with Section 211(a)(2) of the DGCL. If authorized by the Board of Directors in its sole discretion, and subject to such guidelines and procedures as the Board of Directors may adopt, stockholders and proxyholders not physically present at a meeting of stockholders may, by means of remote communication (a) participate in a meeting of stockholders and (b) be deemed present in person and vote at a meeting of stockholders whether such meeting is to be held at a designated place or solely by means of remote communication, provided that (i) the Corporation shall implement reasonable measures to verify that each person deemed present and permitted to vote at the meeting by means of remote communication is a stockholder or proxyholder; (ii) the Corporation shall implement reasonable measures to provide such stockholders and proxyholders a reasonable opportunity to participate in the meeting and to vote on matters submitted to the stockholders, including an opportunity to read or hear the proceedings of the meeting substantially concurrently with such proceedings; and (iii) if any stockholder or proxyholder votes or takes other action at the meeting by means of remote communication, a record of such vote or other action shall be maintained by the Corporation.

ARTICLE III
DIRECTORS

Section 3.1 Powers. Subject to the provisions of the DGCL and to any limitations in the Certificate of Incorporation or these Bylaws relating to action required to be approved by the stockholders, the business and affairs of the Corporation shall be managed and shall be exercised by or under the direction of the Board of Directors.

Section 3.2 Number, Term of Office and Election. The Board of Directors shall consist of not fewer than 3 nor more than 11 directors, each of whom shall be a natural person. Unless the Certificate of Incorporation fixes the number of directors, the exact number of directors shall be determined from time to time by resolution of the Board of Directors. Directors need not be stockholders unless so required by the Certificate of Incorporation or these Bylaws, wherein other qualifications for directors may be prescribed.

Section 3.3 Vacancies. Newly created directorships resulting from any increase in the authorized number of directors or any vacancies in the Board of Directors resulting from death, resignation, retirement, disqualification, removal from office or other cause shall, unless otherwise provided by law, be filled solely by the affirmative vote of a majority

of the remaining directors then in office, even if less than a quorum, and shall hold office until the next annual meeting of the stockholders or until his or her successor is duly elected and qualified. No decrease in the authorized number of directors shall shorten the term of any incumbent director.

Section 3.4 Resignations and Removal.

(a) Any director may resign at any time upon notice given in writing or by electronic transmission to the Board of Directors, the Chairperson of the Board of Directors, the Secretary or another person designated by the Board of Directors. Such resignation shall take effect upon delivery unless the resignation specifies a later effective date or an effective date determined upon the happening of an event or events. Unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

(b) Except for such additional directors, if any, as are elected by the holders of any series of Preferred Stock as provided for or fixed pursuant to the provisions of Article IV of the Certificate of Incorporation, any director, or the entire Board of Directors, may be removed from office at any time, (i) for cause only by the affirmative vote of the holders of a majority of the voting power of all the outstanding shares of capital stock of the Corporation entitled to vote generally in the election of directors, voting together as a single class or (ii) without cause only by the affirmative vote of the holders of at least 66 2⁄3% of the voting power of all the outstanding shares of capital stock of the Corporation entitled to vote generally in the election of directors, voting together as a single class.

Section 3.5 Regular Meetings. Regular meetings of the Board of Directors shall be held at such place or places, on such date or dates and at such time or times, as shall have been established by the Board of Directors and publicized among all directors; *provided* that no fewer than one regular meeting per year shall be held. A notice of each regular meeting shall not be required.

Section 3.6 Special Meetings. Special meetings of the Board of Directors for any purpose or purposes may be called at any time by the Chairperson of the Board of Directors, the Chief Executive Officer or a majority of the Board of Directors then in office. The person or persons authorized to call special meetings of the Board of Directors may fix the place and time of such meetings. Notice of each such meeting shall be given to each director, if by mail, addressed to such director as his or her residence or usual place of business, at least five days before the day on which such meeting is to be held, or shall be sent to such director at such place by facsimile, electronic transmission or other form of recorded communication, or be delivered personally or by telephone, in each case at least 24 hours prior to the time set for such meeting. Notice of any meeting need not be given to any director who shall, either before or after the meeting, submit a waiver of such notice or who shall attend such meeting without protesting, prior to or at its commencement, the lack of notice to such director. A notice of special meeting need not state the purpose of such meeting, and, unless indicated in the notice thereof, any and all business may be transacted at a special meeting.

Section 3.7 Participation in Meetings by Telephone. Members of the Board of Directors, or of any committee thereof, may participate in a meeting of such Board of Directors or committee by means of conference telephone or other communications equipment by means of which all persons participating in the meeting can hear each other, and such participation shall constitute presence in person at such meeting.

Section 3.8 Quorum. Except as otherwise provided by law, the Certificate of Incorporation or these Bylaws, a majority of the authorized number of directors shall constitute a quorum for the transaction of business at any meeting of the Board of Directors, and the vote of a majority of the directors present at a duly held meeting at which a quorum is present shall be regarded as the act of the Board of Directors. The chairperson of the meeting or a majority of the directors present may adjourn the meeting to another time and place whether or not a quorum is present. At any adjourned meeting at which a quorum is present, any business may be transacted which might have been transacted at the meeting as originally called. If a quorum initially is present at any meeting of directors, the directors may continue to transact business, notwithstanding the withdrawal of enough directors to leave less than a quorum, upon resolution of at least a majority of the required quorum for that meeting prior to the loss of such quorum.

Section 3.9 Board of Directors Action by Written Consent Without a Meeting. Any action required or permitted to be taken by the Board of Directors may be taken without a meeting, *provided* that all members of the Board of Directors consent in writing or by electronic transmission to such action, and the writing or writings or electronic transmission or transmissions are filed with the minutes or proceedings of the Board of Directors. Such filing shall be in paper form if the minutes are maintained in paper form and shall be in electronic form if the minutes are maintained in electronic form. Such action by written consent shall have the same force and effect as a unanimous vote of the Board of Directors.

Section 3.10 Chairperson of the Board. The Chairperson of the Board, if any, shall preside at meetings of stockholders and directors and shall perform such other duties as the Board of Directors may from time to time determine. If the Chairperson of the Board is not present at a meeting of the Board of Directors, another director chosen by the Board of Directors shall preside.

Section 3.11 Rules and Regulations. The Board of Directors shall adopt such rules and regulations not inconsistent with the provisions of law, the Certificate of Incorporation or these Bylaws for the conduct of its meetings and management of the affairs of the Corporation as the Board of Directors shall deem proper.

Section 3.12 Fees and Compensation of Directors. Directors and members of committees may receive such compensation, if any, for their services and such reimbursement of expenses as may be fixed or determined by resolution of the Board of Directors. This Section 3.12 shall not be construed to preclude any director from serving the Corporation in any other capacity as an officer, agent, employee or otherwise and receiving compensation for those services.

Section 3.13 Emergency Bylaws. In the event of any emergency, disaster or catastrophe, as referred to in Section 110 of the DGCL, or other similar emergency condition, as a result of which a quorum of the Board of Directors or a standing committee of the Board of Directors cannot readily be convened for action, then the director or directors in attendance at the meeting shall constitute a quorum. Such director or directors in attendance may further take action to appoint one or more of themselves or other directors to membership on any standing or temporary committees of the Board of Directors as they shall deem necessary and appropriate.

ARTICLE IV
COMMITTEES

Section 4.1 Committees of the Board of Directors. The Board of Directors may, by resolution, designate one or more committees, each such committee to consist of one or more of the directors of the Corporation. The Board of Directors may designate one or more directors as alternate members of any committee to replace any absent or disqualified member at any meeting of the committee. In the absence or disqualification of a member of a committee, the member or members present at any meeting and not disqualified from voting, whether or not he, she or they constitute a quorum, may unanimously appoint another member of the Board of Directors to act at the meeting in the place of any such absent or disqualified member. Any such committee, to the extent provided in the resolution of the Board of Directors establishing such committee, shall have and may exercise all the powers and authority of the Board of Directors in the management of the business and affairs of the Corporation, and may authorize the seal of the Corporation to be affixed to all papers which may require it; but no such committee shall have the power or authority in reference to the following matters: (a) approving or adopting, or recommending to the stockholders, any action or matter (other than the election or removal of directors) expressly required by the DGCL to be submitted to stockholders for approval or (b) adopting, amending or repealing any bylaw of the Corporation. Any such committee shall have the authority to delegate its authority to sub-committees as permitted by the charter of such committee. All committees of the Board of Directors shall keep minutes of their meetings and shall report their proceedings to the Board of Directors when requested or required by the Board of Directors.

Section 4.2 Meetings and Action of Committees. Any committee of the Board of Directors may adopt such rules and regulations not inconsistent with the provisions of law, the Certificate of Incorporation or these Bylaws for the conduct of its meetings as such committee may deem proper.

ARTICLE V
OFFICERS

Section 5.1 Officers. The officers of the Corporation shall consist of a Chief Executive Officer, a President, a Chief Operating Officer, a Chief Financial Officer, one or more Vice Presidents, a Secretary, and such other officers as the Board of Directors may from time to time determine, each of whom shall be elected by the Board of Directors, each to have such authority, functions or duties as set forth in these Bylaws or as determined by the Board of Directors. Each officer shall be chosen by the Board of Directors and shall hold office for such term as may be prescribed by the Board of Directors and until such person's successor shall have been duly chosen and qualified, or until such person's earlier death, disqualification, resignation or removal. Any two of such offices may be held by the same person; *provided*, *however*, that no officer shall execute, acknowledge or verify any instrument in more than one capacity if such instrument is required by law, the Certificate of Incorporation or these Bylaws to be executed, acknowledged or verified by two or more officers.

Section 5.2 Compensation. The Board of Directors may establish the salaries of the officers of the Corporation and the manner and time of the payment of such salaries may be fixed and determined by the Board of Directors or the Board of Directors may delegate such authority, in the case of salaries of officers that are not executive officers, to one or more executive officers of the Corporation. The salaries of the officers of the Corporation may be altered by the Board of Directors or such persons that have been delegated authority pursuant to this Section 5.2 from time to time as it deems appropriate, subject to the rights, if any, of such officers under any contract of employment.

Section 5.3 Removal, Resignation and Vacancies. Any officer of the Corporation may be removed, with or without cause, by the Board of Directors, without prejudice to the rights, if any, of such officer under any contract to which it is a party. Any officer may resign at any time upon written notice to the Corporation, without prejudice to the rights, if any, of the Corporation under any contract to which such officer is a party. If any vacancy occurs in any office of the Corporation, the Board of Directors may elect a successor to fill such vacancy for the remainder of the unexpired term and until a successor shall have been duly chosen and qualified.

Section 5.4 Chief Executive Officer. The Chief Executive Officer shall have general supervision and direction of the business and affairs of the Corporation, shall be responsible for corporate policy and strategy, and shall report directly to the Board of Directors. Unless otherwise provided in these Bylaws, all other officers of the Corporation shall report directly to the Chief Executive Officer or as otherwise determined by the Chief Executive Officer.

Section 5.5 President. The President shall exercise general responsibility for the management and control of the operations of the Corporation, in coordination with the other officers of the Corporation. The President shall have the power to affix the signature of the Corporation to all contracts that have been authorized by the Board of Directors or the Chief Executive Officer. The President shall, when requested, counsel with and advise the other officers of the Corporation and shall perform such other duties as such officer may agree with the Chief Executive Officer or as the Board of Directors may from time to time determine.

Section 5.6 Chief Operating Officer. The Chief Operating Officer shall exercise general responsibility for the management and control of the operations of the Corporation, in coordination with the other officers of the Corporation. The Chief Operating Officer shall have the power to affix the signature of the Corporation to all contracts that have been authorized by the Board of Directors or the Chief Executive Officer. The Chief Operating Officer shall, when requested, counsel with and advise the other officers of the Corporation and shall perform such other duties as such officer may agree with the Chief Executive Officer or as the Board of Directors may from time to time determine.

Section 5.7 Chief Financial Officer. The Chief Financial Officer shall exercise all the powers and perform the duties of the office of the chief financial officer and in general have overall supervision of the financial operations of the Corporation. The Chief Financial Officer shall, when requested, counsel with and advise the other officers of the Corporation and shall perform such other duties as such officer may agree with the Chief Executive Officer or as the Board of Directors may from time to time determine.

Section 5.8 Secretary. The powers and duties of the Secretary are: (i) to act as Secretary at all meetings of the Board of Directors, of the committees of the Board of Directors and of the stockholders and to record the proceedings of such meetings in a book or books to be kept for that purpose; (ii) to see that all notices required to be given by the Corporation are duly given and served; (iii) to act as custodian of the seal of the Corporation and affix the seal or cause it to be affixed to all certificates of stock of the Corporation and to all documents, the execution of which on behalf of the Corporation under its seal is duly authorized in accordance with the provisions of these Bylaws; (iv) to have charge of the books, records and papers of the Corporation and see that the reports, statements and other documents required by law to be kept and filed are properly kept and filed; and (v) to perform all of the duties incident to the office of Secretary. The Secretary shall, when requested, counsel with and advise the other officers of the Corporation and shall perform such other duties as such officer may agree with the Chief Executive Officer or as the Board of Directors may from time to time determine.

Section 5.9 Vice Presidents. A Vice President shall have such powers and duties as shall be prescribed by his or her superior officer or the Chief Executive Officer. A Vice President shall, when requested, counsel with and advise the other officers of the Corporation and shall perform such other duties as such officer may agree with the Chief Executive Officer or as the Board of Directors may from time to time determine.

Section 5.10 Additional Matters. The Chief Executive Officer and the Chief Financial Officer of the Corporation shall have the authority to designate employees of the Corporation to have the title of Vice President, Assistant Vice President or Assistant Secretary. Any employee so designated shall have the powers and duties determined by the officer making such designation. The persons upon whom such titles are conferred shall not be deemed officers of the Corporation unless elected by the Board of Directors.

Section 5.11 Checks; Drafts; Evidences of Indebtedness. From time to time, the Board of Directors shall determine by resolution which person or persons may sign or endorse all checks, drafts, other orders for payment of money, notes, bonds, debentures or other evidences of indebtedness that are issued in the name of or payable by the Corporation, and only the persons so authorized shall sign or endorse such instruments.

Section 5.12 Corporate Contracts and Instruments; How Executed. Except as otherwise provided in these Bylaws, the Board of Directors may authorize any officer or officers, or agent or agents, to enter into any contract or execute any instrument in the name of and on behalf of the Corporation. Such authority may be general or confined to specific instances. Unless so authorized or ratified by the Board of Directors or within the agency power of an officer, no officer, agent or employee shall have any power or authority to bind the Corporation by any contract or engagement or to pledge its credit or to render it liable for any purpose or for any amount.

Section 5.13 Action with Respect to Securities of Other Corporations. The Chief Executive Officer or any other officer of the Corporation authorized by the Board of Directors or the Chief Executive Officer is authorized to vote, represent, and exercise on behalf of the Corporation all rights incident to any and all shares of any other corporation or corporations standing in the name of the Corporation. The authority herein granted may be exercised either by such person directly or by any other person authorized to do so by proxy or power of attorney duly executed by the person having such authority.

ARTICLE VI
INDEMNIFICATION AND ADVANCEMENT OF EXPENSES

Section 6.1 Right to Indemnification. Each person who was or is a party or is threatened to be made a party to, or was or is otherwise involved in, any action, suit, arbitration, alternative dispute mechanism, inquiry, judicial, administrative or legislative hearing, investigation or any other threatened, pending or completed proceeding, whether brought

by or in the right of the Corporation or otherwise, including any and all appeals, whether of a civil, criminal, administrative, legislative, investigative or other nature (hereinafter a "**proceeding**"), to which such person was or is a party or is threatened to be made a party or is otherwise involved in by reason of the fact that he or she is or was a director or an officer of the Corporation or while a director or officer of the Corporation is or was serving at the request of the Corporation as a director, officer, employee, agent or trustee of another corporation or of a partnership, joint venture, trust or other enterprise, including service with respect to an employee benefit plan (hereinafter an "**indemnitee**"), or by reason of anything done or not done by him or her in any such capacity, shall be indemnified and held harmless by the Corporation to the fullest extent authorized by the DGCL, as the same exists or may hereafter be amended, against all expense, liability and loss (including attorneys' fees, judgments, fines, ERISA excise taxes or penalties and amounts paid in settlement by or on behalf of the indemnitee) actually and reasonably incurred by such indemnitee in connection therewith; *provided*, *however*, that, except as otherwise required by law or provided in Section 6.3 with respect to proceedings to enforce rights under this Article VI, the Corporation shall indemnify any such indemnitee in connection with a proceeding, or part thereof, initiated by such indemnitee (including claims and counterclaims, whether such counterclaims are asserted by (i) such indemnitee, or (ii) the Corporation in a proceeding initiated by such indemnitee) only if such proceeding, or part thereof, was authorized or ratified by the Board of Directors.

Section 6.2 Right to Advancement of Expenses.

(a) In addition to the right to indemnification conferred in Section 6.1, an indemnitee shall, to the fullest extent not prohibited by law, also have the right to be paid by the Corporation the expenses (including attorneys' fees) incurred in defending any proceeding with respect to which indemnification is required under Section 6.1 in advance of its final disposition (hereinafter an "**advancement of expenses**"); *provided*, *however*, that an advancement of expenses shall be made only upon delivery to the Corporation of an undertaking (hereinafter an "**undertaking**"), by or on behalf of such indemnitee, to repay all amounts so advanced if it shall ultimately be determined by final judicial decision of a court of competent jurisdiction from which there is no further right to appeal (hereinafter a "**final adjudication**") that such indemnitee is not entitled to be indemnified for such expenses under this Section 6.2 or otherwise.

(b) Notwithstanding the foregoing Section 6.2(a), the Corporation shall not make or continue to make advancements of expenses to an indemnitee (except by reason of the fact that the indemnitee is or was a director of the Corporation, in which event this Section 6.2(b) shall not apply) if a determination is reasonably made that the facts known at the time such determination is made demonstrate clearly and convincingly that the indemnitee acted in bad faith and in a manner that the Indemnitee did not believe to be in or not opposed to the best interests of the Corporation, or, with respect to any criminal proceeding, that the indemnitee had reasonable cause to believe his or her conduct was unlawful. Such determination shall be made: (i) by the Board of Directors by a majority vote of directors who are not parties to such proceeding, whether or not such majority constitutes a quorum, (ii) by a committee of such directors designated by a majority vote of such directors, whether or not such majority constitutes a quorum, or (iii) if there are no such directors, or if such directors so direct, by independent legal counsel in a written opinion to the Board of Directors, a copy of which shall be delivered to the indemnitee.

Section 6.3 Right of Indemnitee to Bring Suit. If a request for indemnification under Section 6.1 is not paid in full by the Corporation within 60 days, or if a request for an advancement of expenses under Section 6.2 is not paid in full by the Corporation within 20 days, after a written request has been received by the Corporation, the indemnitee may at any time thereafter bring suit against the Corporation in a court of competent jurisdiction in the State of Delaware seeking an adjudication of entitlement to such indemnification or advancement of expenses. If successful in whole or in part in any such suit, or in a suit brought by the Corporation to recover an advancement of expenses pursuant to the terms of an undertaking, the indemnitee shall be entitled to be paid also the expense of prosecuting or defending such suit to the fullest extent permitted by law. In any suit brought by the indemnitee to enforce a right to indemnification hereunder (but not in a suit brought by the indemnitee to enforce a right to an advancement of expenses) it shall be a defense that the indemnitee did not act in good faith and in a manner the Indemnitee reasonably believed to be in or not opposed to the best interests of the Company and, with respect to any criminal proceeding, had no reasonable cause to believe his or her conduct was unlawful. Further, in any suit brought by the Corporation to recover an advancement of expenses pursuant to the terms of an undertaking, the Corporation shall be entitled to recover such expenses upon a final adjudication that the indemnitee has not met any applicable standard of conduct for indemnification described above. Neither the failure of the Corporation (including its directors who are not parties to such action, a committee of such directors, independent legal counsel, or its stockholders) to have made a determination prior to the commencement of such suit that indemnification of the indemnitee is proper in the circumstances because the indemnitee has met the applicable standard of conduct described above, nor an actual determination by the Corporation (including its directors who are not parties to such action, a committee of such directors, independent legal counsel, or its stockholders) that the indemnitee has not met such applicable standard of conduct, shall create a presumption that the indemnitee has not met the applicable standard of conduct or, in the case of such a suit brought by the indemnitee, be a defense to such suit. In any suit brought by the indemnitee to enforce a right to indemnification or to an advancement of expenses hereunder, or brought by the Corporation to recover an advancement of expenses pursuant to the terms of an undertaking, the burden of proving that the indemnitee is not entitled to be indemnified, or to such advancement of expenses, under this Article VI or otherwise shall be on the Corporation.

Section 6.4 Non-Exclusivity of Rights. The rights to indemnification and to the advancement of expenses conferred in this Article VI shall not be exclusive of any other right which any person may have or hereafter acquire under any law, agreement, vote of stockholders or directors, provisions of the Certificate of Incorporation or these Bylaws or otherwise.

Section 6.5 Insurance. The Corporation may maintain insurance, at its expense, to protect itself and any director, officer, employee or agent of the Corporation or another corporation, partnership, joint venture, trust or other enterprise against any expense, liability or loss, whether or not the Corporation would have the power to indemnify such person against such expense, liability or loss under the DGCL.

Section 6.6 Indemnification of Employees and Agents of the Corporation. The Corporation may, to the extent authorized from time to time by the Board of Directors, grant rights to indemnification and to the advancement of expenses to any employee or agent of the Corporation to the fullest extent of the provisions of this Article VI with respect to the indemnification and advancement of expenses of directors and officers of the Corporation.

Section 6.7 Nature of Rights. The rights conferred upon indemnitees in this Article VI shall be contract rights that shall vest at the time an individual becomes a director or officer of the Corporation and such rights shall continue as to an indemnitee who has ceased to be a director or officer and shall inure to the benefit of the indemnitee's heirs, executors and administrators. Any amendment, alteration or repeal of this Article VI that adversely affects any right of an indemnitee or its successors shall be prospective only and shall not limit or eliminate any such right with respect to any proceeding involving any occurrence or alleged occurrence of any action or omission to act that took place prior to such amendment, alteration or repeal. The indemnity obligations of the Corporation contained in this Article VI shall be binding upon all successors and assigns of the Company (including any transferee of all or substantially all of its assets and any successor by merger or operation of law).

Section 6.8 Settlement of Claims. The Corporation shall not be liable to indemnify any indemnitee under this Article VI for any amounts paid in settlement of any proceeding effected without the Corporation's written consent, or for any judicial or arbitral award if the Corporation was not given a reasonable and timely opportunity, at its expense, to participate in the defense of such proceeding. The Corporation shall not settle any proceeding in any manner that would impose any penalty or limitation on or disclosure obligation with respect to the indemnitee without the indemnitee's written consent. Neither the Corporation nor the indemnitee shall unreasonably withhold its consent to any proposed settlement.

Section 6.9 Subrogation. In the event of payment under this Article VI, the Corporation shall be subrogated to the extent of such payment to all of the rights of recovery of the indemnitee, who shall execute all papers required and shall do everything that may be necessary to secure such rights, including the execution of such documents necessary to enable the Corporation effectively to bring suit to enforce such rights.

Section 6.10 Severability. If any provision or provisions of this Article VI shall be held to be invalid, illegal or unenforceable for any reason whatsoever, (a) the validity, legality and enforceability of the remaining provisions of this Article VI (including, without limitation, all portions of any paragraph of this Article VI containing any such

provision held to be invalid, illegal or unenforceable, that are not by themselves invalid, illegal or unenforceable) shall not in any way be affected or impaired thereby, and (b) to the fullest extent possible, the provisions of this Article VI (including, without limitation, all portions of any paragraph of this Article VI containing any such provision held to be invalid, illegal or unenforceable, that are not themselves invalid, illegal or unenforceable) shall be construed so as to give effect to the intent of the parties that the Corporation provide protection to the indemnitee to the fullest enforceable extent.

Section 6.11 Procedures for Submission of Claims. The Board of Directors may establish reasonable procedures for the submission of claims for indemnification pursuant to this Article VI, determination of the entitlement of any person thereto and review of any such determination. Such procedures shall be deemed for all purposes to be a part of these Bylaws.

ARTICLE VII
CAPITAL STOCK

Section 7.1 Certificates of Stock. The shares of the Corporation shall be represented by certificates,*provided* that the Board of Directors may provide by resolution or resolutions that some or all of any or all classes or series of its stock may be uncertificated shares. Any such resolution shall not apply to shares represented by a certificate until such certificate is surrendered to the Corporation. Every holder of stock represented by certificates shall be entitled to have a certificate signed by or in the name of the Corporation by the Chairperson or Vice Chairperson of the Board of Directors, if any, or the President or a Vice President, and by the Secretary or an Assistant Secretary, of the Corporation certifying the number of shares owned by such holder in the Corporation. Any or all such signatures may be facsimiles. In case any officer, transfer agent or registrar who has signed or whose facsimile signature has been placed upon a certificate has ceased to be such officer, transfer agent or registrar before such certificate is issued, it may be issued by the Corporation with the same effect as if such person were such officer, transfer agent or registrar at the date of issue.

Section 7.2 Special Designation on Certificates. If the Corporation is authorized to issue more than one class of stock or more than one series of any class, then the powers, the designations, the preferences, and the relative, participating, optional or other special rights of each class of stock or series thereof and the qualifications, limitations or restrictions of such preferences and/or rights shall be set forth in full or summarized on the face or back of the certificate that the Corporation shall issue to represent such class or series of stock, if such stock is certificated; *provided*, *however*, that, except as otherwise provided in Section 202 of the DGCL, in lieu of the foregoing requirements there may be set forth on the face or back of the certificate that the Corporation shall issue to represent such class or series of stock a statement that the Corporation will furnish without charge to each stockholder who so requests the powers, the designations, the preferences, and the relative, participating, optional or other special rights of each class of stock or series thereof and the qualifications, limitations or restrictions of such preferences and/or rights. Within a reasonable time after the issuance or transfer of uncertificated stock, the Corporation shall send to the registered owner thereof a written notice containing the information required to be set forth or stated on certificates pursuant to this Section 7.2 or Section 156, 202(a) or 218(a) of the DGCL or with respect to this Section 7.2 a statement that the Corporation will furnish without charge to each stockholder who so requests the powers, the designations, the preferences, and the relative, participating, optional or other special rights of each class of stock or series thereof and the qualifications, limitations or restrictions of such preferences and/or rights. Except as otherwise expressly provided by law, the rights and obligations of the holders of uncertificated stock and the rights and obligations of the holders of certificates representing stock of the same class and series shall be identical.

Section 7.3 Transfers of Stock. If represented by certificates, transfers of shares of stock of the Corporation shall be made only on the books of the Corporation upon authorization by the registered holder thereof or by such holder's attorney thereunto authorized by a power of attorney duly executed and filed with the Secretary or a transfer agent for such stock, and upon surrender of the certificate or certificates for such shares properly endorsed or accompanied by a duly executed stock transfer power and the payment of any taxes thereon; *provided*, *however*, that the Corporation shall be entitled to recognize and enforce any lawful restriction on transfer. If uncertificated, shares of capital stock of the Corporation shall be transferable only upon delivery of a duly executed instrument of transfer. If the Corporation has a transfer agent or agents or transfer clerk and registrar of transfers acting on its behalf, the signature of any officer or representative thereof may be in facsimile. The Board of Directors may appoint a transfer agent and one or more co-transfer agents and a registrar and one or more co-registrars of transfer and may make or authorize the transfer agents to make all such rules and regulations deemed expedient concerning the issue, transfer and registration of shares of stock.

Section 7.4 Lost Certificates. The Corporation may issue a new share certificate or new certificate for any other security in the place of any certificate theretofore issued by it, alleged to have been lost, stolen or destroyed, and the Corporation may require the owner of the lost, stolen or destroyed certificate or the owner's legal representative to give the Corporation a bond (or other adequate security) sufficient to indemnify it against any claim that may be made against it (including any expense or liability) on account of the alleged loss, theft or destruction of any such certificate or the issuance of such new certificate. The Board of Directors may adopt such other provisions and restrictions with reference to lost certificates, not inconsistent with applicable law, as it shall in its discretion deem appropriate.

Section 7.5 Addresses of Stockholders. Each stockholder shall designate to the Secretary an address at which notices of meetings and all other corporate notices may be served or mailed to such stockholder and, if any stockholder shall fail to so designate such an address, corporate notices may be served upon such stockholder by mail directed to the mailing address, if any, as the same appears in the stock ledger of the Corporation or at the last known mailing address of such stockholder.

Section 7.6 Registered Stockholders. The Corporation shall be entitled to recognize the exclusive right of a person registered on its books as the owner of shares to receive dividends, and to vote as such owner, and shall not be bound to recognize any equitable or other claim to or interest in such share or shares on the part of any other person, whether or not it shall have express or other notice thereof, except as otherwise provided by law.

Section 7.7 Record Date for Determining Stockholders.

(a) In order that the Corporation may determine the stockholders entitled to notice of any meeting of stockholders or any adjournment thereof, the Board of Directors may fix a record date, which record date shall not precede the date upon which the resolution fixing the record date is adopted by the Board of Directors, and which record date shall, unless otherwise required by law, not be more than 60 nor less than 10 days before the date of such meeting. If the Board of Directors so fixes a date, such date shall also be the record date for determining the stockholders entitled to vote at such meeting unless the Board of Directors determines, at the time it fixes such record date, that a later date on or before the date of the meeting shall be the date for making such determination. If no record date is fixed by the Board of Directors, the record date for determining stockholders entitled to notice of and to vote at a meeting of stockholders shall be at the close of business on the day next preceding the day on which notice is given, or, if notice is waived, at the close of business on the day next preceding the day on which the meeting is held. A determination of stockholders of record entitled to notice of or to vote at a meeting of stockholders shall apply to any adjournment of the meeting; *provided*, *however*, that the Board of Directors may fix a new record date for determination of stockholders entitled to vote at the adjourned meeting, and in such case shall also fix as the record date for stockholders entitled to notice of such adjourned meeting the same or an earlier date as that fixed for determination of stockholders entitled to vote in accordance herewith at the adjourned meeting.

(b) In order that the Corporation may determine the stockholders entitled to receive payment of any dividend or other distribution or allotment of any rights, or entitled to exercise any rights in respect of any change, conversion or exchange of stock or for the purpose of any other lawful action, the Board of Directors may fix a record date, which shall not be more than 60 days prior to such other action. If no such record date is fixed, the record date for determining stockholders for any such purpose shall be at the close of business on the day on which the Board of Directors adopts the resolution relating thereto.

Section 7.8 Regulations. The Board of Directors may make such additional rules and regulations as it may deem expedient concerning the issue, transfer and registration of shares of stock of the Corporation.

ARTICLE VIII
GENERAL MATTERS

Section 8.1 Fiscal Year. The fiscal year of the Corporation shall be the 12-month period ending on December 31st of each calendar year, or such other period as the Board of Directors may designate.

Section 8.2 Corporate Seal. The Board of Directors may provide a suitable seal, containing the name of the Corporation, which seal shall be in the charge of the Secretary. If and when so directed by the Board of Directors or a committee thereof, duplicates of the seal may be kept and used by an Assistant Secretary.

Section 8.3 Maintenance and Inspection of Records. The Corporation shall, either at its principal executive office or at such place or places as designated by the Board of Directors, keep a record of its stockholders listing their names and addresses and the number and class of shares held by each stockholder, a copy of these Bylaws as amended to date, accounting books and other records.

Section 8.4 Reliance Upon Books, Reports and Records. Each director and each member of any committee designated by the Board of Directors shall, in the performance of his or her duties, be fully protected in relying in good faith upon the books of account or other records of the Corporation and upon such information, opinions, reports or statements presented to the Corporation by any of its officers or employees, or committees of the Board of Directors so designated, or by any other person as to matters which such director or committee member reasonably believes are within such other person's professional or expert competence and who has been selected with reasonable care by or on behalf of the Corporation.

Section 8.5 Subject to Law and Certificate of Incorporation. All powers, duties and responsibilities provided for in these Bylaws, whether or not explicitly so qualified, are qualified by the Certificate of Incorporation and applicable law.

ARTICLE IX
FORUM FOR ADJUDICATION OF DISPUTES

Section 9.1 Forum. Unless the Corporation consents in writing to the selection of an alternative forum, the Court of Chancery of the State of Delaware shall, to the fullest extent permitted by law, be the sole and exclusive forum for (i) any derivative action or proceeding brought on behalf of the Corporation, (ii) any action asserting a claim of breach of a fiduciary duty owed by, or other wrongdoing by, any director, officer, employee, agent or stockholder of the Corporation to the Corporation or the Corporation's stockholders, (iii) any action asserting a claim arising pursuant to any provision of the DGCL, the Certificate of Incorporation or these Bylaws, or (iv) any action asserting a claim against the Corporation governed by the internal affairs doctrine. Any person or entity purchasing or otherwise acquiring any interest in shares of capital stock of the Corporation shall be deemed to have notice of and consented to the provisions of this Article IX.

ARTICLE X

Section 10.1 Amendments. In furtherance and not in limitation of the powers conferred by the laws of the State of Delaware, the Board of Directors is expressly authorized to adopt, amend or repeal these Bylaws. In addition to any requirements of law and any other provision of these Bylaws or the Certificate of Incorporation, and notwithstanding any other provision of these Bylaws, the Certificate of Incorporation or any provision of law which might otherwise permit a lesser vote or no vote, the affirmative vote of the holders of at least 66 2/3% in voting power of the issued and outstanding stock entitled to vote generally in the election of directors, voting together as a single class, shall be required for the stockholders to amend, alter, change or repeal any provision of these Bylaws.

The foregoing Bylaws were adopted by the Board of Directors on January , 2022 and are effective as of December 9, 2021.

Exhibit 4.1

NUMBER **UNITS**

U-_____

SEE REVERSE FOR
CERTAIN DEFINITIONS

YOSHIHARU GLOBAL CO.

CUSIP 98740Y 203

UNITS CONSISTING OF ONE SHARE OF COMMON STOCK AND ONE WARRANT

THIS CERTIFIES THAT _____
is the owner of _____ Units.

Each Unit ("Unit") consists of one (1) share of Class A common stock, par value $0.0001 per share ("Common Stock"), of Yoshiharu Global Co., a Delaware corporation (the "Company") and one warrant ("Warrant(s)"). Each Warrant entitles the holder to purchase one share of Common Stock for $___ per share (subject to adjustments as set forth in the Warrant Agreement referenced below). Each Warrant will become exercisable on the later of (a) six months after the Company's completion of an initial merger, capital stock exchange, asset acquisition, or other similar business combination with one or more businesses or entities (a "Business Combination") and (b) one year from the date of the final prospectus relating to the Company's initial public offering (the "Final Prospectus"), and will expire unless exercised before 5:00 p.m., New York City Time, on the fifth anniversary of the completion of an initial Business Combination, or earlier upon redemption or liquidation. The Common Stockand Warrants comprising the Unit(s) represented by this certificate are not transferable separately until 52 days following the date of the Final Prospectus, unless EF Hutton, division of Benchmark Investments, LLC, informs the Company of their decision to allow earlier separate trading, except that in no event will the Common Stock and Warrants be separately tradeable until the Company has filed an audited balance sheet reflecting the Company's receipt of the gross proceeds of its initial public offering and issued a press release announcing when such separate trading will begin. The terms of the Warrants are governed by a Warrant Agreement, dated as of , 2022 between the Company and VStock Transfer, LLC, as Warrant Agent, and are subject to the terms and provisions contained therein, all of which terms and provisions the holder of this certificate consents to by acceptance hereof. A copy of the Warrant Agreement is on file at the office of the Warrant Agent at 18 Lafayette Place, Woodmere, New York 11598, and are available to any Warrant holder on written request and without cost.

This certificate is not valid unless countersigned by the Transfer Agent and Registrar of the Company. Witness the facsimile seal of the Company and the facsimile signatures of its duly authorized officers.

By _____ _____
Chairman Secretary

DELAWARE

YOSHIHARU GLOBAL CO.

The Company will furnish without charge to each shareholder who so requests, a statement of the powers, designations, preferences, and relative, participating, optional, or other special rights of each class of stock or series thereof of the Company and the qualifications, limitations, or restrictions of such preferences and/or rights.

The following abbreviations, when used in the inscription on the face of this certificate, shall be construed as though they were written out in full according to applicable laws or regulations:

TEN COM –	as tenants in common	UNIF GIFT MIN ACT - _____ Custodian _____
TEN ENT –	as tenants by the entireties	(Cust) (Minor)
JT TEN –	as joint tenants with right of survivorship and not as tenants in common	under Uniform Gifts to Minors Act _____ (State)

Additional abbreviations may also be used though not in the above list.

For value received, _____ hereby sell(s), assign(s), and transfer(s) unto

_____

PLEASE INSERT SOCIAL SECURITY OR
OTHER
IDENTIFYING NUMBER OF ASSIGNEE

_____

(PLEASE PRINT OR TYPEWRITE NAME AND ADDRESS, INCLUDING ZIP CODE, OF ASSIGNEE)

_____

_____

_____ *Units*

represented by the within Certificate, and do hereby irrevocably constitute and appoint

_____ *Attorney*

to transfer the said Units on the books of the within named Company with full power of substitution in the premises.

Dated _____

Notice: The signature to this assignment must correspond with the name as written upon the face of the certificate in every particular, without alteration or enlargement or any change whatever.

Signature(s) Guaranteed:

THE SIGNATURE(S) SHOULD BE GUARANTEED BY AN ELIGIBLE GUARANTOR INSTITUTION
(BANKS, STOCKBROKERS, SAVINGS AND LOAN ASSOCIATIONS AND CREDIT UNIONS WITH
MEMBERSHIP IN AN APPROVED SIGNATURE GUARANTEE MEDALLION PROGRAM,
PURSUANT TO S.E.C. RULE 17Ad-15).

The holder(s) of this certificate shall be entitled to receive a pro-rata portion of the funds from the trust account with respect to the common stock underlying this certificate only in the event that (i) the Corporation is forced to liquidate because it does not consummate an initial business combination within the period of time set forth in the Corporation's Certificate of Incorporation, as the same may be amended from time to time (the "Charter") or (ii) if the holder seeks to convert his shares upon consummation of, or sell his shares in a tender offer in connection with, an initial business combination or in connection with certain amendments to the Charter. In no other circumstances shall the holder(s) have any right or interest of any kind in or to the trust account.

Exhibit 4.2

CERTIFICATE NUMBER **SHARES**

_____

YOSHIHARU GLOBAL CO.
INCORPORATED UNDER THE LAWS OF DELAWARE
COMMON STOCK

SEE REVERSE FOR
CERTAIN DEFINITIONS

This Certifies that CUSIP 98740Y 104
is the owner of

FULLY PAID AND NON-ASSESSABLE CLASS A SHARES OF COMMON STOCK OF THE PAR VALUE OF $0.0001 EACH OF YOSHIHARU GLOBAL CO.

transferable on the books of the Company in person or by duly authorized attorney upon surrender of this certificate properly endorsed.

This certificate is not valid unless countersigned by the Transfer Agent and registered by the Registrar.
Witness the facsimile seal of the Company and the facsimile signatures of its duly authorized officers.

Dated:

CHAIRMAN SECRETARY

The following abbreviations, when used in the inscription on the face of this certificate, shall be construed as though they were written out in full according to applicable laws or regulations:

TEN COM –	as tenants in common	UNIF GIFT MIN ACT - _____ Custodian _____
TEN ENT –	as tenants by the entireties	(Cust) (Minor)
JT TEN –	as joint tenants with right of survivorship and not as tenants in common	under Uniform Gifts to Minors Act _____ (State)

Additional abbreviations may also be used though not in the above list.

Yoshiharu Global Co.

For value received, _____ hereby sell, assign and transfer unto

PLEASE INSERT SOCIAL SECURITY OR OTHER
IDENTIFYING NUMBER OF ASSIGNEE

(PLEASE PRINT OR TYPEWRITE NAME AND ADDRESS, INCLUDING ZIP CODE, OF ASSIGNEE)

_____ *shares*
of the capital stock represented by the within Certificate, and do hereby irrevocably constitute and appoint

_____*Attorney*
to transfer the said stock on the books of the within named Company with full power of substitution in the premises.

Dated _____

Notice: The signature to this assignment must correspond with the name as written upon the face of the certificate in every particular, without alteration or enlargement or any change whatever.
Signature(s) Guaranteed:

THE SIGNATURE(S) SHOULD BE GUARANTEED BY AN ELIGIBLE GUARANTOR INSTITUTION (BANKS, STOCKBROKERS, SAVINGS AND LOAN ASSOCIATIONS AND CREDIT UNIONS WITH MEMBERSHIP IN AN APPROVED SIGNATURE GUARANTEE MEDALLION PROGRAM, PURSUANT TO S.E.C. RULE 17Ad-15).

In each case, as more fully described in the Company's final prospectus dated [●], 2022 (the "Final Prospectus"), The holder(s) of this certificate shall be entitled to receive a pro-rata portion of the funds from the trust account established in connection with its initial public offering only in the event that (i) the Company is forced to liquidate because it does not consummate an initial business combination within the period of time set forth in the Company's Certificate of Incorporation, as the same may be amended from time to time (the "Charter") or (ii) if the holder seeks to convert his shares upon consummation of, or sell his shares in a tender offer in connection with, an initial business combination or in connection with certain amendments to the Charter. In no other circumstances shall the holder(s) have any right or interest of any kind in or to the trust account.

Exhibit 4.3

Warrant Certificate

COMMON STOCK PURCHASE WARRANT
YOSHIHARU GLOBAL CO.

THIS COMMON STOCK PURCHASE WARRANT (the "Warrant") certifies that, for value received, or its assigns (the "Holder") is entitled, upon the terms and subject to the limitations on exercise and the conditions hereinafter set forth, at any time on or after _____ (the "Issuance Date") and unless terminated earlier by the parties hereto, shall terminate 90 days after the earlier of 5:00 P.M., Eastern Standard Time (the "close of business") on _____ ("Expiration Date") and the date on which no Warrants remain outstanding (the "Termination Date"). This Warrant shall initially be issued and maintained in the form of a security held in book-entry form and the Depository Trust Company or its nominee ("DTC") shall initially be the sole registered holder of this Warrant, subject to a Holder's right to elect to receive a Warrant in certificated form pursuant to the terms of the Warrant Agency Agreement, in which case this sentence shall not apply.

Section 1. Definitions. In addition to the terms defined elsewhere in this Warrant, the following terms have the meanings indicated in this Section 1:

"Affiliate" means any Person that, directly or indirectly through one or more intermediaries, controls or is controlled by or is under common control with a Person, as such terms are used in and construed under Rule 405 under the Securities Act.

"Board of Directors" means the board of directors of the Company.

"Business Day" means any day other than Saturday, Sunday or other day on which commercial banks in The City of New York are authorized or required by law to remain closed; provided, however, for clarification, commercial banks shall not be deemed to be authorized or required by law to remain closed due to "stay at home", "shelter-in-place", "non-essential employee" or any other similar orders or restrictions or the closure of any physical branch locations at the direction of any governmental authority so long as the electronic funds transfer systems (including for wire transfers) of commercial banks in The City of New York generally are open for use by customers on such day.

"Commission" means the United States Securities and Exchange Commission.

"Common Stock" means the common stock of the Company, par value $0.0001 per share, and any other class of securities into which such securities may hereafter be reclassified or changed.

"Convertible Securities" means any notes, rights, warrants or other securities (other than Options) that are at any time and under any circumstances, directly or indirectly, convertible into, exercisable or exchangeable for, or which otherwise entitles the holder thereof to acquire, shares of Common Stock..

"Exchange Act" means the Securities Exchange Act of 1934, as amended, and the rules and regulations promulgated thereunder.

"Excluded Securities" means (i) Common Stock or options or other rights to purchase Common Stock or other awards issued to directors, officers, employees, consultants or other service providers of the Company in their capacity as such pursuant to an Approved Stock Plan, provided that (A) all such issuances (taking into account the Common Stock issuable upon exercise of such options) after the date hereof pursuant to this clause (i) do not, in the aggregate, exceed more than 30% of the Common Stock issued and outstanding immediately prior to the date hereof; provided however, that such issuances to consultants or other service providers do not, in each instance in the aggregate, exceed more than 5% of the Common Stock issued and outstanding immediately prior to the date hereof, and (B) the exercise price of any such options is not lowered, none of such options are amended to increase the number of shares issuable thereunder in each case other than pursuant to the terms hereof (including any anti-dilution provisions contained therein) and none of the terms or conditions of any such options are otherwise materially changed in any manner that adversely affects any of the holders of Warrants; (ii) Common Stock issued upon the conversion or exercise of Convertible Securities (other than options or other rights to purchase Common Stock issued pursuant to an Approved Stock Plan that are covered by clause (i) above) issued prior to the date hereof, provided that the conversion price of any such Convertible Securities (other than options or other rights to purchase Common Stock issued pursuant to an Approved Stock Plan that are covered by clause (i) above) is not lowered through the amendment or waiver of such Convertible Security, none of such Convertible Securities (other than options or other rights to purchase Common Stock issued pursuant to an Approved Stock Plan that are covered by clause (i) above) are amended to increase the number of shares issuable thereunder and none of the terms or conditions of any such Convertible Securities (other than options or other rights to purchase Common Stock issued pursuant to an Approved Stock Plan that are covered by clause (i) above) are otherwise materially changed in any manner that adversely affects any of the holders of Warrants; (iii) Common Stock issuable upon exercise of the Warrants; and (iv) securities issuable in connection with strategic license agreements, other partnering arrangements or acquisitions or mergers where the purchaser or acquirer of the securities in such issuance solely consists of (A) either (x) the actual participants in such strategic license, strategic alliance, strategic partnership or other partnering arrangements, (y) the actual owners of such assets or securities acquired in such acquisition or merger or (z) the stockholders, partners or members of the foregoing persons or entities and (B) number or amount of securities issued to such person or entity by the Company shall not be disproportionate (as determined in good faith by the Board of Directors of the Company) to either (x) the fair market value of such person's or entity's actual contribution to such strategic alliance or strategic partnership or (y) the proportional ownership of such assets or securities to be acquired by the Company, as applicable; provided, that, notwithstanding the foregoing, such purchaser or acquirer of the securities in such issuance shall not include any person regularly engaged in the business of buying or selling securities.

"New Issuance Price" means a price (calculated to the nearest cent) determined in accordance with the following formula:

$$EP2 = EP1^* (A + B) \div (A + C).$$

For purposes of the foregoing formula, the following definitions shall apply:

(i) "EP2" shall mean the adjusted Exercise Price;
(ii) "EP1" shall mean the Exercise Price in effect immediately prior to such issuance of Common Stock;
(iii) "A" shall mean the number of shares of Common Stock outstanding immediately prior to such issue of additional Common Stock including the issuance, sale or delivery of Common Stock owned or held by or for the account of the Company, (treating for this purpose as outstanding all shares of Common Stock issuable upon exercise of Options outstanding immediately prior to such issue or upon conversion or exchange of Convertible Securities outstanding (assuming exercise of any outstanding Options therefor) immediately prior to such issue);
(iv) "B" shall mean the number of shares of Common Stock that would have been issued if such additional shares of Common Stock had been issued at an Exercise Price equal to EP1 (determined by dividing the aggregate consideration received by the Company in respect of such issue by EP1); and
(v) "C" shall mean the number of such additional shares of Common Stock issued in such transaction.

"Person" means an individual or corporation, partnership, trust, incorporated or unincorporated association, joint venture, limited liability company, joint stock company, government (or an agency or subdivision thereof) or other entity of any kind.

"Registration Statement" means the Company's registration statement on Form S- 1, as amended (File No.333-260109).

"Securities Act" means the Securities Act of 1933, as amended, and the rules and regulations promulgated thereunder.

"Subsidiary" means any subsidiary of the Company and shall, where applicable, also include any direct or indirect subsidiary of the Company formed or acquired after the date hereof.

"Trading Day" means a day on which the Common Stock is traded on a Trading Market or, if the Trading Market is not the principal trading market for the Common Stock, then on the principal securities exchange or securities market in the United States on which the Common Stock is then traded, provided that "Trading Day" shall not include any day on which the Common Stock is are scheduled to trade on such exchange or market for less than 4.5 hours or any day that the Common Stock is suspended from trading during the final hour of trading on such exchange or market (or if such exchange or market does not designate in advance the closing time of trading on such exchange or market, then during the hour ending at 4:00 P.M., Eastern Standard Time).

"Trading Market" means any of the following markets or exchanges on which the Common Stock is listed or quoted for trading on the date in question: the NYSE American, the Nasdaq Capital Market, the Nasdaq Global Market, the Nasdaq Global Select Market, the New York Stock Exchange, or OTCQB or OTCQX (or any successors to any of the foregoing).

"Transfer Agent" means Vstock Transfer, LLC, the current transfer agent of the Company, with a mailing address of 18 Lafayette Place, Woodmere, NY 11598 and a facsimile number of , and any successor transfer agent of the Company.

"Options" means any rights, warrants or options to subscribe for or purchase Common Stock or Convertible Securities.

"Underwriting Agreement" means the underwriting agreement, dated as of 2021, among the Company and EF Hutton, division of Benchmark Investments, LLC, as representative of the underwriters named therein, as amended, modified or supplemented from time to time in accordance with its terms.

"Variable Rate Transaction" means a transaction in which the Company (i) issues or sells any debt or equity securities that are convertible into, exchangeable or exercisable for, or include the right to receive, additional shares of Common Stock either (A) at a conversion price, exercise price or exchange rate or other price that is based upon, and/or varies with, the trading prices of or quotations for the Common Stock at any time after the initial issuance of such debt or equity securities or (B) with a conversion, exercise or exchange price that is subject to being reset at some future date after the initial issuance of such debt or equity security or upon the occurrence of specified or contingent events directly or indirectly related to the business of the Company or the market for the Common Stock or (ii) enters into, or effects a transaction under, any agreement, including, but not limited to, an equity line of credit, whereby the Company may issue securities at a future determined price.

"VWAP" means, for any date, the price determined by the first of the following clauses that applies: (a) if the Common Stock is then listed or quoted on a Trading Market, the daily volume weighted average price of the Common Stock for such date (or the nearest preceding date) on the Trading Market on which the Common Stock is then listed or quoted as reported by Bloomberg L.P. (based on a Trading Day from 9:30 a.m. (New York City time) to 4:02 p.m. (New York City time)), (b) if OTCQB or OTCQX is not a Trading Market, the volume weighted average price of the Common Stock for such date (or the nearest preceding date) on OTCQB or OTCQX as applicable, (c) if the Common Stock is not then listed or quoted for trading on OTCQB or OTCQX and if prices for the Common Stock are then reported on the Pink Open Market (or a similar organization or agency succeeding to its functions of reporting prices), the most recent bid price per share of Common Stock so reported, or (d) in all other cases, the fair market value of a share of Common Stock as determined by an independent appraiser selected in good faith by the holders of a majority in interest of the Warrants then outstanding and reasonably acceptable to the Company, the fees and expenses of which shall be paid by the Company.

"Warrant Agency Agreement " means that certain warrant agency agreement, dated on or about the Issuance Date, between the Company and the Warrant Agent.

"Warrant Agent" means the Transfer Agent and any successor warrant agent of the Company.

"Warrants" means this Warrant and other Common Stock purchase warrants issued by the Company pursuant to the Registration Statement.

Section 2. Exercise.

a) Exercise of Warrant. Warrants may be exercised only during the period ("Exercise Period") commencing on the Issuance Date and terminating on the Expiration Date. Each Warrant not exercised on or before the Expiration Date shall become void, and all rights thereunder and all rights in respect thereof under this Warrant Agency Agreement shall cease at the close of business on the Expiration Date.

A Holder (or a Participant or a designee of a Participant acting on behalf of a Holder) may exercise Warrants by delivering to the Warrant Agent, not later than 5:00 P.M., Eastern Standard Time, on any business day during the Exercise Period an election to purchase the Warrant Shares underlying the Warrants to be exercised (i) in the form included in Exhibit A to this Warrant Agency Agreement or (ii) via an electronic warrant exercise through the DTC system (each, an "Election to Purchase"). No later than one (1) Trading Day following delivery of an Election to Purchase, the Holder (or a Participant acting on behalf of a Holder in accordance with DTC procedures) shall: (i) (A) surrender of the Warrant Certificate evidencing the Warrants to the Warrant Agent at its office designated for such purpose or (B) delivery of the Warrants to an account of the Warrant Agent at DTC designated for such purpose in writing by the Warrant Agent to DTC from time to time, and (ii) deliver to the Company the Exercise Price for each Warrant to be exercised, in lawful money of the United States of America by certified or official bank check payable to the Company or bank wire transfer in immediately available funds to: ..

Any person so designated by the Holder (or a Participant or designee of a Participant on behalf of a Holder) to receive Warrant Shares shall be deemed to have become holder of record of such Warrant Shares as of the time that an appropriately completed and duly signed Election to Purchase has been delivered to the Warrant Agent, provided that the Holder (or Participant on behalf of the Holder) makes delivery of the deliverables referenced in the immediately preceding sentence by the date that is one (1) Trading Day after the delivery of the Election to Purchase. If the Holder (or Participant on behalf of the Holder) fails to make delivery of such deliverables on or prior to the Trading Day following delivery of the Election to Purchase, such Election to Purchase shall be *void ab initio.*

If any of (i) the Warrants, (ii) the Election to Purchase, or (iii) the Exercise Price therefor, is received by the Warrant Agent on any date after 5:00 P.M., Eastern Standard Time, or on a date that is not a Trading Day, the Warrants with respect thereto will be deemed to have been received and exercised on the Trading Day next succeeding such date. The "Exercise Date" will be the date on which the materials in the foregoing sentence are received by the Warrant Agent (if by 5:00 P.M., New York City time), or the following Trading Day (if after 5:00 P.M., New York City time), regardless of any earlier date written on the materials. If the Warrants are received or deemed to be received after the Expiration Date, the exercise thereof will be null and void and any funds delivered to the Company will be returned to the Holder or Participant, as the case may be, as soon as practicable. In no event will interest accrue on any funds deposited with the Company in respect of an exercise or attempted exercise of Warrants.

If less than all the Warrants evidenced by a surrendered Warrant Certificate are exercised, the Warrant Agent shall split up the surrendered Warrant Certificate

and return to the Holder a Warrant Certificate evidencing the Warrants that were not exercised.

b) Exercise Price. The exercise price per Warrant Share under this Warrant shall be $, subject to adjustment hereunder (the "Exercise Price"), provided that in no case shall the exercise price be less than the par value of the Common Stock. The Holder shall not be entitled to the return or refund of all, or any portion, of such pre-paid aggregate exercise price under any circumstance or for any reason whatsoever, including in the event this Warrant shall not have been exercised prior to the Termination Date.

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c) Cashless Exercise. If at the time of exercise hereof there is no effective registration statement registering, or the prospectus contained therein is not available for the issuance of the Warrant Shares to the Holder, then this Warrant may also be exercised, in whole or in part, at such time by means of a "cashless exercise" in which the Holder shall be entitled to receive a number of Warrant Shares equal to the quotient obtained by dividing [(A-B) (X)] by (A), where:

(A) = the VWAP on the Trading Day immediately preceding the Exercise Date;

(B) = the Exercise Price of this Warrant, as adjusted hereunder; and

(X) = the number of Warrant Shares that would be issuable upon exercise of the Warrant in accordance with the terms of the Warrant if such exercise were by means of a cash exercise rather than a cashless exercise..

If the Warrant Shares are issued in such a cashless exercise, the Company acknowledges and agrees that, in accordance with Section 3(a)(9) of the Securities Act, the Warrant Shares shall take on the registered characteristics of the Warrants being exercised and the Company agrees not to take any position contrary thereto. Upon receipt of an Election to Purchase for a cashless exercise, the Warrant Agent will promptly deliver a copy of the Election to Purchase to the Company to confirm the number of Warrant Shares issuable in connection with the cashless exercise. The Company shall calculate and transmit to the Warrant Agent in a written notice, and the Warrant Agent shall have no duty, responsibility or obligation under this section to calculate, the number of Warrant Shares issuable in connection with any cashless exercise. The Warrant Agent shall be entitled to rely conclusively on any such written notice provided by the Company, and the Warrant Agent shall not be liable for any action taken, suffered or omitted to be taken by it in accordance with such written instructions or pursuant to this Warrant Agency Agreement.

d) Mechanics of Exercise.

i. Issuance of Warrant Shares Upon Exercise. The Warrant Agent shall, by 11:00 a.m., New York City time, on the Trading Day following the Exercise Date of any Warrant, advise the Company, the transfer agent and registrar for the Company's Common Stock, in respect of (i) the number of Warrant Shares indicated on the Election to Purchase as issuable upon such exercise with respect to such exercised Warrants, (ii) the instructions of the Holder or Participant, as the case may be, provided to the Warrant Agent with respect to the delivery of the Warrant Shares and the number of Warrants that remain outstanding after such exercise and (iii) such other information as the Company or such transfer agent and registrar shall reasonably request.

The Company shall, by no later than 5:00 P.M., Eastern Standard Time, on the third Trading Day following the Exercise Date of any Warrant and the clearance of the funds in payment of the Exercise Price (such date and time, the "Delivery Time"), cause its registrar to electronically transmit the Warrant Shares issuable upon that exercise to DTC by crediting the account of DTC or of the Participant, as the case may be, through its Deposit Withdrawal Agent Commission system.

ii. No Fractional Shares or Scrip. No fractional Warrant Shares or scrip representing fractional Warrant Shares shall be issued upon the exercise of this Warrant. If, by reason of any adjustment made, a Holder would be entitled, upon the exercise of such Warrant, to receive a fractional interest in a share, the Company shall, upon such exercise, round up or down, as applicable, to the nearest whole number the number of Warrant Shares to be issued to such Holder.

iii. Charges, Taxes and Expenses. Issuance of Warrant Shares shall be made without charge to the Holder for any issue or transfer tax or other incidental expense in respect of the issuance of such Warrant Shares, all of which taxes and expenses shall be paid by the Company, and such Warrant Shares shall be issued in the name of the Holder or in such name or names as may be directed by the Holder; provided, however, that, in the event that Warrant Shares are to be issued in a name other than the name of the Holder, this Warrant when surrendered for exercise shall be accompanied by the Assignment Form attached hereto duly executed by the Holder and the Company may require, as a condition thereto, the payment of a sum sufficient to reimburse it for any transfer tax incidental thereto. The Company shall pay all Transfer Agent fees required for same-day processing of any Notice of Exercise and all fees to the Depository Trust Company (or another established clearing corporation performing similar functions) required for same-day electronic delivery of the Warrant Shares.

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iv. Closing of Books. The Company will not close its shareholder books or records in any manner which prevents the timely exercise of this Warrant, pursuant to the terms hereof.

e) Holder's Exercise Limitations.

A Holder shall not have the right to exercise any Warrants to the extent that after giving effect to the issuance of Warrant Shares after exercise as set forth on the applicable Election to Purchase, such Holder or a person holding through such Holder (together with such Holder's or person's Affiliates (as defined in Rule 405 under the Securities Act), and any other persons acting as a group together with that Holder or person or any of that Holder's or person's Affiliates), would beneficially own in excess of 4.99% ("Beneficial Ownership Limitation") of the Company's Common Stock. For purposes of the foregoing sentence, the number of shares of Common Stock beneficially owned by a person shall include the number of Warrant Shares that would be owned by that person issuable upon exercise of the Warrants with respect to which such determination is being made, but shall exclude the number of shares of Common Stock (a) which would be issuable upon exercise of the remaining, non-exercised Warrants beneficially owned by that person or any of its Affiliates and (b) underlying any other securities of the Company held by such Holder or its Affiliates that are exercisable or convertible into Common Stock and subject to a limitation on conversion or exercise that is analogous to the limitation contained in this Section 2(e). Except as set forth in the preceding sentence, for purposes of this Section 2(e), beneficial ownership shall be calculated in accordance with Section 13(d) of the Exchange Act and the rules and regulations promulgated thereunder, it being acknowledged by the Holder that neither the Warrant Agent nor the Company is representing to the Holder that such calculation is in compliance with Section 13(d) of the Exchange Act and the Holder or beneficial owner is solely responsible for any schedules required to be filed in accordance therewith. To the extent that the limitation contained in this Section 2(e) applies, the determination of whether a Warrant is exercisable and of the number of Warrants that are exercisable shall be in the sole discretion of the Holder, and the submission of an Election to Purchase shall be deemed to be the Holder's determination of whether such Warrant is exercisable and of the number of Warrants that are exercisable, and neither the Warrant Agent nor the Company shall have any obligation to verify or confirm the accuracy of such determination and neither of them shall have any liability for any error made by the Holder or any other person. In addition, a determination as to any group status as contemplated above shall be determined in accordance with Section 13(d) of the Exchange Act and the rules and regulations promulgated thereunder. For purposes of this Section 2(e), in determining the number of outstanding shares of Common Stock, a Holder or other person may rely on the number of outstanding shares of Common Stock as reflected in (a) the Company's most recent periodic or annual report filed with the Securities and Exchange Commission, as the case may be, (b) a more recent public announcement by the Company or (c) a more recent written notice by the Company or the Company's transfer agent setting forth the number of shares of Common Stock outstanding. For any reason at any time, upon the written or oral request of a person that represents that it is or is acting on behalf of a Holder, the Company shall, within two (2) Trading Days, confirm orally or in writing or by e-mail to that person the number of shares of Common Stock then outstanding. Upon delivery of a written notice to the Company, the Holder may from time to time increase or

decrease the Beneficial Ownership Limitation to any other percentage not in excess of 9.99% as specified in such notice, provided that any increase in the Beneficial Ownership Limitation will not be effective until the sixty-first (61st) day after such notice is delivered to the Company and any such increase or decrease will apply only to the Holder and its Affiliates and not to any other holder of Warrants. The provisions of this Section 2(e) shall be construed and implemented in a manner otherwise than in strict conformity with the terms of this Section 2(e) to correct this subsection (or any portion hereof) which may be defective or inconsistent with the intended beneficial ownership limitation herein contained.Section

3. Certain Adjustments.

a) Stock Dividends and Splits. If the Company at any time after the Issuance Date subdivides (by any stock split, stock dividend, recapitalization, reorganization, scheme, arrangement or otherwise) its outstanding shares of Common Stock into a greater number of shares, the Exercise Price in effect immediately prior to such subdivision will be proportionately reduced and the number of Warrant Shares will be proportionately increased. If the Company at any time after the Issuance Date combines (by any stock split, stock dividend, recapitalization, reorganization, scheme, arrangement or otherwise) its outstanding shares of Common Stock into a smaller number of shares, the Exercise Price in effect immediately prior to such combination will be proportionately increased and the number of Warrant Shares will be proportionately decreased. Any adjustment shall become effective at the close of business on the date the subdivision or combination becomes effective. ..

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b) Issuance of Common Stock. If and whenever on or after the Issuance Date and prior to _____ (the "Applicable Period"), the Company issues, sells or delivers, or in accordance with this Section 3 is deemed to have issued, sold or delivered, any Common Stock (including the issuance, sale or delivery of Common Stock owned or held by or for the account of the Company, but excluding any Excluded Securities issued or sold or deemed to have been issued, sold or delivered) for a consideration per share less than a price equal to the Exercise Price in effect immediately prior to such issuance, sale or delivery or deemed issuance, sale or delivery (such Exercise Price then in effect is referred to as the "Applicable Price") (the foregoing a "Dilutive Issuance"), then immediately after such Dilutive Issuance, the Exercise Price then in effect shall be reduced to the New Issuance Price. For all purposes of the foregoing (including, without limitation, determining the adjusted Exercise Price and consideration per share under this Section 3), the following shall be applicable:

i. If the Company grants or sells any Options (other than Options that qualify as Excluded Securities) during the Applicable Period and the lowest price per share for which one share is issuable upon the exercise of any such Option or upon conversion, exercise or exchange of any Convertible Securities issuable upon exercise of any such Option is less than the Applicable Price, then such share shall be deemed to be outstanding and to have been issued and sold or delivered by the Company at the time of the granting or sale of such Option for the New Issuance Price. For purposes of this Section 3(b)(i), the "lowest price per share for which one share of Common Stock is issuable upon the exercise of any such Options or upon conversion, exercise or exchange of any Convertible Securities issuable upon exercise of any such Option" shall be equal to (i) the sum of the lowest amounts of consideration (if any) received or receivable by the Company with respect to any one share of Common Stock upon the granting or sale of such Option, upon exercise of such Option and upon conversion, exercise or exchange of any Convertible Security issuable upon exercise of such Option minus (ii) the sum of all amounts paid or payable to the holder of such Option (or any other person or entity) upon the granting or sale of such Option, upon exercise of such Option and upon conversion, exercise or exchange of any Convertible Security issuable upon exercise of such Option plus the value of any other consideration received or receivable by, or benefit conferred on, the holder of such Option (or any other person or entity). Except as contemplated below, no further adjustment of the Exercise Price shall be made upon the actual issuance of such shares of Common Stock or of such Convertible Securities upon the exercise of such Options.

ii. If the Company issues or sells any Convertible Securities (other than Convertible Securities that qualify as Excluded Securities) during the Applicable Period and the lowest price per share for which one share of Common Stock is issuable upon the conversion, exercise or exchange thereof is less than the Applicable Price, then such share of Common Stock shall be deemed to be outstanding and to have been issued and sold or delivered by the Company at the time of the issuance or sale of such Convertible Securities for the New Issuance Price. For the purposes of this Section 3(b)(ii), the "lowest price per share for which one share of Common Stock is issuable upon the conversion, exercise or exchange thereof" shall be equal to (i) the sum of the lowest amounts of consideration (if any) received or receivable by the Company with respect to one share of Common Stock upon the issuance or sale of the Convertible Security and upon conversion, exercise or exchange of such Convertible Security minus (ii) the sum of all amounts paid or payable to the holder of such Convertible Security (or any other person or entity) upon the issuance or sale of such Convertible Security plus the value of any other consideration received or receivable by, or benefit conferred on, the holder of such Convertible Security (or any other person or entity). Except as contemplated below, no further adjustment of the Exercise Price shall be made upon the actual issuance of such shares of Common Stock upon conversion, exercise or exchange of such Convertible Securities, and if any such issue or sale of such Convertible Securities is made upon exercise of any Options for which adjustment of Warrants has been or is to be made pursuant to other provisions of this Section 3, except as contemplated below, no further adjustment of the Exercise Price shall be made by reason of such issue, sale or delivery.

iii. If during the Applicable Period the purchase or exercise price provided for in any Options, the additional consideration, if any, payable upon the issue, conversion, exercise or exchange of any Convertible Securities or the rate at which any Convertible Securities are convertible into or exercisable or exchangeable for Common Stock increases or decreases at any time, the Exercise Price in effect at the time of such increase or decrease shall be adjusted to the Exercise Price which would have been in effect at such time had such revised terms been in effect. For purposes of this Section 3(b)(iii), if the terms of any Option or Convertible Security that was outstanding as of the original issuance of the Warrants are increased or decreased in the manner described in the immediately preceding sentence, then such Option or Convertible Security and the shares of Common Stock deemed issuable upon exercise, conversion or exchange thereof shall be deemed to have been issued as of the date of such increase or decrease. No adjustment pursuant to this Section 3(b)(iii) shall be made if such adjustment would result in an increase of the Exercise Price then in effect. For purposes of clarity, if the Company enters into a Variable Rate Transaction (as defined in the Underwriting Agreement), despite the prohibition thereon in the Underwriting Agreement, the Company shall be deemed to have issued Common Stock, Options or Convertible Securities at the lowest possible conversion or exercise price at which such securities may be converted or exercised. For purposes herein, no Variable Rate Transaction shall be Excluded Securities.

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c) Fundamental Transaction. If, at any time while the Warrants are outstanding, (i) the Company, directly or indirectly, in one or more related transactions effects any merger or consolidation of the Company with or into another person, (ii) the Company, directly or indirectly, effects any sale, lease, license, assignment, transfer, conveyance or other disposition of all or substantially all of its assets in one or a series of related transactions, (iii) any, direct or indirect, purchase offer, tender offer or exchange offer (whether by the Company or another person) is completed pursuant to which holders of Common Stock are permitted to sell, tender or exchange their shares for other securities, cash or property and has been accepted by the holders of 50% or more of the outstanding Common Stock (not including any Common Stock held by the other person or other persons making or party to, or associated or affiliated with the other persons making, such purchase offer, tender offer or exchange offer), (iv) the Company, directly or indirectly, in one or more related transactions effects any reclassification, reorganization or recapitalization of the Common Stock or any compulsory share exchange pursuant to which the Common Stock is effectively converted into or exchanged for other securities, cash or property, or (v) the Company, directly or indirectly, in one or more related transactions consummates a stock or share purchase agreement or other business combination (including, without limitation, a reorganization, recapitalization, spin-off or scheme of arrangement) with another person whereby such other person acquires more than 50% of the outstanding shares of Common Stock (not including any shares of Common Stock held by the other person or other persons making or party to, or associated or affiliated with the other persons making or party to, such stock or share purchase agreement or other business combination) (each a "Fundamental Transaction"), then, upon any subsequent exercise of a Warrant, each Holder shall have the right to receive, for each Warrant Share that would have been issuable upon such exercise immediately prior to the occurrence of such Fundamental Transaction, the same amount and kind of securities, cash or property, if any, of the successor or acquiring corporation or of the Company, if it is the surviving corporation, and any additional consideration (the "Alternate Consideration") receivable as a result of such Fundamental Transaction by a holder of the number of shares of Common Stock for which each Warrant is exercisable immediately prior to such Fundamental Transaction. For purposes of any such exercise, the determination of the Exercise Price shall be appropriately adjusted to apply to such Alternate Consideration based on

the amount of Alternate Consideration issuable in respect of one share of Common Stock in such Fundamental Transaction, and the Company shall apportion the Exercise Price among the Alternate Consideration in a reasonable manner reflecting the relative value of any different components of the Alternate Consideration. If holders of Common Stock are given any choice as to the securities, cash or property to be received in a Fundamental Transaction, then the Holder shall be given the same choice as to the Alternate Consideration that such Holder receives upon any exercise of each Warrant following such Fundamental Transaction. The Company shall cause any successor entity in a Fundamental Transaction in which the Company is not the survivor (the "Successor Entity") and for which stockholders received any equity securities of the Successor Entity and for which stockholders received any equity securities of the Successor Entity, to assume in writing all of the obligations of the Company under this Warrant Agency Agreement in accordance with the provisions of this Section 3(c) pursuant to written agreements and shall, upon the written request of such Holder, deliver to such Holder in exchange for the applicable Warrants created by this Warrant Agency Agreement a security of the Successor Entity evidenced by a written instrument substantially similar in form and substance to the Warrants which are exercisable for a corresponding number of shares of capital stock of such Successor Entity (or its parent entity), if any, plus any Alternate Consideration, receivable as a result of such Fundamental Transaction by a holder of the number of shares of Common Stock for which the Warrants are exercisable immediately prior to such Fundamental Transaction, and with an exercise price which applies the Exercise Price hereunder to such shares of capital stock, if any, plus any Alternate Consideration (but taking into account the relative value of the shares of Common Stock pursuant to such Fundamental Transaction and the value of such shares of capital stock plus alternative consideration after that Fundamental Transaction for the purpose of protecting the economic value of such Warrant immediately prior to the consummation of such Fundamental Transaction). Upon the occurrence of any such Fundamental Transaction the Successor Entity shall succeed to, and be substituted for (so that from and after the date of such Fundamental Transaction, the provisions of this Warrant Agency Agreement and the Warrants referring to the "Company" shall refer instead to the Successor Entity), and may exercise every right and power of the Company and shall assume all of the obligations of the Company under this Warrant Agency Agreement and the Warrants with the same effect as if such Successor Entity had been named as the Company herein and therein. The Company shall instruct the Warrant Agent in writing to mail by first class mail, postage prepaid, to each Holder, written notice of the execution of any such amendment, supplement or agreement with the Successor Entity. Any supplemented or amended agreement entered into by the successor corporation or transferee shall provide for adjustments, which shall be as nearly equivalent as may be practicable to the adjustments provided for in this Section 3(c). The Warrant Agent shall have no duty, responsibility or obligation to determine the correctness of any provisions contained in such agreement or such notice, including but not limited to any provisions relating either to the kind or amount of securities or other property receivable upon exercise of warrants or with respect to the method employed and provided therein for any adjustments, and shall be entitled to rely conclusively for all purposes upon the provisions contained in any such agreement. The provisions of this Section 3(c) shall similarly apply to successive reclassifications, changes, consolidations, mergers, sales and conveyances of the kind described above.

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d) Calculations. All calculations under this Section 3 shall be made to the nearest cent or the nearest 1/100th of a share, as the case may be. For purposes of this Section 3, the number of shares of Common Stock deemed to be issued and outstanding as of a given date shall be the sum of the number shares of Common Stock (excluding treasury shares, if any) issued and outstanding.

e) Notice to Holder. Whenever the Exercise Price is adjusted pursuant to any provision of this Section 3, the Company shall promptly deliver to the Holder by facsimile or email a notice setting forth the Exercise Price after such adjustment and any resulting adjustment to the number of Warrant Shares and setting forth a brief statement of the facts requiring such adjustment.

Section 4. Transfer of Warrant.

a) Transferability. At any time at or prior to the Expiration Date (as defined below), a transfer of any Warrants may be registered and any Warrant Certificate or Warrant Certificates may be split up, combined or exchanged for another Warrant Certificate or Warrant Certificates evidencing the same number of Warrants as the Warrant Certificate or Warrant Certificates surrendered. Any Holder desiring to register the transfer of Warrants or to split up, combine or exchange any Warrant Certificate shall make such request in writing delivered to the Warrant Agent, and shall surrender to the Warrant Agent the Warrant Certificate or Warrant Certificates evidencing the Warrants the transfer of which is to be registered or that is or are to be split up, combined or exchanged and, in the case of registration of transfer, shall provide a signature guarantee. Thereupon, the Warrant Agent shall countersign and deliver to the person entitled thereto a Warrant Certificate or Warrant Certificates, as the case may be, as so requested. The Company and the Warrant Agent may require payment, by the Holder requesting a registration of transfer of Warrants or a split-up, combination or exchange of a Warrant Certificate (but, for purposes of clarity, not upon the exercise of the Warrants and issuance of Warrant Shares to the Holder), of a sum sufficient to cover any tax or governmental charge that may be imposed in connection with such registration of transfer, split-up, combination or exchange, together with reimbursement to the Company and the Warrant Agent of all reasonable expenses incidental thereto.

b) Warrant Register. The Warrant Agent and/or the Company (with regard to any portion of the Warrant in certificated form issued pursuant to the terms of the Warrant Agency Agreement) shall register this Warrant, upon records to be maintained by the Warrant Agent and/or the Company for that purpose (the " Warrant Register"), in the name of the record Holder hereof from time to time. The Company and the Warrant Agent may deem and treat the registered Holder of this Warrant as the absolute owner hereof for the purpose of any exercise hereof or any distribution to the Holder, and for all other purposes, absent actual notice to the contrary.

Section 5. Miscellaneous.

a) No Rights as Shareholder. A Holder, solely in its capacity as a holder of Warrants, shall not be entitled to vote or receive dividends or be deemed the holder of share capital of the Company for any purpose, nor shall anything contained in the Agreement be construed to confer upon a Holder, solely in its capacity as the registered holder of Warrants, any of the rights of a stockholder of the Company or any right to vote, give or withhold consent to any corporate action (whether any reorganization, issue of stock, reclassification of share capital, consolidation, merger, conveyance or otherwise), receive notice of meetings, receive dividends or subscription rights or rights to participate in new issues of shares, or otherwise, prior to the issuance to the Holder of the Warrant Shares which it is then entitled to receive upon the due exercise of Warrants.

b) Loss, Theft, Destruction or Mutilation of Warrant. The Company covenants that upon receipt by the Company of evidence reasonably satisfactory to it of the loss, theft, destruction or mutilation of this Warrant or any stock certificate relating to the Warrant Shares, and in case of loss, theft or destruction, of indemnity or security reasonably satisfactory to it (which, in the case of the Warrant, shall not include the posting of any bond), and upon surrender and cancellation of such Warrant or stock certificate, if mutilated, the Company will make and deliver a new Warrant or stock certificate of like tenor and dated as of such cancellation, in lieu of such Warrant or stock certificate.

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c) Authorized Shares.

The Company covenants that, during the period the Warrant is outstanding, it will reserve from its authorized and unissued shares of Common Stock a sufficient number of shares to provide for the issuance of the Warrant Shares upon the exercise of any purchase rights under this Warrant. The Company further covenants that its issuance of this Warrant shall constitute full authority to its officers who are charged with the duty of issuing the necessary Warrant Shares upon the exercise of the purchase rights under this Warrant. The Company will take all such reasonable action as may be necessary to assure that such Warrant Shares may be issued as provided herein without violation of any applicable law or regulation, or of any requirements of the Trading Market upon which the Common Stock may be listed. The Company covenants that all Warrant Shares which may be issued upon the exercise of the purchase rights represented by this Warrant will, upon exercise of the purchase rights represented by this Warrant and payment for such Warrant Shares in accordance herewith, be duly authorized, validly issued, fully paid and nonassessable and free from all taxes, liens and charges created by the Company in respect of the issue thereof (other than taxes in respect of any transfer occurring

contemporaneously with such issue).

Except and to the extent as waived or consented to by the Holder, the Company shall not by any action, including, without limitation, amending its articles of incorporation or through any reorganization, transfer of assets, consolidation, merger, dissolution, issue or sale of securities or any other voluntary action, avoid or seek to avoid the observance or performance of any of the terms of this Warrant, but will at all times in good faith assist in the carrying out of all such terms and in the taking of all such actions as may be necessary or appropriate to protect the rights of the Holder as set forth in this Warrant against impairment. Without limiting the generality of the foregoing, the Company will (i) not increase the par value of any Warrant Shares above the amount payable therefor upon such exercise immediately prior to such increase in par value, (ii) take all such action as may be necessary or appropriate in order that the Company may validly and legally issue fully paid and nonassessable Warrant Shares upon the exercise of this Warrant and (iii) use commercially reasonable efforts to obtain all such authorizations, exemptions or consents from any public regulatory body having jurisdiction thereof, as may be necessary to enable the Company to perform its obligations under this Warrant.

Before taking any action which would result in an adjustment in the number of Warrant Shares for which this Warrant is exercisable or in the Exercise Price, the Company shall obtain all such authorizations or exemptions thereof, or consents thereto, as may be necessary from any public regulatory body or bodies having jurisdiction thereof.

d) Governing Law.

All questions concerning the construction, validity, enforcement and interpretation of this Warrant shall be governed by and construed and enforced in accordance with the internal laws of the State of New York, without regard to the principles of conflicts of law thereof. Each party agrees that all legal proceedings concerning the interpretations, enforcement and defense of the transactions contemplated by this Warrant (whether brought against a party hereto or their respective affiliates, directors, officers, shareholders, partners, members, employees or agents) shall be commenced exclusively in the state and federal courts sitting in the City of New York. Each party hereby irrevocably submits to the exclusive jurisdiction of the state and federal courts sitting in the City of New York, Borough of Manhattan for the adjudication of any dispute hereunder or in connection herewith or with any transaction contemplated hereby or discussed herein, and hereby irrevocably waives, and agrees not to assert in any suit, action or proceeding, any claim that it is not personally subject to the jurisdiction of any such court, that such suit, action or proceeding is improper or is an inconvenient venue for such proceeding. Each party hereby irrevocably waives personal service of process and consents to process being served in any such suit, action or proceeding by mailing a copy thereof via registered or certified mail or overnight delivery (with evidence of delivery) to such party at the address in effect for notices to it under this Warrant and agrees that such service shall constitute good and sufficient service of process and notice thereof. Nothing contained herein shall be deemed to limit in any way any right to serve process in any other manner permitted by law. If either party shall commence an action, suit or proceeding to enforce any provisions of this Warrant, the prevailing party in such action, suit or proceeding shall be reimbursed by the other party for their reasonable attorneys' fees and other costs and expenses incurred with the investigation, preparation and prosecution of such action or proceeding.

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e) Restrictions. The Holder acknowledges that the Warrant Shares acquired upon the exercise of this Warrant, if not registered, and the Holder does not utilize cashless exercise, will have restrictions upon resale imposed by state and federal securities laws.

f) Nonwaiver and Expenses. No course of dealing or any delay or failure to exercise any right hereunder on the part of Holder shall operate as a waiver of such right or otherwise prejudice the Holder's rights, powers or remedies. Without limiting any other provision of this Warrant, if the Company willfully and knowingly fails to comply with any provision of this Warrant, which results in any material damages to the Holder, the Company shall pay to the Holder such amounts as shall be sufficient to cover any costs and expenses including, but not limited to, reasonable attorneys' fees, including those of appellate proceedings, incurred by the Holder in collecting any amounts due pursuant hereto or in otherwise enforcing any of its rights, powers or remedies hereunder.

g) Notices.

Any and all notices or other communications or deliveries to be provided by the Holders hereunder including, without limitation, any Notice of Exercise, shall be in writing and delivered personally, by facsimile or e-mail, or sent by a nationally recognized overnight courier service, addressed to the Company, at 6940 Beach Blvd. Suite D-705, Buena Park, CA 90621, or such other facsimile number, email address or address as the Company may specify for such purposes by notice to the Holders. Any and all notices or other communications or deliveries to be provided by the Company hereunder shall be in writing and delivered personally, by facsimile or e-mail, or sent by a nationally recognized overnight courier service addressed to each Holder at the facsimile number, e-mail address or address of such Holder appearing on the books of the Company. Any notice or other communication or deliveries hereunder shall be deemed given and effective on the earliest of (i) the time of transmission, if such notice or communication is delivered via facsimile at the facsimile number or via e-mail at the e-mail address set forth in this Section prior to 5:30 p.m. (New York City time) on any date, (ii) the next Trading Day after the time of transmission, if such notice or communication is delivered via facsimile at the facsimile number or via e- mail at the e-mail address set forth in this Section on a day that is not a Trading Day or later than 5:30 p.m. (New York City time) on any Trading Day, (iii) the second Trading Day following the date of mailing, if sent by U.S. nationally recognized overnight courier service, or (iv) upon actual receipt by the party to whom such notice is required to be given.

h) Limitation of Liability. No provision hereof, in the absence of any affirmative action by the Holder to exercise this Warrant to purchase Warrant Shares, and no enumeration herein of the rights or privileges of the Holder, shall give rise to any liability of the Holder for the purchase price of any Warrant Shares or as a shareholder of the Company, whether such liability is asserted by the Company or by creditors of the Company.

i) Remedies. The Holder, in addition to being entitled to exercise all rights granted by law, including recovery of damages, will be entitled to specific performance of its rights under this Warrant. The Company agrees that monetary damages would not be adequate compensation for any loss incurred by reason of a breach by it of the provisions of this Warrant and hereby agrees to waive and not to assert the defense in any action for specific performance that a remedy at law would be adequate.

j) Successors and Assigns. Subject to applicable securities laws, this Warrant and the rights and obligations evidenced hereby shall inure to the benefit of and be binding upon the successors and permitted assigns of the Company and the successors and permitted assigns of Holder. The provisions of this Warrant are intended to be for the benefit of any Holder from time to time of this Warrant and shall be enforceable by the Holder or holder of Warrant Shares.

k) Amendment. This Warrant may be modified or amended or the provisions hereof waived with the written consent of the Company, on the one hand, and the Holder or the beneficial owner of this Warrant, on the other hand.

l) Severability. Wherever possible, each provision of this Warrant shall be interpreted in such manner as to be effective and valid under applicable law, but if any provision of this Warrant shall be prohibited by or invalid under applicable law, such provision shall be ineffective to the extent of such prohibition or invalidity, without invalidating the remainder of such provisions or the remaining provisions of this Warrant.

m) Headings. The headings used in this Warrant are for the convenience of reference only and shall not, for any purpose, be deemed a part of this Warrant.

n) Warrant Agency Agreement. If this Warrant is held in global form through DTC (or any successor depositary), this Warrant is issued subject to the Warrant Agency Agreement. To the extent any provision of this Warrant conflicts with the express provisions of the Warrant Agency Agreement, the provisions of this Warrant shall govern and be controlling.

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(Signature Page Follows)

IN WITNESS WHEREOF, the Company has caused this Warrant to be executed by its officer thereunto duly authorized as of the date first above indicated.

YOSHIHARU GLOBAL CO.

By: _____
Name:
Title:

EXHIBIT A
NOTICE OF EXERCISE

TO: YOSHIHARU GLOBAL CO. (1) The undersigned hereby elects to purchase Warrant Shares of the Company pursuant to the terms of the attached Warrant (only if exercised in full), and tenders herewith payment of the exercise price in full, together with all applicable transfer taxes, if any. The undersigned requests that a certificate for such Warrant Shares be registered in the name of _____, whose address is _____ and that such certificate be delivered to _____, whose address is _____.

(2) Payment shall take the form of (check applicable box):

[ ] in lawful money of the United States; or

[ ] if permitted the cancellation of such number of Warrant Shares as is necessary, in accordance with the formula set forth in subsection 2(c), to exercise this Warrant with respect to the maximum number of Warrant Shares purchasable pursuant to the cashless exercise procedure set forth in subsection 2(c).

(3) Please issue said Warrant Shares in the name of the undersigned or in such other name as is specified below:

_____

The Warrant Shares shall be delivered to the following DWAC Account Number:

_____
_____
_____

[SIGNATURE OF HOLDER]
Name of Holder:
Date:

EXHIBIT B
ASSIGNMENT FORM

(To assign the foregoing Warrant, execute this form and supply required information. Do not use this form to purchase shares.)

FOR VALUE RECEIVED, the foregoing Warrant and all rights evidenced thereby are hereby assigned to

Name:

(Please Print)

Address:

(Please Print)

Phone Number _____
Email Address _____

Dated:
Holder's Signature:
Holder's Address:

EXHIBIT C
Form of Global Warrants Request Notice
GLOBAL WARRANTS REQUEST NOTICE

To: Vstock Transfer, LLC, as Warrant Agent for Yoshiharu Global Co. (the "Company")

The undersigned Holder of Common Stock Purchase Warrants ("Warrants") in the form of Warrants Certificates issued by the Company hereby elects to receive a Global Warrant evidencing the Warrants held by the Holder as specified below:

1. Name of Holder of Warrants in form of Warrant Certificates:

2. Name of Holder in Global Warrant (if different from name of Holder of Warrants in form of Warrant Certificates):

3. Number of Warrants in name of Holder in form of Warrant Certificates:

4. Number of Warrants for which Global Warrant shall be issued:

5. Number of Warrants in name of Holder in form of Warrant Certificates after issuance of Global Warrant, if any:

6. Global Warrant shall be delivered to the following address:

The undersigned hereby acknowledges and agrees that, in connection with this Global Warrant Exchange and the issuance of the Global Warrant, the Holder is deemed to have surrendered the number of Warrants in form of Warrant Certificates in the name of the Holder equal to the number of Warrants evidenced by the Global Warrant.

[SIGNATURE OF HOLDER]
Name of Holder:
Date:

Exhibit 4.4

WARRANT AGENCY AGREEMENT

WARRANT AGENCY AGREEMENT (this "Agreement"), dated as of _____ , 2022 (the "Issuance Date") between Yoshiharu Global Co., a Delaware corporation (the "Company"), and Vstock Transfer, LLC, a limited liability company organized under the laws of California (the "Warrant Agent").

WITNESSETH

WHEREAS, pursuant to the terms of that certain Underwriting Agreement ("Underwriting Agreement"), dated _____, 2022, by and among the Company and EF Hutton, division of Benchmark Investments, LLC, as representative of the underwriters set forth therein (the "Representative"), the Company is engaged in a public offering (the "Offering") of up to 4,000,000 units (each a "Unit") with each Unit consisting of one share (collectively, the "Shares") of Class A common stock of the Company, par value $0.0001 per share (the "Common Stock"), and a warrant (collectively, the "Warrants") to purchase one share of Common Stock (collectively, the "Warrant Shares") at an exercise price of $5.625 per share, including 600,000 Shares and 600,000 Warrants issuable pursuant to the underwriters' over-allotment option;

WHEREAS, the Company has filed with the Securities and Exchange Commission (the "Commission") a Registration Statement, No. _____, on Form S-1 (as the same may be amended from time to time, the "Registration Statement"), for the registration under the Securities Act of 1933, as amended (the "Securities Act"), of the Shares, Warrants and Warrant Shares, and such Registration Statement was declared effective on _____; and

WHEREAS, the Company desires to provide for the provisions of the Warrants, the terms upon which they shall be issued and exercised, and the respective rights, limitation of rights, and immunities of the Company, the Warrant Agent, and the holders of the Warrants; and

WHEREAS, the Company wishes the Warrant Agent to act on behalf of the Company, and the Warrant Agent is willing so to act, in connection with the issuance, registration, transfer, exchange, exercise and replacement of the Warrants and, in the Warrant Agent's capacity as the Company's transfer agent, the delivery of the Warrant Shares.

NOW, THEREFORE, in consideration of the premises and the mutual agreements herein set forth, the parties hereby agree as follows:

Section 1. Certain Definitions. For purposes of this Agreement, all capitalized terms not herein defined shall have the meanings hereby indicated:

(a) Affiliate" has the meaning ascribed to it in Rule 12b-2 under the Securities Exchange Act of 1934, as amended (the "Exchange Act").

(b) Business Day" means any day other than Saturday, Sunday or other day on which commercial banks in The City of New York are authorized or required by law to remain closed; provided, however, for clarification, commercial banks shall not be deemed to be authorized or required by law to remain closed due to "stay at home," "shelter-in-place," "non- essential employee" or any other similar orders or restrictions or the closure of any physical branch locations at the direction of any governmental authority so long as the electronic funds transfer systems (including for wire transfers) of commercial banks in The City of New York generally are open for use by customers on such day.

(c) Close of Business" on any given date means 5:00 p.m., New York City time, on such date; provided, however, that if such date is not a Business Day it means 5:00 p.m., New York City time, on the next succeeding Business Day.

(d) Person" means an individual, corporation, association, partnership, limited liability company, joint venture, trust, unincorporated organization, government or political subdivision thereof or governmental agency or other entity.

(e) "Trading Day" means any day on which the Common Stock is traded on the Trading Market, or, if the Trading Market is not the principal trading market for the Common Stock, then on the principal securities exchange or securities market in the United States on which the Common Stock is then traded, provided that "Trading Day" shall not include any day on which the Common Stock is are scheduled to trade on such exchange or market for less than 4.5 hours or any day that the Common Stock is suspended from trading during the final hour of trading on such exchange or market (or if such exchange or market does not designate in advance the closing time of trading on such exchange or market, then during the hour ending at 4:00 P.M., Eastern Standard Time).

(f) Warrant Certificate" means a certificate in substantially the form attached as Exhibit 1 hereto, representing such number of Warrant Shares as is indicated therein, provided that any reference to the delivery of a Warrant Certificate in this Agreement shall include delivery of a Definitive Certificate or a Global Warrant (each as defined below).

All other capitalized terms used but not otherwise defined herein shall have the meaning ascribed to such terms in the Warrant Certificate.

Section 2. Appointment of Warrant Agent . The Company hereby appoints the Warrant Agent to act as agent for the Company in accordance with the terms and conditions hereof, and the Warrant Agent hereby accepts such appointment.

Section 3. Global Warrants.

(a) The Warrants shall be registered securities and shall be evidenced by a global warrant (the "Global Warrants"), in the form of the Warrant Certificate, which shall be deposited with the Warrant Agent and registered in the name of Cede & Co., a nominee of The Depository Trust Company (the "Depositary"), or as otherwise directed by the Depositary. Ownership of beneficial interests in the Warrants shall be shown on, and the transfer of such ownership shall be effected through, records maintained by (i) the Depositary or its nominee for each Global Warrant or (ii) institutions that have accounts with the Depositary (such institution, with respect to a Warrant in its account, a "Participant").

(b) If the Depositary subsequently ceases to make its book-entry settlement system available for the Warrants, the Company may instruct the Warrant Agent regarding other arrangements for book-entry settlement. In the event that the Warrants are not eligible for, or it is no longer necessary to have the Warrants available in, book-entry form, the Company may instruct the Warrant Agent to provide written instructions to DTC to deliver to the Warrant Agent for cancellation the Global Warrant, and the Company shall instruct the Warrant Agent to deliver to DTC separate certificates evidencing Warrants ("Definitive Certificates" and, together with the Global Warrant, "Warrant Certificates") attached hereto as Exhibit 1 registered as requested through the DTC system.

Section 4. Form of Warrant Certificates. The Warrant Certificate, together with the form of election to purchase Warrant Shares ("Notice of Exercise") and the form of assignment to be printed on the reverse thereof, shall be in the form of Exhibit 1 hereto.

Section 5. Registration.

The Warrant Agent will keep or cause to be kept at one of its offices, or at the office of one of its agents, books ("Warrant Register") for registration and transfer of the Global Warrants issued hereunder. The Company will keep or cause to be kept at one of its offices, books for the registration and transfer of any Definitive Certificates issued

hereunder and the Warrant Agent shall not have any obligation to keep books and records with respect to any Definitive Certificates. Such Company books shall show the names and addresses of the respective Holders of the Definitive Certificates, the number of warrants evidenced on the face of each such Definitive Certificate and the date of each such Definitive Certificate. Ownership of security entitlements in the Warrants shall be shown on, and the transfer of such ownership shall be effected through, records maintained (i) by DTC and (ii) by Participants.

Section 6. Transfer, Split Up, Combination and Exchange of Warrant Certificates; Mutilated, Destroyed, Lost or Stolen Warrant Certificates. At any time at or prior to the Expiration Date (as defined below), a transfer of any Warrants may be registered and any Warrant Certificate or Warrant Certificates may be split up, combined or exchanged for another Warrant Certificate or Warrant Certificates evidencing the same number of Warrants as the Warrant Certificate or Warrant Certificates surrendered. Any Holder desiring to transfer, split up, combine or exchange any Warrant Certificate shall make such request in writing delivered to the Company, and shall surrender the Warrant Certificate to be transferred, split up, combined or exchanged at the principal office of the Company. Any requested transfer of Warrants, whether in book-entry form or certificate form, shall be accompanied by reasonable evidence of authority of the party making such request that may be required by the Company. Thereupon the Warrant Agent shall, subject to the last sentence of this first paragraph of Section 6, countersign and deliver to the Person entitled thereto a Warrant Certificate(s), as the case may be, as so requested. The Company may require payment from the Holder of a sum sufficient to cover any tax or governmental charge that may be imposed in connection with any transfer, split up, combination or exchange of Warrant Certificates.

Upon receipt by the Company of evidence reasonably satisfactory to it of the loss, theft, destruction or mutilation of a Warrant Certificate, which evidence shall include an affidavit of loss, or in the case of mutilated certificates, the certificate or portion thereof remaining, and, in case of loss, theft or destruction, of indemnity in customary form and amount (but, with respect to any Definitive Certificates, shall not include the posting of any bond by the Holder), and reimbursement to the Company of all reasonable expenses incidental thereto, and upon surrender to the Company and cancellation of the Warrant Certificate if mutilated, the Company will make and deliver a new Warrant Certificate of like tenor to the Holder in lieu of the Warrant Certificate so lost, stolen, destroyed or mutilated.

The Holder of a Warrant may grant proxies or otherwise authorize any person, including the Participants and beneficial holders that may own interests through the Participants, to take any action that a Holder is entitled to take under this Agreement or the Warrants; provided, however, that at all times that Warrants are evidenced by a Global Warrant, exercise of those Warrants shall be effected on their behalf by Participants through DTC in accordance the procedures administered by DTC.

Section 7. Exercise of Warrants; Exercise Price; Termination Date.

(a) Each Warrant shall entitle the Holder, subject to the provisions of the applicable Warrant Certificate and of this Agreement, to purchase from the Company the number of shares of Common Stock stated therein, at the price of $_____ per whole share, subject to the subsequent adjustments provided in Section 11 hereof. The term "Exercise Price" as used in this Agreement refers to the price per share at which shares of Common Stock may be purchased at the time a Warrant is exercised. Warrants may be exercised only during the period ("Exercise Period") commencing on the Issuance Date and terminating at 5:00 P.M., Eastern Standard Time (the "close of business") on _____ ("Expiration Date"). Each Warrant not exercised on or before the Expiration Date shall become void, and all rights thereunder and all rights in respect thereof under this Agreement shall cease at the close of business on the Expiration Date.

(b) Subject to the provisions of this Agreement, a Holder (or a Participant or a designee of a Participant acting on behalf of a Holder) may exercise Warrants by delivering to the Warrant Agent, not later than 5:00 P.M., Eastern Standard Time, on any business day during the Exercise Period an election to purchase the Warrant Shares underlying the Warrants to be exercised (i) in the form included in Exhibit 1 to this Agreement or (ii) via an electronic warrant exercise through the DTC system (each, an "Election to Purchase"). No later than one (1) Trading Day following delivery of an Election to Purchase, the Holder (or a Participant acting on behalf of a Holder in accordance with DTC procedures) shall: (i) (A) surrender of the Warrant Certificate evidencing the Warrants to the Warrant Agent at its office designated for such purpose or (B) delivery of the Warrants to an account of the Warrant Agent at DTC designated for such purpose in writing by the Warrant Agent to DTC from time to time, and (x) deliver to the Company the Exercise Price for each Warrant to be exercised, in lawful money of the United States of America by certified or (y) official bank check payable to the Company or bank wire transfer in immediately available funds to: _____.

Any person so designated by the Holder (or a Participant or designee of a Participant on behalf of a Holder) to receive Warrant Shares shall be deemed to have become holder of record of such Warrant Shares as of the time that an appropriately completed and duly signed Election to Purchase has been delivered to the Warrant Agent, provided that the Holder (or Participant on behalf of the Holder) makes delivery of the deliverables referenced in the immediately preceding sentence by the date that is one (1) Trading Day after the delivery of the Election to Purchase. If the Holder (or Participant on behalf of the Holder) fails to make delivery of such deliverables on or prior to the Trading Day following delivery of the Election to Purchase, such Election to Purchase shall be void ab initio.

(c) If any of (i) the Warrants, (ii) the Election to Purchase, or (iii) the Exercise Price therefor, is received by the Warrant Agent on any date after 5:00 P.M., Eastern Standard Time, or on a date that is not a Trading Day, the Warrants with respect thereto will be deemed to have been received and exercised on the Trading Day next succeeding such date. "Business day" means a day other than a Saturday or Sunday on which commercial Banks in New York City are open for the general conduct of banking business. The "Exercise Date" will be the date on which the materials in the foregoing sentence are received by the Warrant Agent (if by 5:00 P.M., New York City time), or the following Trading Day (if after 5:00 P.M., New York City time), regardless of any earlier date written on the materials. If the Warrants are received or deemed to be received after the Expiration Date, the exercise thereof will be null and void and any funds delivered to the Company will be returned to the Holder or Participant, as the case may be, as soon as practicable. In no event will interest accrue on any funds deposited with the Company in respect of an exercise or attempted exercise of Warrants.

If less than all the Warrants evidenced by a surrendered Warrant Certificate are exercised, the Warrant Agent shall split up the surrendered Warrant Certificate and return to the Holder a Warrant Certificate evidencing the Warrants that were not exercised.

(d) The Warrant Agent shall, by 11:00 a.m., New York City time, on the Trading Day following the Exercise Date of any Warrant, advise the Company, the transfer agent and registrar for the Company's Common Stock, in respect of (i) the number of Warrant Shares indicated on the Election to Purchase as issuable upon such exercise with respect to such exercised Warrants, (ii) the instructions of the Holder or Participant, as the case may be, provided to the Warrant Agent with respect to the delivery of the Warrant Shares and the number of Warrants that remain outstanding after such exercise and (iii) such other information as the Company or such transfer agent and registrar shall reasonably request. The Company shall, by no later than 5:00 P.M., Eastern Standard Time, on the third Trading Day following the Exercise Date of any Warrant and the clearance of the funds in payment of the Exercise Price (such date and time, the "Delivery Time"), cause its registrar to electronically transmit the Warrant Shares issuable upon that exercise to DTC by crediting the account of DTC or of the Participant, as the case may be, through its Deposit Withdrawal Agent Commission system.

(e) All Warrant Shares issued by the Company upon the proper exercise of a Warrant in conformity with this Agreement shall be validly issued, fully paid and non-assessable. No fractional Warrant Shares will be issued upon the exercise of the Warrant. If, by reason of any adjustment made pursuant to Section 4, a Holder would be entitled, upon the exercise of such Warrant, to receive a fractional interest in a share, the Company shall, upon such exercise, round up or down, as applicable, to the nearest whole number the number of Warrant Shares to be issued to such Holder.

(f) The Company shall use it reasonable best efforts to maintain the effectiveness of the Registration Statement and the current status of the prospectus

included therein or to file and maintain the effectiveness of another registration statement and another current prospectus covering the Warrants and the Warrant Shares at any time that the Warrants are exercisable. The Company shall provide to the Warrant Agent and each Holder prompt written notice of any time that the Company is unable to deliver the Warrant Shares via DTC transfer or otherwise without restrictive legend because (i) the Commission has issued a stop order with respect to the Registration Statement, (ii) the Commission otherwise has suspended or withdrawn the effectiveness of the Registration Statement, either temporarily or permanently, (iii) the Company has suspended or withdrawn the effectiveness of the Registration Statement, either temporarily or permanently, (iv) the prospectus contained in the Registration Statement is not available for the issuance of the Warrant Shares to the Holder or (v) otherwise (each a "Restrictive Legend Event"). To the extent that the Warrants cannot be exercised as a result of a Restrictive Legend Event or a Restrictive Legend Event occurs after a Holder has exercised Warrants in accordance with the terms of the Warrants but prior to the delivery of the Warrant Shares, the Company shall, at the election of the Holder, which shall be given within five (5) days of receipt of such notice of the Restrictive Legend Event, either (i) rescind the previously submitted Election to Purchase and the Company shall return all consideration paid by registered holder for such shares upon such rescission or (ii) treat the attempted exercise as a cashless exercise as described in paragraph (b) below and refund the cash portion of the exercise price to the Holder. (b) If a Restrictive Legend Event has occurred, the Warrant shall only be exercisable on a cashless basis. Notwithstanding anything herein to the contrary, the Company shall not be required to make any cash payments or net cash settlement to the Holder in lieu of delivery of the Warrant Shares. Upon a "cashless exercise", the Holder shall be entitled to receive the number of Warrant Shares equal to the quotient obtained by dividing (A-B) (X) by (A), where:

(A) = the VWAP on the Trading Day immediately preceding the Exercise Date;

(B) = the Exercise Price of the Warrant, as adjusted as set forth herein; and

(X) = the number of Warrant Shares that would be issuable upon exercise of the Warrant in accordance with the terms of the Warrant if such exercise were by means of a cash exercise rather than a cashless exercise.

If the Warrant Shares are issued in such a cashless exercise, the Company acknowledges and agrees that, in accordance with Section 3(a)(9) of the Securities Act, the Warrant Shares shall take on the registered characteristics of the Warrants being exercised and the Company agrees not to take any position contrary thereto. Upon receipt of an Election to Purchase for a cashless exercise, the Warrant Agent will promptly deliver a copy of the Election to Purchase to the Company to confirm the number of Warrant Shares issuable in connection with the cashless exercise. The Company shall calculate and transmit to the Warrant Agent in a written notice, and the Warrant Agent shall have no duty, responsibility or obligation under this section to calculate, the number of Warrant Shares issuable in connection with any cashless exercise. The Warrant Agent shall be entitled to rely conclusively on any such written notice provided by the Company, and the Warrant Agent shall not be liable for any action taken, suffered or omitted to be taken by it in accordance with such written instructions or pursuant to this Agreement.

Section 8. Cancellation and Destruction of Warrant Certificates. All Warrant Certificates surrendered for the purpose of exercise, transfer, split up, combination or exchange shall be surrendered to the Company or to any of its agents for cancellation or in canceled form.

Section 9. Certain Representations; Reservation and Availability of Shares or Cash.

(a) This Agreement has been duly authorized, executed and delivered by the Company and, assuming due authorization, execution and delivery hereof by the Warrant Agent, constitutes a valid and legally binding obligation of the Company enforceable against the Company in accordance with its terms, and the Warrants have been duly authorized, executed and issued by the Company and, assuming due authentication thereof by the Warrant Agent pursuant hereto and payment therefor by the Holders as provided in the Warrant Certificate, constitute valid and legally binding obligations of the Company enforceable against the Company in accordance with their terms and entitled to the benefits hereof; in each case except as enforceability may be limited by bankruptcy, insolvency, reorganization, moratorium and other similar laws relating to or affecting creditors' rights generally or by general equitable principles (regardless of whether such enforceability is considered in a proceeding in equity or at law).

(b) As of the date hereof, the authorized share capital of the Company consists _____ shares, consisting of 300,000,000 shares of Common Stock, of which _____ shares of Common Stock are issued and outstanding, and _____ shares of "blank check" preferred stock, par value $0.0001 per share. Except as disclosed in the Registration Statement, there are no other outstanding obligations, warrants, options or other rights to subscribe for or purchase from the Company any shares of Common Stock of the Company.

(c) The Company covenants and agrees that it will cause to be reserved and kept available out of its authorized and unissued shares of Common Stock or its authorized and issued shares of Common Stock held in its treasury, free from preemptive rights, the number of Warrant Shares that will be sufficient to permit the exercise in full of all outstanding Warrants.

(d) The Company further covenants and agrees that it will pay when due and payable any and all federal and state transfer taxes and charges which may be payable in respect of the original issuance or delivery of the Warrant Certificates or certificates evidencing Warrant Shares upon exercise of the Warrants. The Company shall not, however, be required to pay any tax or governmental charge which may be payable in respect of any transfer involved in the transfer or delivery of Warrant Certificates or the issuance or delivery of certificates for Warrant Shares in a name other than that of the Holder of the Warrant Certificate evidencing Warrants surrendered for exercise or to issue or deliver any certificate for Warrant Shares upon the exercise of any Warrants until any such tax or governmental charge shall have been paid (any such tax or governmental charge being payable by the Holder of such Warrant Certificate at the time of surrender) or until it has been established to the Company's reasonable satisfaction that no such tax or governmental charge is due.

Section 10. Warrant Shares Record Date. Each Person in whose name any certificate for Warrant Shares is issued (or to whose broker's account is credited Warrant Shares through the DWAC system) upon the exercise of Warrants shall for all purposes be deemed to have become the holder of record for the Warrant Shares represented thereby on, and such certificate shall be dated, the date on which submission of the Notice of Exercise was made, provided that the Warrant Certificate evidencing such Warrant is duly surrendered (but only if required herein) and payment of the Exercise Price (and any applicable transfer taxes) is received on or prior to the Warrant Share delivery date; provided, however, that if the date of submission of the Notice of Exercise is a date upon which the Common Stock transfer books of the Company are closed, such Person shall be deemed to have become the record holder of such shares on, and such certificate shall be dated, the next succeeding day on which the Common Stock transfer books of the Company are open.

Section 11. Adjustment of Exercise Price, Number of Warrant Shares or Number of the Company Warrants. The Exercise Price, the number of Warrant Shares covered by each Warrant and the number of Warrants outstanding are subject to adjustment from time to time as provided in Section 3 of the Warrant Certificate. In the event that at any time, as a result of an adjustment made pursuant to Section 3 of the Warrant Certificate, the Holder of any Warrant thereafter exercised shall become entitled to receive any shares of capital stock of the Company other than Warrant Shares, thereafter the number of such other shares so receivable upon exercise of any Warrant shall be subject to adjustment from time to time in a manner and on terms as nearly equivalent as practicable to the provisions with respect to the shares contained in Section 3 of the Warrant Certificate and the provisions of Sections 7, 11 and 12 of this Agreement with respect to the Warrant Shares shall apply on like terms to any such other shares. All Warrants originally issued by the Company subsequent to any adjustment made to the Exercise Price pursuant to the Warrant Certificate shall evidence the right to purchase, at the adjusted Exercise Price, the number of Warrant Shares purchasable from time to time hereunder upon exercise of the Warrants, all subject to further adjustment as provided herein.

Section 12. Certification of Adjusted Exercise Price or Number of Warrant Shares. Whenever the Exercise Price or the number of Warrant Shares issuable upon the exercise of each Warrant is adjusted as provided in Section 11 or 13, the Company shall (a) promptly prepare a certificate setting forth the Exercise Price of each Warrant as so adjusted, and a brief statement of the facts accounting for such adjustment, (b) promptly file with the Warrant Agent and with each transfer agent for the Common Stock a copy of such certificate and (c) instruct the Warrant Agent to send a brief summary thereof to each Holder of a Warrant Certificate.

Section 13. Fractional Shares.

(a) The Company shall not issue fractions of Warrants or distribute Warrant Certificates which evidence fractional Warrants. Whenever any fractional Warrant would otherwise be required to be issued or distributed, the actual issuance or distribution shall reflect a rounding of such fraction to the nearest whole Warrant (rounded down).

(b) The Company shall not issue fractions of Warrant Shares upon exercise of Warrants or distribute stock certificates which evidence fractional Warrant Shares. Whenever any fraction of Warrant Shares would otherwise be required to be issued or distributed, the actual issuance or distribution in respect thereof shall be made in accordance with Section 2(d)(v) of the Warrant Certificate.

Section 14. Conditions of the Warrant Agent's Obligations. The Warrant Agent accepts its obligations herein set forth upon the terms and conditions hereof, including the following to all of which the Company agrees and to all of which the rights hereunder of the Holders from time to time of the Warrant Certificates shall be subject:

(a) *Compensation and Indemnification.* The Company agrees promptly to pay the Warrant Agent the compensation detailed on Exhibit 4 hereto for all services rendered by the Warrant Agent and to reimburse the Warrant Agent for reasonable out-of-pocket expenses (including reasonable counsel fees) incurred without gross negligence or willful misconduct finally adjudicated to have been directly caused by the Warrant Agent in connection with the services rendered hereunder by the Warrant Agent. The Company also agrees to indemnify the Warrant Agent for, and to hold it harmless against, any loss, liability or expense incurred without gross negligence, or willful misconduct on the part of the Warrant Agent, finally adjudicated to have been directly caused by Warrant Agent hereunder, including the reasonable costs and expenses of defending against any claim of such liability. The Warrant Agent shall be under no obligation to institute or defend any action, suit, or legal proceeding in connection herewith or to take any other action likely to involve the Warrant Agent in expense, unless first indemnified to the Warrant Agent's satisfaction. The indemnities provided by this paragraph shall survive the resignation or discharge of the Warrant Agent or the termination of this Agreement. Anything in this Agreement to the contrary notwithstanding, in no event shall the Warrant Agent be liable under or in connection with the Agreement for indirect, special, incidental, punitive or consequential losses or damages of any kind whatsoever, including, but not limited, to lost profits, whether or not foreseeable, even if the Warrant Agent has been advised of the possibility thereof and regardless of the form of action in which such damages are sought, and the Warrant Agent's aggregate liability to the Company, or any of the Company's representatives or agents, under this Section 14(a) or under any other term or provision of this Agreement, whether in contract, tort, or otherwise, is expressly limited to, and shall not exceed in any circumstances, one (1) year's fees received by the Warrant Agent as fees and charges under this Agreement, but not including reimbursable expenses previously reimbursed to the Warrant Agent by the Company hereunder.

(b) *Agent for the Company.* In acting under this Agreement and in connection with the Warrant Certificates, the Warrant Agent is acting solely as agent of the Company and does not assume any obligations or relationship of agency or trust for or with any of the Holders of Warrant Certificates or beneficial owners of Warrants.

(c) *Counsel.* The Warrant Agent may consult with counsel satisfactory to it, which may include counsel for the Company, and the written advice of such counsel shall be full and complete authorization and protection in respect of any action taken, suffered or omitted by it hereunder in good faith and in accordance with the advice of such counsel.

(d) *Documents.* The Warrant Agent shall be protected and shall incur no liability for or in respect of any action taken or omitted by it in reliance upon any Warrant Certificate, notice, direction, consent, certificate, affidavit, statement or other paper or document reasonably believed by it to be genuine and to have been presented or signed by the proper parties.

(e) *Certain Transactions.* The Warrant Agent, and its officers, directors and employees, may become the owner of, or acquire any interest in, Warrants, with the same rights that it or they would have if it were not the Warrant Agent hereunder, and, to the extent permitted by applicable law, it or they may engage or be interested in any financial or other transaction with the Company and may act on, or as depositary, trustee or agent for, any committee or body of Holders of the Warrants or other obligations of the Company as freely as if it were not the Warrant Agent hereunder. Nothing in this Agreement shall be deemed to prevent the Warrant Agent from acting as trustee under any indenture to which the Company is a party.

(f) *No Liability for Interest.* Unless otherwise agreed with the Company, the Warrant Agent shall have no liability for interest on any monies at any time received by it pursuant to any of the provisions of this Agreement or of the Warrant Certificates.

(g) *No Liability for Invalidity.* The Warrant Agent shall have no liability with respect to any invalidity of this Agreement or the Warrant Certificates (except as to the Warrant Agent's countersignature thereon).

(h) *No Responsibility for Representations.* The Warrant Agent shall not be responsible for any of the recitals or representations herein or in the Warrant Certificate (except as to the Warrant Agent's countersignature thereon), all of which are made solely by the Company.

(i) *No Implied Obligations.* The Warrant Agent shall be obligated to perform only such duties as are herein and in the Warrant Certificates specifically set forth and no implied duties or obligations shall be read into this Agreement or the Warrant Certificates against the Warrant Agent. The Warrant Agent shall not be under any obligation to take any action hereunder which may tend to involve it in any expense or liability, the payment of which within a reasonable time is not, in its reasonable opinion, assured to it. The Warrant Agent shall not be accountable or under any duty or responsibility for the use by the Company of any of the Warrant Certificates authenticated by the Warrant Agent and delivered by it to the Company pursuant to this Agreement or for the application by the Company of the proceeds of the Warrant Certificate. The Warrant Agent shall have no duty or responsibility in case of any default by the Company in the performance of its covenants or agreements contained herein or in the Warrant Certificates or in the case of the receipt of any written demand from a Holder of a Warrant Certificate with respect to such default, including, without limiting the generality of the foregoing, any duty or responsibility to initiate or attempt to initiate any proceedings at law.

Section 15. Purchase or Consolidation or Change of Name of Warrant Agent. Any corporation into which the Warrant Agent or any successor Warrant Agent may be merged or with which it may be consolidated, or any corporation resulting from any merger or consolidation to which the Warrant Agent or any successor Warrant Agent shall be party, or any corporation succeeding to the corporate trust business of the Warrant Agent or any successor Warrant Agent, shall be the successor to the Warrant Agent under this Agreement without the execution or filing of any paper or any further act on the part of any of the parties hereto, provided that such corporation would be eligible for appointment as a successor Warrant Agent under the provisions of Section 17. In case at the time such successor Warrant Agent shall succeed to the agency created by this Agreement any of the Warrant Certificates shall have been countersigned but not delivered, any such successor Warrant Agent may adopt the countersignature of the predecessor Warrant Agent and deliver such Warrant Certificates so countersigned; and in case at that time any of the Warrant Certificates shall not have been countersigned, any successor Warrant Agent may countersign such Warrant Certificates either in the name of the predecessor Warrant Agent or in the name of the successor Warrant Agent; and in all such cases such Warrant Certificates shall have the full force provided in the Warrant Certificates and in this Agreement.

In case at any time the name of the Warrant Agent shall be changed and at such time any of the Warrant Certificates shall have been countersigned but not delivered, the Warrant Agent may adopt the countersignature under its prior name and deliver such Warrant Certificates so countersigned; and in case at that time any of the Warrant Certificates shall not have been countersigned, the Warrant Agent may countersign such Warrant Certificates either in its prior name or in its changed name; and in all such cases such Warrant Certificates shall have the full force provided in the Warrant Certificates and in this Agreement.

Section 16. Duties of Warrant Agent. The Warrant Agent undertakes the duties and obligations imposed by this Agreement upon the following terms and conditions, by all of which the Company, by its acceptance hereof, shall be bound:

(a) The Warrant Agent may consult with legal counsel reasonably acceptable to the Company (who may be legal counsel for the Company), and the opinion of such counsel shall be full and complete authorization and protection to the Warrant Agent as to any action taken or omitted by it in good faith and in accordance with such opinion.

(b) Whenever in the performance of its duties under this Agreement the Warrant Agent shall deem it necessary or desirable that any fact or matter be proved or established by the Company prior to taking or suffering any action hereunder, such fact or matter (unless other evidence in respect thereof be herein specifically prescribed) may be deemed to be conclusively proved and established by a certificate signed by the Chief Executive Officer or Chief Financial Officer of the Company; and such certificate shall be full authentication to the Warrant Agent for any action taken or suffered in good faith by it under the provisions of this Agreement in reliance upon such certificate.

(c) Subject to the limitation set forth in Section 14, the Warrant Agent shall be liable hereunder only for its own gross negligence or willful misconduct, or for any intentional breach by it of this Agreement.

(d) The Warrant Agent shall not be liable for or by reason of any of the statements of fact or recitals contained in this Agreement or in the Warrant Certificate (except its countersignature thereof) by the Company or be required to verify the same, but all such statements and recitals are and shall be deemed to have been made by the Company only.

(e) The Warrant Agent shall not be under any responsibility in respect of the validity of this Agreement or the execution and delivery hereof (except the due execution hereof by the Warrant Agent) or in respect of the validity or execution of any Warrant Certificate (except its countersignature thereof); nor shall it be responsible for any breach by the Company of any covenant or condition contained in this Agreement or in any Warrant Certificate; nor shall it be responsible for the adjustment of the Exercise Price or the making of any change in the number of Warrant Shares required under the provisions of Section 11 or 13 or responsible for the manner, method or amount of any such change or the ascertaining of the existence of facts that would require any such adjustment or change (except with respect to the exercise of Warrants evidenced by the Warrant Certificates after actual notice of any adjustment of the Exercise Price); nor shall it by any act hereunder be deemed to make any representation or warranty as to the authorization or reservation of any Warrant Shares to be issued pursuant to this Agreement or any Warrant Certificate or as to whether any Warrant Shares will, when issued, be duly authorized, validly issued, fully paid and nonassessable.

(f) Each party hereto agrees that it will perform, execute, acknowledge and deliver or cause to be performed, executed, acknowledged and delivered all such further and other acts, instruments and assurances as may reasonably be required by the other party hereto for the carrying out or performing by any party of the provisions of this Agreement.

(g) The Warrant Agent is hereby authorized to accept instructions with respect to the performance of its duties hereunder from the Chief Executive Officer or Chief Financial Officer of the Company, and to apply to such officers for advice or instructions in connection with its duties, and it shall not be liable and shall be indemnified and held harmless for any action taken or suffered to be taken by it in good faith in accordance with instructions of any such officer, provided Warrant Agent carries out such instructions without gross negligence or willful misconduct.

(h) The Warrant Agent and any shareholder, director, officer or employee of the Warrant Agent may buy, sell or deal in any of the Warrants or other securities of the Company or become pecuniarily interested in any transaction in which the Company may be interested, or contract with or lend money to the Company or otherwise act as fully and freely as though it were not Warrant Agent under this Agreement. Nothing herein shall preclude the Warrant Agent from acting in any other capacity for the Company or for any other legal entity.

(i) The Warrant Agent may execute and exercise any of the rights or powers hereby vested in it or perform any duty hereunder either itself or by or through its attorney or agents, and the Warrant Agent shall not be answerable or accountable for any act, default, neglect or misconduct of any such attorney or agents or for any loss to the Company resulting from any such act, default, neglect or misconduct, provided reasonable care was exercised in the selection and continued employment thereof.

Section 17. Change of Warrant Agent. The Warrant Agent, or any successor to it hereafter appointed, may resign and be discharged from its duties under this Agreement upon 30 days' notice in writing sent to the Company or such shorter period of time agreed to by the Company. The Company may remove the Warrant Agent or any successor Warrant Agent upon 30 days' notice in writing, sent to the Warrant Agent or successor Warrant Agent, as the case may be, or such shorter period of time as agreed. If the office of the Warrant Agent becomes vacant by resignation, termination or incapacity to act or otherwise, the Company shall appoint a successor to the Warrant Agent. If the Company shall fail to make such appointment within a period of 30 days after it has been notified in writing of such resignation or incapacity by the Warrant Agent, then the Warrant Agent or any Holder of any Warrant Certificate may apply to any court of competent jurisdiction for the appointment of a new Warrant Agent, provided that, for purposes of this Agreement, the Company shall be deemed to be the Warrant Agent until a new warrant agent is appointed. Any successor Warrant Agent (but not including the initial Warrant Agent), whether appointed by the Company or by such a court, shall be a corporation organized and doing business under the laws of the United States or of a state thereof, in good standing, which is authorized under such laws to exercise corporate trust powers and is subject to supervision or examination by federal or state authority. After appointment, any successor Warrant Agent shall be vested with all the authority, powers, rights, immunities, duties, and obligations of its predecessor Warrant Agent with like effect as if originally named as Warrant Agent hereunder, without any further act or deed, and except for executing and delivering documents as provided in the sentence that follows, the predecessor Warrant Agent shall have no further duties, obligations, responsibilities or liabilities hereunder, but shall be entitled to all rights that survive the termination of this Agreement and the resignation or removal of the Warrant Agent, including, but not limited to, its right to indemnity hereunder. If for any reason it becomes necessary or appropriate or at the request of the Company, the predecessor Warrant Agent shall execute and deliver, at the expense of the Company, an instrument transferring to such successor Warrant Agent all the authority, powers, and rights of such predecessor Warrant Agent hereunder; and upon request of any successor Warrant Agent the Company shall make, execute, acknowledge, and deliver any and all instruments in writing for more fully and effectually vesting in and confirming to such successor Warrant Agent all such authority, powers, rights, immunities, duties, and obligations.

Section 18. Issuance of New Warrant Certificates. Notwithstanding any of the provisions of this Agreement or of the Warrants to the contrary, the Company may, at its option, issue new Warrant Certificates evidencing Warrants in such form as may be approved by its Board of Directors to reflect any adjustment or change in the Exercise Price per share and the number or kind or class of shares or other securities or property purchasable under the several Warrant Certificates made in accordance with the provisions of this Agreement.

Section 19. Notices. Notices or demands authorized by this Agreement to be given or made (i) by the Warrant Agent or by the Holder of any Warrant Certificate to or on the Company, (ii) subject to the provisions of Section 17, by the Company or by the Holder of any Warrant Certificate to or on the Warrant Agent or (iii) by the Company or the Warrant Agent to the Holder of any Warrant Certificate shall be deemed given (a) on the date delivered, if delivered personally, (b) on the first Business Day following the deposit thereof with Federal Express or another recognized overnight courier, if sent by Federal Express or another recognized overnight courier, (c) on the fourth Business Day following the mailing thereof with postage prepaid, if mailed by registered or certified mail (return receipt requested), and (d) the date of transmission, if such notice or communication is delivered via facsimile or email attachment at or prior to 5:30 p.m. (New York City time) on a Business Day and (e) the next Business Day after the date of transmission, if such notice or communication is delivered via facsimile or email attachment on a day that is not a Business Day or later than 5:30 p.m. (New York City time) on

any Business Day, in each case to the parties at the following addresses (or at such other address for a party as shall be specified by like notice):

(a) **If to the Company, to**

Yoshiharu Global Co.
6940 Beach Blvd. Suite D-705
Buena Park, CA 90621Attn:
Email:
with a copy (which shall not constitute notice) to:
K&L Gates LLP
599 Lexington Ave
New York, NY 10022Attention:
E-mail:

(b) **If to the Warrant Agent, to**

Vstock Transfer, LLC
18 Lafayette Place
Woodmere, NY 11598
Attention: Relationship Management
E-mail: info@vstocktransfer.com

For any notice delivered by email to be deemed given or made, such notice must be followed by notice sent by overnight courier service to be delivered on the next business day following such email, unless the recipient of such email has acknowledged via return email receipt of such email.

If to the Holder of any Warrant Certificate to the address of such Holder as shown on the registry books of the Company. Any notice required to be delivered by the Company to the Holder of any Warrant may be given by the Warrant Agent on behalf of the Company. Notwithstanding any other provision of this Agreement, where this Agreement provides for notice of any event to a Holder of any Warrant, such notice shall be sufficiently given if given to the Depositary (or its designee) pursuant to the procedures of the Depositary or its designee.

Section 20. Supplements and Amendments.

(a) The Company and the Warrant Agent may from time to time supplement or amend this Agreement without the approval of any Holders of Global Warrants in order to add to the covenants and agreements of the Company for the benefit of the Holders of the Global Warrants or to surrender any rights or power reserved to or conferred upon the Company in this Agreement, provided that such addition or surrender shall not adversely affect the interests of the Holders of the Global Warrants or Warrant Certificates in any material respect.

(b) In addition to the foregoing, with the consent of Holders of Warrants entitled, upon exercise thereof, to receive not less than a majority of the Warrant Shares issuable thereunder, the Company and the Warrant Agent may modify this Agreement for the purpose of adding any provisions to or changing in any manner or eliminating any of the provisions of this Agreement or modifying in any manner the rights of the Holders of the Global Warrants.

Section 21. Successors. All covenants and provisions of this Agreement by or for the benefit of the Company or the Warrant Agent shall bind and inure to the benefit of their respective successors and assigns hereunder.

Section 22. Benefits of this Agreement. Nothing in this Agreement shall be construed to give any Person other than the Company, the Holders of Warrant Certificates and the Warrant Agent any legal or equitable right, remedy or claim under this Agreement. This Agreement shall be for the sole and exclusive benefit of the Company, the Warrant Agent and the Holders of the Warrant Certificates.

Section 23. Governing Law. This Agreement and each Warrant Certificate and Global Warrant issued hereunder shall be governed by, and construed in accordance with, the laws of the State of New York, without giving effect to the conflicts of law principles thereof.

Section 24. Counterparts. This Agreement may be executed in any number of counterparts and each of such counterparts shall for all purposes be deemed to be an original, and all such counterparts shall together constitute but one and the same instrument.

Section 25. Captions. The captions of the sections of this Agreement have been inserted for convenience only and shall not control or affect the meaning or construction of any of the provisions hereof.

Section 26. Information. The Company agrees to promptly provide to the Holders of the Warrants any information it provides to the holders of the Common Stock, except to the extent any such information is publicly available on the EDGAR system (or any successor thereof) of the Securities and Exchange Commission.

[signature page follows]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed as of the day and year first above written.

YOSHIHARU GLOBAL CO.

By: _____
Name
Title:

VSTOCK TRANSFER, LLC

By: _____
Name:

Title:

EXHIBIT 1

Warrant Certificate

COMMON STOCK PURCHASE WARRANT
YOSHIHARU GLOBAL CO.

THIS COMMON STOCK PURCHASE WARRANT (the "Warrant") certifies that, for value received, or its assigns (the "Holder") is entitled, upon the terms and subject to the limitations on exercise and the conditions hereinafter set forth, at any time on or after _____ (the "Issuance Date") and unless terminated earlier by the parties hereto, shall terminate 90 days after the earlier of 5:00 P.M., Eastern Standard Time (the "close of business") on _____ ("Expiration Date") and the date on which no Warrants remain outstanding (the "Termination Date"). This Warrant shall initially be issued and maintained in the form of a security held in book-entry form and the Depository Trust Company or its nominee ("DTC") shall initially be the sole registered holder of this Warrant, subject to a Holder's right to elect to receive a Warrant in certificated form pursuant to the terms of the Warrant Agency Agreement, in which case this sentence shall not apply.

Section 1. Definitions. In addition to the terms defined elsewhere in this Warrant, the following terms have the meanings indicated in this Section 1:

"Affiliate" means any Person that, directly or indirectly through one or more intermediaries, controls or is controlled by or is under common control with a Person, as such terms are used in and construed under Rule 405 under the Securities Act.

"Board of Directors" means the board of directors of the Company.

"Business Day" means any day other than Saturday, Sunday or other day on which commercial banks in The City of New York are authorized or required by law to remain closed; provided, however, for clarification, commercial banks shall not be deemed to be authorized or required by law to remain closed due to "stay at home", "shelter-in-place", "non-essential employee" or any other similar orders or restrictions or the closure of any physical branch locations at the direction of any governmental authority so long as the electronic funds transfer systems (including for wire transfers) of commercial banks in The City of New York generally are open for use by customers on such day.

"Commission" means the United States Securities and Exchange Commission.

"Common Stock" means the common stock of the Company, par value $0.0001 per share, and any other class of securities into which such securities may hereafter be reclassified or changed.

"Convertible Securities" means any notes, rights, warrants or other securities (other than Options) that are at any time and under any circumstances, directly or indirectly, convertible into, exercisable or exchangeable for, or which otherwise entitles the holder thereof to acquire, shares of Common Stock..

"Exchange Act" means the Securities Exchange Act of 1934, as amended, and the rules and regulations promulgated thereunder.

"Excluded Securities" means (i) Common Stock or options or other rights to purchase Common Stock or other awards issued to directors, officers, employees, consultants or other service providers of the Company in their capacity as such pursuant to an Approved Stock Plan, provided that (A) all such issuances (taking into account the Common Stock issuable upon exercise of such options) after the date hereof pursuant to this clause (i) do not, in the aggregate, exceed more than 30% of the Common Stock issued and outstanding immediately prior to the date hereof; provided however, that such issuances to consultants or other service providers do not, in each instance in the aggregate, exceed more than 5% of the Common Stock issued and outstanding immediately prior to the date hereof, and (B) the exercise price of any such options is not lowered, none of such options are amended to increase the number of shares issuable thereunder in each case other than pursuant to the terms hereof (including any anti-dilution provisions contained therein) and none of the terms or conditions of any such options are otherwise materially changed in any manner that adversely affects any of the holders of Warrants; (ii) Common Stock issued upon the conversion or exercise of Convertible Securities (other than options or other rights to purchase Common Stock issued pursuant to an Approved Stock Plan that are covered by clause (i) above) issued prior to the date hereof, provided that the conversion price of any such Convertible Securities (other than options or other rights to purchase Common Stock issued pursuant to an Approved Stock Plan that are covered by clause (i) above) is not lowered through the amendment or waiver of such Convertible Security, none of such Convertible Securities (other than options or other rights to purchase Common Stock issued pursuant to an Approved Stock Plan that are covered by clause (i) above) are amended to increase the number of shares issuable thereunder and none of the terms or conditions of any such Convertible Securities (other than options or other rights to purchase Common Stock issued pursuant to an Approved Stock Plan that are covered by clause (i) above) are otherwise materially changed in any manner that adversely affects any of the holders of Warrants; (iii) Common Stock issuable upon exercise of the Warrants; and (iv) securities issuable in connection with strategic license agreements, other partnering arrangements or acquisitions or mergers where the purchaser or acquirer of the securities in such issuance solely consists of (A) either (x) the actual participants in such strategic license, strategic alliance, strategic partnership or other partnering arrangements, (y) the actual owners of such assets or securities acquired in such acquisition or merger or (z) the stockholders, partners or members of the foregoing persons or entities and (B) number or amount of securities issued to such person or entity by the Company shall not be disproportionate (as determined in good faith by the Board of Directors of the Company) to either (x) the fair market value of such person's or entity's actual contribution to such strategic alliance or strategic partnership or (y) the proportional ownership of such assets or securities to be acquired by the Company, as applicable; provided, that, notwithstanding the foregoing, such purchaser or acquirer of the securities in such issuance shall not include any person regularly engaged in the business of buying or selling securities.

"New Issuance Price" means a price (calculated to the nearest cent) determined in accordance with the following formula:

$$EP2 = EP1^* (A + B) \div (A + C).$$

For purposes of the foregoing formula, the following definitions shall apply:

(i) "EP2" shall mean the adjusted Exercise Price;
(ii) "EP1" shall mean the Exercise Price in effect immediately prior to such issuance of Common Stock;
(iii) "A" shall mean the number of shares of Common Stock outstanding immediately prior to such issue of additional Common Stock including the issuance, sale or delivery of Common Stock owned or held by or for the account of the Company, (treating for this purpose as outstanding all shares of Common Stock issuable upon exercise of Options outstanding immediately prior to such issue or upon conversion or exchange of Convertible Securities outstanding (assuming exercise of any outstanding Options therefor) immediately prior to such issue);
(iv) "B" shall mean the number of shares of Common Stock that would have been issued if such additional shares of Common Stock had been issued at an Exercise Price equal to EP1 (determined by dividing the aggregate consideration received by the Company in respect of such issue by EP1); and
(v) "C" shall mean the number of such additional shares of Common Stock issued in such transaction.

"Person" means an individual or corporation, partnership, trust, incorporated or unincorporated association, joint venture, limited liability company, joint stock

company, government (or an agency or subdivision thereof) or other entity of any kind.

"Registration Statement" means the Company's registration statement on Form S- 1, as amended (File No.333-260109).

"Securities Act" means the Securities Act of 1933, as amended, and the rules and regulations promulgated thereunder.

"Subsidiary" means any subsidiary of the Company and shall, where applicable, also include any direct or indirect subsidiary of the Company formed or acquired after the date hereof.

"Trading Day" means a day on which the Common Stock is traded on a Trading Market or, if the Trading Market is not the principal trading market for the Common Stock, then on the principal securities exchange or securities market in the United States on which the Common Stock is then traded, provided that "Trading Day" shall not include any day on which the Common Stock is are scheduled to trade on such exchange or market for less than 4.5 hours or any day that the Common Stock is suspended from trading during the final hour of trading on such exchange or market (or if such exchange or market does not designate in advance the closing time of trading on such exchange or market, then during the hour ending at 4:00 P.M., Eastern Standard Time).

"Trading Market" means any of the following markets or exchanges on which the Common Stock is listed or quoted for trading on the date in question: the NYSE American, the Nasdaq Capital Market, the Nasdaq Global Market, the Nasdaq Global Select Market, the New York Stock Exchange, or OTCQB or OTCQX (or any successors to any of the foregoing).

"Transfer Agent" means Vstock Transfer, LLC, the current transfer agent of the Company, with a mailing address of 18 Lafayette Place, Woodmere, NY 11598 and a facsimile number of _, and any successor transfer agent of the Company.

"Options" means any rights, warrants or options to subscribe for or purchase Common Stock or Convertible Securities.

"Underwriting Agreement" means the underwriting agreement, dated as of 2021, among the Company and EF Hutton, division of Benchmark Investments, LLC, as representative of the underwriters named therein, as amended, modified or supplemented from time to time in accordance with its terms.

"Variable Rate Transaction" means a transaction in which the Company (i) issues or sells any debt or equity securities that are convertible into, exchangeable or exercisable for, or include the right to receive, additional shares of Common Stock either (A) at a conversion price, exercise price or exchange rate or other price that is based upon, and/or varies with, the trading prices of or quotations for the Common Stock at any time after the initial issuance of such debt or equity securities or (B) with a conversion, exercise or exchange price that is subject to being reset at some future date after the initial issuance of such debt or equity security or upon the occurrence of specified or contingent events directly or indirectly related to the business of the Company or the market for the Common Stock or (ii) enters into, or effects a transaction under, any agreement, including, but not limited to, an equity line of credit, whereby the Company may issue securities at a future determined price.

"VWAP" means, for any date, the price determined by the first of the following clauses that applies: (a) if the Common Stock is then listed or quoted on a Trading Market, the daily volume weighted average price of the Common Stock for such date (or the nearest preceding date) on the Trading Market on which the Common Stock is then listed or quoted as reported by Bloomberg L.P. (based on a Trading Day from 9:30 a.m. (New York City time) to 4:02 p.m. (New York City time)), (b) if OTCQB or OTCQX is not a Trading Market, the volume weighted average price of the Common Stock for such date (or the nearest preceding date) on OTCQB or OTCQX as applicable, (c) if the Common Stock is not then listed or quoted for trading on OTCQB or OTCQX and if prices for the Common Stock are then reported on the Pink Open Market (or a similar organization or agency succeeding to its functions of reporting prices), the most recent bid price per share of Common Stock so reported, or (d) in all other cases, the fair market value of a share of Common Stock as determined by an independent appraiser selected in good faith by the holders of a majority in interest of the Warrants then outstanding and reasonably acceptable to the Company, the fees and expenses of which shall be paid by the Company.

"Warrant Agency Agreement " means that certain warrant agency agreement, dated on or about the Issuance Date, between the Company and the Warrant Agent.

"Warrant Agent" means the Transfer Agent and any successor warrant agent of the Company.

"Warrants" means this Warrant and other Common Stock purchase warrants issued by the Company pursuant to the Registration Statement.

Section 2. Exercise.

a) Exercise of Warrant. Warrants may be exercised only during the period ("Exercise Period") commencing on the Issuance Date and terminating on the Expiration Date. Each Warrant not exercised on or before the Expiration Date shall become void, and all rights thereunder and all rights in respect thereof under this Warrant Agency Agreement shall cease at the close of business on the Expiration Date.

A Holder (or a Participant or a designee of a Participant acting on behalf of a Holder) may exercise Warrants by delivering to the Warrant Agent, not later than 5:00 P.M., Eastern Standard Time, on any business day during the Exercise Period an election to purchase the Warrant Shares underlying the Warrants to be exercised (i) in the form included in Exhibit A to this Warrant Agency Agreement or (ii) via an electronic warrant exercise through the DTC system (each, an "Election to Purchase"). No later than one (1) Trading Day following delivery of an Election to Purchase, the Holder (or a Participant acting on behalf of a Holder in accordance with DTC procedures) shall: (i) (A) surrender of the Warrant Certificate evidencing the Warrants to the Warrant Agent at its office designated for such purpose or (B) delivery of the Warrants to an account of the Warrant Agent at DTC designated for such purpose in writing by the Warrant Agent to DTC from time to time, and (ii) deliver to the Company the Exercise Price for each Warrant to be exercised, in lawful money of the United States of America by certified or official bank check payable to the Company or bank wire transfer in immediately available funds to: ..

Any person so designated by the Holder (or a Participant or designee of a Participant on behalf of a Holder) to receive Warrant Shares shall be deemed to have become holder of record of such Warrant Shares as of the time that an appropriately completed and duly signed Election to Purchase has been delivered to the Warrant Agent, provided that the Holder (or Participant on behalf of the Holder) makes delivery of the deliverables referenced in the immediately preceding sentence by the date that is one (1) Trading Day after the delivery of the Election to Purchase. If the Holder (or Participant on behalf of the Holder) fails to make delivery of such deliverables on or prior to the Trading Day following delivery of the Election to Purchase, such Election to Purchase shall be *void ab initio.*

If any of (i) the Warrants, (ii) the Election to Purchase, or (iii) the Exercise Price therefor, is received by the Warrant Agent on any date after 5:00 P.M., Eastern Standard Time, or on a date that is not a Trading Day, the Warrants with respect thereto will be deemed to have been received and exercised on the Trading Day next succeeding such date. The "Exercise Date" will be the date on which the materials in the foregoing sentence are received by the Warrant Agent (if by 5:00 P.M., New York City time), or the following Trading Day (if after 5:00 P.M., New York City time), regardless of any earlier date written on the materials. If the Warrants are received or deemed to be received after the Expiration Date, the exercise thereof will be null and void and any funds delivered to the Company will be returned to the

Holder or Participant, as the case may be, as soon as practicable. In no event will interest accrue on any funds deposited with the Company in respect of an exercise or attempted exercise of Warrants.

If less than all the Warrants evidenced by a surrendered Warrant Certificate are exercised, the Warrant Agent shall split up the surrendered Warrant Certificate and return to the Holder a Warrant Certificate evidencing the Warrants that were not exercised.

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b) Exercise Price. The exercise price per Warrant Share under this Warrant shall be $, subject to adjustment hereunder (the "Exercise Price"), provided that in no case shall the exercise price be less than the par value of the Common Stock. The Holder shall not be entitled to the return or refund of all, or any portion, of such pre-paid aggregate exercise price under any circumstance or for any reason whatsoever, including in the event this Warrant shall not have been exercised prior to the Termination Date.

c) Cashless Exercise. If at the time of exercise hereof there is no effective registration statement registering, or the prospectus contained therein is not available for the issuance of the Warrant Shares to the Holder, then this Warrant may also be exercised, in whole or in part, at such time by means of a "cashless exercise" in which the Holder shall be entitled to receive a number of Warrant Shares equal to the quotient obtained by dividing [(A-B) (X)] by (A), where:

(A) = the VWAP on the Trading Day immediately preceding the Exercise Date;

(B) = the Exercise Price of this Warrant, as adjusted hereunder; and

(X) = the number of Warrant Shares that would be issuable upon exercise of the Warrant in accordance with the terms of the Warrant if such exercise were by means of a cash exercise rather than a cashless exercise..

If the Warrant Shares are issued in such a cashless exercise, the Company acknowledges and agrees that, in accordance with Section 3(a)(9) of the Securities Act, the Warrant Shares shall take on the registered characteristics of the Warrants being exercised and the Company agrees not to take any position contrary thereto. Upon receipt of an Election to Purchase for a cashless exercise, the Warrant Agent will promptly deliver a copy of the Election to Purchase to the Company to confirm the number of Warrant Shares issuable in connection with the cashless exercise. The Company shall calculate and transmit to the Warrant Agent in a written notice, and the Warrant Agent shall have no duty, responsibility or obligation under this section to calculate, the number of Warrant Shares issuable in connection with any cashless exercise. The Warrant Agent shall be entitled to rely conclusively on any such written notice provided by the Company, and the Warrant Agent shall not be liable for any action taken, suffered or omitted to be taken by it in accordance with such written instructions or pursuant to this Warrant Agency Agreement.

d) Mechanics of Exercise.

i. Issuance of Warrant Shares Upon Exercise. The Warrant Agent shall, by 11:00 a.m., New York City time, on the Trading Day following the Exercise Date of any Warrant, advise the Company, the transfer agent and registrar for the Company's Common Stock, in respect of (i) the number of Warrant Shares indicated on the Election to Purchase as issuable upon such exercise with respect to such exercised Warrants, (ii) the instructions of the Holder or Participant, as the case may be, provided to the Warrant Agent with respect to the delivery of the Warrant Shares and the number of Warrants that remain outstanding after such exercise and (iii) such other information as the Company or such transfer agent and registrar shall reasonably request.

The Company shall, by no later than 5:00 P.M., Eastern Standard Time, on the third Trading Day following the Exercise Date of any Warrant and the clearance of the funds in payment of the Exercise Price (such date and time, the "Delivery Time"), cause its registrar to electronically transmit the Warrant Shares issuable upon that exercise to DTC by crediting the account of DTC or of the Participant, as the case may be, through its Deposit Withdrawal Agent Commission system.

ii. No Fractional Shares or Scrip. No fractional Warrant Shares or scrip representing fractional Warrant Shares shall be issued upon the exercise of this Warrant. If, by reason of any adjustment made, a Holder would be entitled, upon the exercise of such Warrant, to receive a fractional interest in a share, the Company shall, upon such exercise, round up or down, as applicable, to the nearest whole number the number of Warrant Shares to be issued to such Holder.

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iii. Charges, Taxes and Expenses. Issuance of Warrant Shares shall be made without charge to the Holder for any issue or transfer tax or other incidental expense in respect of the issuance of such Warrant Shares, all of which taxes and expenses shall be paid by the Company, and such Warrant Shares shall be issued in the name of the Holder or in such name or names as may be directed by the Holder; provided, however, that, in the event that Warrant Shares are to be issued in a name other than the name of the Holder, this Warrant when surrendered for exercise shall be accompanied by the Assignment Form attached hereto duly executed by the Holder and the Company may require, as a condition thereto, the payment of a sum sufficient to reimburse it for any transfer tax incidental thereto. The Company shall pay all Transfer Agent fees required for same-day processing of any Notice of Exercise and all fees to the Depository Trust Company (or another established clearing corporation performing similar functions) required for same-day electronic delivery of the Warrant Shares.

iv. Closing of Books. The Company will not close its shareholder books or records in any manner which prevents the timely exercise of this Warrant, pursuant to the terms hereof.

e) Holder's Exercise Limitations.

A Holder shall not have the right to exercise any Warrants to the extent that after giving effect to the issuance of Warrant Shares after exercise as set forth on the applicable Election to Purchase, such Holder or a person holding through such Holder (together with such Holder's or person's Affiliates (as defined in Rule 405 under the Securities Act), and any other persons acting as a group together with that Holder or person or any of that Holder's or person's Affiliates), would beneficially own in excess of 4.99% ("Beneficial Ownership Limitation") of the Company's Common Stock. For purposes of the foregoing sentence, the number of shares of Common Stock beneficially owned by a person shall include the number of Warrant Shares that would be owned by that person issuable upon exercise of the Warrants with respect to which such determination is being made, but shall exclude the number of shares of Common Stock (a) which would be issuable upon exercise of the remaining, non-exercised Warrants beneficially owned by that person or any of its Affiliates and (b) underlying any other securities of the Company held by such Holder or its Affiliates that are exercisable or convertible into Common Stock and subject to a limitation on conversion or exercise that is analogous to the limitation contained in this Section 2(e). Except as set forth in the preceding sentence, for purposes of this Section 2(e), beneficial ownership shall be calculated in accordance with Section 13(d) of the Exchange Act and the rules and regulations promulgated thereunder, it being acknowledged by the Holder that neither the Warrant Agent nor the Company is representing to the Holder that such calculation is in compliance with Section 13(d) of the Exchange Act and the Holder or beneficial owner is solely responsible for any schedules required to be filed in accordance therewith. To the extent that the limitation contained in this Section 2(e) applies, the determination of whether a Warrant is exercisable and of the number of Warrants that are exercisable shall be in the sole discretion of the Holder, and the submission of an Election to Purchase shall be deemed to be the Holder's determination of whether such Warrant is exercisable and of the number of Warrants that are exercisable, and neither the Warrant Agent nor the Company shall have any obligation to verify or confirm the accuracy of such determination and neither of them shall have any liability for any error made by the Holder or any other person. In addition, a determination as to any group status as contemplated above shall be determined in accordance with Section 13(d) of the Exchange Act and the rules and regulations promulgated thereunder. For purposes of this Section 2(e), in determining the number of outstanding shares of Common Stock, a Holder or other person may rely on the number of outstanding shares of Common Stock as reflected in (a) the Company's most recent periodic or annual report

filed with the Securities and Exchange Commission, as the case may be, (b) a more recent public announcement by the Company or (c) a more recent written notice by the Company or the Company's transfer agent setting forth the number of shares of Common Stock outstanding. For any reason at any time, upon the written or oral request of a person that represents that it is or is acting on behalf of a Holder, the Company shall, within two (2) Trading Days, confirm orally or in writing or by e-mail to that person the number of shares of Common Stock then outstanding. Upon delivery of a written notice to the Company, the Holder may from time to time increase or decrease the Beneficial Ownership Limitation to any other percentage not in excess of 9.99% as specified in such notice, provided that any increase in the Beneficial Ownership Limitation will not be effective until the sixty-first (61st) day after such notice is delivered to the Company and any such increase or decrease will apply only to the Holder and its Affiliates and not to any other holder of Warrants. The provisions of this Section 2(e) shall be construed and implemented in a manner otherwise than in strict conformity with the terms of this Section 2(e) to correct this subsection (or any portion hereof) which may be defective or inconsistent with the intended beneficial ownership limitation herein contained.Section

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3. Certain Adjustments.

a) Stock Dividends and Splits. If the Company at any time after the Issuance Date subdivides (by any stock split, stock dividend, recapitalization, reorganization, scheme, arrangement or otherwise) its outstanding shares of Common Stock into a greater number of shares, the Exercise Price in effect immediately prior to such subdivision will be proportionately reduced and the number of Warrant Shares will be proportionately increased. If the Company at any time after the Issuance Date combines (by any stock split, stock dividend, recapitalization, reorganization, scheme, arrangement or otherwise) its outstanding shares of Common Stock into a smaller number of shares, the Exercise Price in effect immediately prior to such combination will be proportionately increased and the number of Warrant Shares will be proportionately decreased. Any adjustment shall become effective at the close of business on the date the subdivision or combination becomes effective. ..

b) Issuance of Common Stock. If and whenever on or after the Issuance Date and prior to _____ (the "Applicable Period"), the Company issues, sells or delivers, or in accordance with this Section 3 is deemed to have issued, sold or delivered, any Common Stock (including the issuance, sale or delivery of Common Stock owned or held by or for the account of the Company, but excluding any Excluded Securities issued or sold or deemed to have been issued, sold or delivered) for a consideration per share less than a price equal to the Exercise Price in effect immediately prior to such issuance, sale or delivery or deemed issuance, sale or delivery (such Exercise Price then in effect is referred to as the "Applicable Price") (the foregoing a "Dilutive Issuance"), then immediately after such Dilutive Issuance, the Exercise Price then in effect shall be reduced to the New Issuance Price. For all purposes of the foregoing (including, without limitation, determining the adjusted Exercise Price and consideration per share under this Section 3), the following shall be applicable:

i. If the Company grants or sells any Options (other than Options that qualify as Excluded Securities) during the Applicable Period and the lowest price per share for which one share is issuable upon the exercise of any such Option or upon conversion, exercise or exchange of any Convertible Securities issuable upon exercise of any such Option is less than the Applicable Price, then such share shall be deemed to be outstanding and to have been issued and sold or delivered by the Company at the time of the granting or sale of such Option for the New Issuance Price. For purposes of this Section 3(b)(i), the "lowest price per share for which one share of Common Stock is issuable upon the exercise of any such Options or upon conversion, exercise or exchange of any Convertible Securities issuable upon exercise of any such Option" shall be equal to (i) the sum of the lowest amounts of consideration (if any) received or receivable by the Company with respect to any one share of Common Stock upon the granting or sale of such Option, upon exercise of such Option and upon conversion, exercise or exchange of any Convertible Security issuable upon exercise of such Option minus (ii) the sum of all amounts paid or payable to the holder of such Option (or any other person or entity) upon the granting or sale of such Option, upon exercise of such Option and upon conversion, exercise or exchange of any Convertible Security issuable upon exercise of such Option plus the value of any other consideration received or receivable by, or benefit conferred on, the holder of such Option (or any other person or entity). Except as contemplated below, no further adjustment of the Exercise Price shall be made upon the actual issuance of such shares of Common Stock or of such Convertible Securities upon the exercise of such Options.

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ii. If the Company issues or sells any Convertible Securities (other than Convertible Securities that qualify as Excluded Securities) during the Applicable Period and the lowest price per share for which one share of Common Stock is issuable upon the conversion, exercise or exchange thereof is less than the Applicable Price, then such share of Common Stock shall be deemed to be outstanding and to have been issued and sold or delivered by the Company at the time of the issuance or sale of such Convertible Securities for the New Issuance Price. For the purposes of this Section 3(b)(ii), the "lowest price per share for which one share of Common Stock is issuable upon the conversion, exercise or exchange thereof" shall be equal to (i) the sum of the lowest amounts of consideration (if any) received or receivable by the Company with respect to one share of Common Stock upon the issuance or sale of the Convertible Security and upon conversion, exercise or exchange of such Convertible Security minus (ii) the sum of all amounts paid or payable to the holder of such Convertible Security (or any other person or entity) upon the issuance or sale of such Convertible Security plus the value of any other consideration received or receivable by, or benefit conferred on, the holder of such Convertible Security (or any other person or entity). Except as contemplated below, no further adjustment of the Exercise Price shall be made upon the actual issuance of such shares of Common Stock upon conversion, exercise or exchange of such Convertible Securities, and if any such issue or sale of such Convertible Securities is made upon exercise of any Options for which adjustment of Warrants has been or is to be made pursuant to other provisions of this Section 3, except as contemplated below, no further adjustment of the Exercise Price shall be made by reason of such issue, sale or delivery.

iii. If during the Applicable Period the purchase or exercise price provided for in any Options, the additional consideration, if any, payable upon the issue, conversion, exercise or exchange of any Convertible Securities or the rate at which any Convertible Securities are convertible into or exercisable or exchangeable for Common Stock increases or decreases at any time, the Exercise Price in effect at the time of such increase or decrease shall be adjusted to the Exercise Price which would have been in effect at such time had such revised terms been in effect. For purposes of this Section 3(b)(iii), if the terms of any Option or Convertible Security that was outstanding as of the original issuance of the Warrants are increased or decreased in the manner described in the immediately preceding sentence, then such Option or Convertible Security and the shares of Common Stock deemed issuable upon exercise, conversion or exchange thereof shall be deemed to have been issued as of the date of such increase or decrease. No adjustment pursuant to this Section 3(b)(iii) shall be made if such adjustment would result in an increase of the Exercise Price then in effect. For purposes of clarity, if the Company enters into a Variable Rate Transaction (as defined in the Underwriting Agreement), despite the prohibition thereon in the Underwriting Agreement, the Company shall be deemed to have issued Common Stock, Options or Convertible Securities at the lowest possible conversion or exercise price at which such securities may be converted or exercised. For purposes herein, no Variable Rate Transaction shall be Excluded Securities.

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c) Fundamental Transaction. If, at any time while the Warrants are outstanding, (i) the Company, directly or indirectly, in one or more related transactions effects any merger or consolidation of the Company with or into another person, (ii) the Company, directly or indirectly, effects any sale, lease, license, assignment, transfer, conveyance or other disposition of all or substantially all of its assets in one or a series of related transactions, (iii) any, direct or indirect, purchase offer, tender offer or exchange offer (whether by the Company or another person) is completed pursuant to which holders of Common Stock are permitted to sell, tender or exchange their shares for other securities, cash or property and has been accepted by the holders of 50% or more of the outstanding Common Stock (not including any Common Stock held by the other person or other persons making or party to, or associated or affiliated with the other persons making, such purchase offer, tender offer or exchange offer), (iv) the Company, directly or indirectly, in one or more related transactions effects any reclassification, reorganization or recapitalization of the Common Stock or any compulsory share exchange pursuant to which the Common Stock is effectively converted into or exchanged for other securities, cash or property, or (v) the Company, directly or indirectly, in one or more related transactions consummates a stock or share purchase agreement or other business combination (including, without limitation, a reorganization, recapitalization, spin-off or scheme of arrangement) with another person whereby such other person acquires more than

50% of the outstanding shares of Common Stock (not including any shares of Common Stock held by the other person or other persons making or party to, or associated or affiliated with the other persons making or party to, such stock or share purchase agreement or other business combination) (each a "Fundamental Transaction"), then, upon any subsequent exercise of a Warrant, each Holder shall have the right to receive, for each Warrant Share that would have been issuable upon such exercise immediately prior to the occurrence of such Fundamental Transaction, the same amount and kind of securities, cash or property, if any, of the successor or acquiring corporation or of the Company, if it is the surviving corporation, and any additional consideration (the "Alternate Consideration") receivable as a result of such Fundamental Transaction by a holder of the number of shares of Common Stock for which each Warrant is exercisable immediately prior to such Fundamental Transaction. For purposes of any such exercise, the determination of the Exercise Price shall be appropriately adjusted to apply to such Alternate Consideration based on the amount of Alternate Consideration issuable in respect of one share of Common Stock in such Fundamental Transaction, and the Company shall apportion the Exercise Price among the Alternate Consideration in a reasonable manner reflecting the relative value of any different components of the Alternate Consideration. If holders of Common Stock are given any choice as to the securities, cash or property to be received in a Fundamental Transaction, then the Holder shall be given the same choice as to the Alternate Consideration that such Holder receives upon any exercise of each Warrant following such Fundamental Transaction. The Company shall cause any successor entity in a Fundamental Transaction in which the Company is not the survivor (the "Successor Entity") and for which stockholders received any equity securities of the Successor Entity and for which stockholders received any equity securities of the Successor Entity, to assume in writing all of the obligations of the Company under this Warrant Agency Agreement in accordance with the provisions of this Section 3(c) pursuant to written agreements and shall, upon the written request of such Holder, deliver to such Holder in exchange for the applicable Warrants created by this Warrant Agency Agreement a security of the Successor Entity evidenced by a written instrument substantially similar in form and substance to the Warrants which are exercisable for a corresponding number of shares of capital stock of such Successor Entity (or its parent entity), if any, plus any Alternate Consideration, receivable as a result of such Fundamental Transaction by a holder of the number of shares of Common Stock for which the Warrants are exercisable immediately prior to such Fundamental Transaction, and with an exercise price which applies the Exercise Price hereunder to such shares of capital stock, if any, plus any Alternate Consideration (but taking into account the relative value of the shares of Common Stock pursuant to such Fundamental Transaction and the value of such shares of capital stock plus alternative consideration after that Fundamental Transaction for the purpose of protecting the economic value of such Warrant immediately prior to the consummation of such Fundamental Transaction). Upon the occurrence of any such Fundamental Transaction the Successor Entity shall succeed to, and be substituted for (so that from and after the date of such Fundamental Transaction, the provisions of this Warrant Agency Agreement and the Warrants referring to the "Company" shall refer instead to the Successor Entity), and may exercise every right and power of the Company and shall assume all of the obligations of the Company under this Warrant Agency Agreement and the Warrants with the same effect as if such Successor Entity had been named as the Company herein and therein. The Company shall instruct the Warrant Agent in writing to mail by first class mail, postage prepaid, to each Holder, written notice of the execution of any such amendment, supplement or agreement with the Successor Entity. Any supplemented or amended agreement entered into by the successor corporation or transferee shall provide for adjustments, which shall be as nearly equivalent as may be practicable to the adjustments provided for in this Section 3(c). The Warrant Agent shall have no duty, responsibility or obligation to determine the correctness of any provisions contained in such agreement or such notice, including but not limited to any provisions relating either to the kind or amount of securities or other property receivable upon exercise of warrants or with respect to the method employed and provided therein for any adjustments, and shall be entitled to rely conclusively for all purposes upon the provisions contained in any such agreement. The provisions of this Section 3(c) shall similarly apply to successive reclassifications, changes, consolidations, mergers, sales and conveyances of the kind described above.

d) Calculations. All calculations under this Section 3 shall be made to the nearest cent or the nearest 1/100th of a share, as the case may be. For purposes of this Section 3, the number of shares of Common Stock deemed to be issued and outstanding as of a given date shall be the sum of the number shares of Common Stock (excluding treasury shares, if any) issued and outstanding.

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e) Notice to Holder. Whenever the Exercise Price is adjusted pursuant to any provision of this Section 3, the Company shall promptly deliver to the Holder by facsimile or email a notice setting forth the Exercise Price after such adjustment and any resulting adjustment to the number of Warrant Shares and setting forth a brief statement of the facts requiring such adjustment.

Section 4. Transfer of Warrant.

a) Transferability. At any time at or prior to the Expiration Date (as defined below), a transfer of any Warrants may be registered and any Warrant Certificate or Warrant Certificates may be split up, combined or exchanged for another Warrant Certificate or Warrant Certificates evidencing the same number of Warrants as the Warrant Certificate or Warrant Certificates surrendered. Any Holder desiring to register the transfer of Warrants or to split up, combine or exchange any Warrant Certificate shall make such request in writing delivered to the Warrant Agent, and shall surrender to the Warrant Agent the Warrant Certificate or Warrant Certificates evidencing the Warrants the transfer of which is to be registered or that is or are to be split up, combined or exchanged and, in the case of registration of transfer, shall provide a signature guarantee. Thereupon, the Warrant Agent shall countersign and deliver to the person entitled thereto a Warrant Certificate or Warrant Certificates, as the case may be, as so requested. The Company and the Warrant Agent may require payment, by the Holder requesting a registration of transfer of Warrants or a split-up, combination or exchange of a Warrant Certificate (but, for purposes of clarity, not upon the exercise of the Warrants and issuance of Warrant Shares to the Holder), of a sum sufficient to cover any tax or governmental charge that may be imposed in connection with such registration of transfer, split-up, combination or exchange, together with reimbursement to the Company and the Warrant Agent of all reasonable expenses incidental thereto.

b) Warrant Register. The Warrant Agent and/or the Company (with regard to any portion of the Warrant in certificated form issued pursuant to the terms of the Warrant Agency Agreement) shall register this Warrant, upon records to be maintained by the Warrant Agent and/or the Company for that purpose (the " Warrant Register"), in the name of the record Holder hereof from time to time. The Company and the Warrant Agent may deem and treat the registered Holder of this Warrant as the absolute owner hereof for the purpose of any exercise hereof or any distribution to the Holder, and for all other purposes, absent actual notice to the contrary.

Section 5. Miscellaneous.

a) No Rights as Shareholder. A Holder, solely in its capacity as a holder of Warrants, shall not be entitled to vote or receive dividends or be deemed the holder of share capital of the Company for any purpose, nor shall anything contained in the Agreement be construed to confer upon a Holder, solely in its capacity as the registered holder of Warrants, any of the rights of a stockholder of the Company or any right to vote, give or withhold consent to any corporate action (whether any reorganization, issue of stock, reclassification of share capital, consolidation, merger, conveyance or otherwise), receive notice of meetings, receive dividends or subscription rights or rights to participate in new issues of shares, or otherwise, prior to the issuance to the Holder of the Warrant Shares which it is then entitled to receive upon the due exercise of Warrants.

b) Loss, Theft, Destruction or Mutilation of Warrant. The Company covenants that upon receipt by the Company of evidence reasonably satisfactory to it of the loss, theft, destruction or mutilation of this Warrant or any stock certificate relating to the Warrant Shares, and in case of loss, theft or destruction, of indemnity or security reasonably satisfactory to it (which, in the case of the Warrant, shall not include the posting of any bond), and upon surrender and cancellation of such Warrant or stock certificate, if mutilated, the Company will make and deliver a new Warrant or stock certificate of like tenor and dated as of such cancellation, in lieu of such Warrant or stock certificate.

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c) Authorized Shares.

The Company covenants that, during the period the Warrant is outstanding, it will reserve from its authorized and unissued shares of Common Stock a sufficient number of shares to provide for the issuance of the Warrant Shares upon the exercise of any purchase rights under this Warrant. The Company further covenants that its issuance of this Warrant shall constitute full authority to its officers who are charged with the duty of issuing the necessary Warrant Shares upon the exercise of the purchase rights under this Warrant. The Company will take all such reasonable action as may be necessary to assure that such Warrant Shares may be issued as provided herein without violation of any applicable law or regulation, or of any requirements of the Trading Market upon which the Common Stock may be listed. The Company covenants that all Warrant Shares which may be issued upon the exercise of the purchase rights represented by this Warrant will, upon exercise of the purchase rights represented by this Warrant and payment for such Warrant Shares in accordance herewith, be duly authorized, validly issued, fully paid and nonassessable and free from all taxes, liens and charges created by the Company in respect of the issue thereof (other than taxes in respect of any transfer occurring contemporaneously with such issue).

Except and to the extent as waived or consented to by the Holder, the Company shall not by any action, including, without limitation, amending its articles of incorporation or through any reorganization, transfer of assets, consolidation, merger, dissolution, issue or sale of securities or any other voluntary action, avoid or seek to avoid the observance or performance of any of the terms of this Warrant, but will at all times in good faith assist in the carrying out of all such terms and in the taking of all such actions as may be necessary or appropriate to protect the rights of the Holder as set forth in this Warrant against impairment. Without limiting the generality of the foregoing, the Company will (i) not increase the par value of any Warrant Shares above the amount payable therefor upon such exercise immediately prior to such increase in par value, (ii) take all such action as may be necessary or appropriate in order that the Company may validly and legally issue fully paid and nonassessable Warrant Shares upon the exercise of this Warrant and (iii) use commercially reasonable efforts to obtain all such authorizations, exemptions or consents from any public regulatory body having jurisdiction thereof, as may be necessary to enable the Company to perform its obligations under this Warrant.

Before taking any action which would result in an adjustment in the number of Warrant Shares for which this Warrant is exercisable or in the Exercise Price, the Company shall obtain all such authorizations or exemptions thereof, or consents thereto, as may be necessary from any public regulatory body or bodies having jurisdiction thereof.

d) Governing Law.

All questions concerning the construction, validity, enforcement and interpretation of this Warrant shall be governed by and construed and enforced in accordance with the internal laws of the State of New York, without regard to the principles of conflicts of law thereof. Each party agrees that all legal proceedings concerning the interpretations, enforcement and defense of the transactions contemplated by this Warrant (whether brought against a party hereto or their respective affiliates, directors, officers, shareholders, partners, members, employees or agents) shall be commenced exclusively in the state and federal courts sitting in the City of New York. Each party hereby irrevocably submits to the exclusive jurisdiction of the state and federal courts sitting in the City of New York, Borough of Manhattan for the adjudication of any dispute hereunder or in connection herewith or with any transaction contemplated hereby or discussed herein, and hereby irrevocably waives, and agrees not to assert in any suit, action or proceeding, any claim that it is not personally subject to the jurisdiction of any such court, that such suit, action or proceeding is improper or is an inconvenient venue for such proceeding. Each party hereby irrevocably waives personal service of process and consents to process being served in any such suit, action or proceeding by mailing a copy thereof via registered or certified mail or overnight delivery (with evidence of delivery) to such party at the address in effect for notices to it under this Warrant and agrees that such service shall constitute good and sufficient service of process and notice thereof. Nothing contained herein shall be deemed to limit in any way any right to serve process in any other manner permitted by law. If either party shall commence an action, suit or proceeding to enforce any provisions of this Warrant, the prevailing party in such action, suit or proceeding shall be reimbursed by the other party for their reasonable attorneys' fees and other costs and expenses incurred with the investigation, preparation and prosecution of such action or proceeding.

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e) Restrictions. The Holder acknowledges that the Warrant Shares acquired upon the exercise of this Warrant, if not registered, and the Holder does not utilize cashless exercise, will have restrictions upon resale imposed by state and federal securities laws.

f) Nonwaiver and Expenses. No course of dealing or any delay or failure to exercise any right hereunder on the part of Holder shall operate as a waiver of such right or otherwise prejudice the Holder's rights, powers or remedies. Without limiting any other provision of this Warrant, if the Company willfully and knowingly fails to comply with any provision of this Warrant, which results in any material damages to the Holder, the Company shall pay to the Holder such amounts as shall be sufficient to cover any costs and expenses including, but not limited to, reasonable attorneys' fees, including those of appellate proceedings, incurred by the Holder in collecting any amounts due pursuant hereto or in otherwise enforcing any of its rights, powers or remedies hereunder.

g) Notices.

Any and all notices or other communications or deliveries to be provided by the Holders hereunder including, without limitation, any Notice of Exercise, shall be in writing and delivered personally, by facsimile or e-mail, or sent by a nationally recognized overnight courier service, addressed to the Company, at 6940 Beach Blvd. Suite D-705, Buena Park, CA 90621, or such other facsimile number, email address or address as the Company may specify for such purposes by notice to the Holders. Any and all notices or other communications or deliveries to be provided by the Company hereunder shall be in writing and delivered personally, by facsimile or e-mail, or sent by a nationally recognized overnight courier service addressed to each Holder at the facsimile number, e-mail address or address of such Holder appearing on the books of the Company. Any notice or other communication or deliveries hereunder shall be deemed given and effective on the earliest of (i) the time of transmission, if such notice or communication is delivered via facsimile at the facsimile number or via e-mail at the e-mail address set forth in this Section prior to 5:30 p.m. (New York City time) on any date, (ii) the next Trading Day after the time of transmission, if such notice or communication is delivered via facsimile at the facsimile number or via e- mail at the e-mail address set forth in this Section on a day that is not a Trading Day or later than 5:30 p.m. (New York City time) on any Trading Day, (iii) the second Trading Day following the date of mailing, if sent by U.S. nationally recognized overnight courier service, or (iv) upon actual receipt by the party to whom such notice is required to be given.

h) Limitation of Liability. No provision hereof, in the absence of any affirmative action by the Holder to exercise this Warrant to purchase Warrant Shares, and no enumeration herein of the rights or privileges of the Holder, shall give rise to any liability of the Holder for the purchase price of any Warrant Shares or as a shareholder of the Company, whether such liability is asserted by the Company or by creditors of the Company.

i) Remedies. The Holder, in addition to being entitled to exercise all rights granted by law, including recovery of damages, will be entitled to specific performance of its rights under this Warrant. The Company agrees that monetary damages would not be adequate compensation for any loss incurred by reason of a breach by it of the provisions of this Warrant and hereby agrees to waive and not to assert the defense in any action for specific performance that a remedy at law would be adequate.

j) Successors and Assigns. Subject to applicable securities laws, this Warrant and the rights and obligations evidenced hereby shall inure to the benefit of and be binding upon the successors and permitted assigns of the Company and the successors and permitted assigns of Holder. The provisions of this Warrant are intended to be for the benefit of any Holder from time to time of this Warrant and shall be enforceable by the Holder or holder of Warrant Shares.

k) Amendment. This Warrant may be modified or amended or the provisions hereof waived with the written consent of the Company, on the one hand, and the Holder or the beneficial owner of this Warrant, on the other hand.

l) Severability. Wherever possible, each provision of this Warrant shall be interpreted in such manner as to be effective and valid under applicable law, but if any provision of this Warrant shall be prohibited by or invalid under applicable law, such provision shall be ineffective to the extent of such prohibition or invalidity, without invalidating the remainder of such provisions or the remaining provisions of this Warrant.

m) Headings. The headings used in this Warrant are for the convenience of reference only and shall not, for any purpose, be deemed a part of this Warrant.

n) Warrant Agency Agreement. If this Warrant is held in global form through DTC (or any successor depositary), this Warrant is issued subject to the Warrant Agency Agreement. To the extent any provision of this Warrant conflicts with the express provisions of the Warrant Agency Agreement, the provisions of this Warrant shall govern and be controlling.

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(Signature Page Follows)

IN WITNESS WHEREOF, the Company has caused this Warrant to be executed by its officer thereunto duly authorized as of the date first above indicated.

YOSHIHARU GLOBAL CO.

By: _____
Name:
Title:

EXHIBIT A

NOTICE OF EXERCISE

TO: YOSHIHARU GLOBAL CO. (1) The undersigned hereby elects to purchase Warrant Shares of the Company pursuant to the terms of the attached Warrant (only if exercised in full), and tenders herewith payment of the exercise price in full, together with all applicable transfer taxes, if any. The undersigned requests that a certificate for such Warrant Shares be registered in the name of _____, whose address is _____ and that such certificate be delivered to _____, whose address is _____.

(2) Payment shall take the form of (check applicable box):

[ ] in lawful money of the United States; or

[ ] if permitted the cancellation of such number of Warrant Shares as is necessary, in accordance with the formula set forth in subsection 2(c), to exercise this Warrant with respect to the maximum number of Warrant Shares purchasable pursuant to the cashless exercise procedure set forth in subsection 2(c).

(3) Please issue said Warrant Shares in the name of the undersigned or in such other name as is specified below:

_____

The Warrant Shares shall be delivered to the following DWAC Account Number:

_____
_____
_____

[SIGNATURE OF HOLDER]
Name of Holder:
Date:

EXHIBIT B

ASSIGNMENT FORM

(To assign the foregoing Warrant, execute this form and supply required information. Do not use this form to purchase shares.)

FOR VALUE RECEIVED, the foregoing Warrant and all rights evidenced thereby are hereby assigned to

Name:

(Please Print)

Address:

(Please Print)

Phone Number _____
Email Address _____
_____

Dated:
Holder's Signature:
Holder's Address:

EXHIBIT C

Form of Global Warrants Request Notice

GLOBAL WARRANTS REQUEST NOTICE

To: Vstock Transfer, LLC, as Warrant Agent for Yoshiharu Global Co. (the "Company")

The undersigned Holder of Common Stock Purchase Warrants ("Warrants") in the form of Warrants Certificates issued by the Company hereby elects to receive a Global Warrant evidencing the Warrants held by the Holder as specified below:

1. Name of Holder of Warrants in form of Warrant Certificates:

2. Name of Holder in Global Warrant (if different from name of Holder of Warrants in form of Warrant Certificates):

3. Number of Warrants in name of Holder in form of Warrant Certificates:

4. Number of Warrants for which Global Warrant shall be issued:

5. Number of Warrants in name of Holder in form of Warrant Certificates after issuance of Global Warrant, if any:

6. Global Warrant shall be delivered to the following address:

The undersigned hereby acknowledges and agrees that, in connection with this Global Warrant Exchange and the issuance of the Global Warrant, the Holder is deemed to have surrendered the number of Warrants in form of Warrant Certificates in the name of the Holder equal to the number of Warrants evidenced by the Global Warrant.

[SIGNATURE OF HOLDER]
Name of Holder:
Date:

Exhibit 4.5

Form of Representative's Warrant

THE REGISTERED HOLDER OF THIS PURCHASE WARRANT BY ITS ACCEPTANCE HEREOF, AGREES THAT IT WILL NOT SELL, TRANSFER OR ASSIGN THIS PURCHASE WARRANT EXCEPT AS HEREIN PROVIDED AND THE REGISTERED HOLDER OF THIS PURCHASE WARRANT AGREES THAT IT WILL NOT SELL, TRANSFER, ASSIGN, PLEDGE OR HYPOTHECATE THIS PURCHASE WARRANT FOR A PERIOD OF ONE HUNDRED EIGHTY DAYS FOLLOWING THE EFFECTIVE DATE (DEFINED BELOW) TO ANYONE OTHER THAN (I) EF HUTTON, DIVISION OF BENCHMARK INVESTMENTS, LLC OR AN UNDERWRITER OR A SELECTED DEALER IN CONNECTION WITH THE OFFERING, OR (II) A BONA FIDE OFFICER OR PARTNER OF EF HUTTON, DIVISION OF BENCHMARK INVESTMENTS, LLC OR OF ANY SUCH UNDERWRITER OR SELECTED DEALER.

THIS PURCHASE WARRANT IS NOT EXERCISABLE PRIOR TO [ ] [**DATE THAT IS SIX MONTHS FROM THE EFFECTIVE DATE OF THE OFFERING**]. VOID AFTER 5:00 P.M., EASTERN TIME, [ ] [**DATE THAT IS FIVE YEARS FROM THE EFFECTIVE DATE OF THE OFFERING**].

COMMON STOCK PURCHASE WARRANT

For the Purchase of [ ] Shares of Common Stock of

Yoshiharu Global Co.

1. Purchase Warrant. THIS CERTIFIES THAT, in consideration of funds duly paid by or on behalf of EF Hutton, division of Benchmark Investments, LLC ("**Holder**"), as registered owner of this Purchase Warrant Yoshiharu Global Co., a Delaware corporation (the "**Company**"), Holder is entitled, at any time or from time to time from [ ] [**DATE THAT IS SIX MONTHS FROM THE EFFECTIVE DATE OF THE OFFERING**] (the "**Commencement Date**"), and at or before 5:00 p.m., Eastern time, [ ] [**DATE THAT IS FIVE YEARS FROM THE EFFECTIVE DATE OF THE OFFERING**] (the "**Expiration Date**"), but not thereafter, to subscribe for, purchase and receive, in whole or in part, up to [ ] shares of common stock of the Company, par value $0.0001 per share (the "**Shares**"), subject to adjustment as provided in Section 6 hereof. If the Expiration Date is a day on which banking institutions are authorized by law to close, then this Purchase Warrant may be exercised on the next succeeding day which is not such a day in accordance with the terms herein. During the period ending on the Expiration Date, the Company agrees not to take any action that would terminate this Purchase Warrant. This Purchase Warrant is initially exercisable at $[ ] per Share; provided, however, that upon the occurrence of any of the events specified in Section 6 hereof, the rights granted by this Purchase Warrant, including the exercise price per Share and the number of Shares to be received upon such exercise, shall be adjusted as therein specified. The term "**Exercise Price**" shall mean the initial exercise price or the adjusted exercise price, depending on the context. The term "**Effective Date**" shall mean [ ], 2022, the date on which the Registration Statement on Form S-1 (File No. 333- [ ]) of the Company was declared effective by the Securities and Exchange Commission.

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2. Exercise.

2.1 Exercise Form. In order to exercise this Purchase Warrant, the exercise form attached hereto must be duly executed and completed and delivered to the Company, together with this Purchase Warrant and payment of the Exercise Price for the Shares being purchased payable in cash by wire transfer of immediately available funds to an account designated by the Company or by certified check or official bank check. If the subscription rights represented hereby shall not be exercised at or before 5:00 p.m., Eastern time, on the Expiration Date, this Purchase Warrant shall become and be void without further force or effect, and all rights represented hereby shall cease and expire.

2.2 Cashless Exercise. If at any time after the Commencement Date there is no effective registration statement registering, or no current prospectus available for, the resale of the Shares by the Holder, then in lieu of exercising this Purchase Warrant by payment of cash or check payable to the order of the Company pursuant to Section 2.1 above, Holder may elect to receive the number of Shares equal to the value of this Purchase Warrant (or the portion thereof being exercised), by surrender of this Purchase Warrant to the Company, together with the exercise form attached hereto, in which event the Company shall issue to Holder, Shares in accordance with the following formula:

$X = Y(A-B)$

A

Where,

X = The number of Shares to be issued to Holder;

Y = The number of Shares for which the Purchase Warrant is being exercised; A = The fair market value of one Share; and

B = The Exercise Price.

For purposes of this Section 2.2, the fair market value of a Share is defined as follows:

(i) if the Company's common stock is traded on a securities exchange, the value shall be deemed to be the closing price on such exchange prior to the exercise form being submitted in connection with the exercise of the Purchase Warrant; or

(ii) if the Company's common stock is actively traded over-the-counter, the value shall be deemed to be the closing bid price prior to the exercise form being submitted in connection with the exercise of the Purchase Warrant; if there is no active public market, the value shall be the fair market value thereof, as determined in good faith by the Company's Board of Directors.

2.3 Legend. Each certificate for the securities purchased under this Purchase Warrant shall bear a legend as follows unless such securities have been registered under the Securities Act of 1933, as amended (the "**Securities Act**"):

"THE SECURITIES REPRESENTED BY THIS CERTIFICATE HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), OR APPLICABLE STATE LAW. NEITHER THE SECURITIES NOR ANY INTEREST THEREIN MAY BE OFFERED FOR SALE, SOLD OR OTHERWISE TRANSFERRED EXCEPT PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT UNDER THE SECURITIES ACT, OR PURSUANT TO AN EXEMPTION FROM REGISTRATION UNDER THE SECURITIES ACT AND APPLICABLE STATE LAW WHICH, IN THE OPINION OF COUNSEL TO THE COMPANY, IS AVAILABLE."

3. Transfer.

3.1 General Restrictions. The registered Holder of this Purchase Warrant agrees by his, her or its acceptance hereof, that such Holder will not: (a) sell, transfer, assign, pledge or hypothecate this Purchase Warrant or the securities issuable hereunder for a period of one hundred eighty (180) days following the Effective Date to anyone other than: (i) EF Hutton, division of Benchmark Investments, LLC ("**EF Hutton**") or an underwriter or a selected dealer participating in the Offering, or (ii) a bona fide officer or partner of EF Hutton or of any such underwriter or selected dealer, in each case in accordance with FINRA Conduct Rule 5110(e)(1), or (b) for a period of one hundred eighty (180) days following the Effective Date, cause this Purchase Warrant or the securities issuable hereunder to be the subject of any hedging, short sale, derivative, put or call transaction that would result in the effective economic disposition of this Purchase Warrant or the securities hereunder, except as provided for in FINRA Rule 5110(e)(2). On and after one hundred eighty (180) days after the Effective Date, transfers to others may be made subject to compliance with or exemptions from applicable securities laws. In order to make any permitted assignment, the Holder must deliver to the Company the assignment form attached hereto duly executed and completed, together with the Purchase Warrant and payment of all transfer taxes, if any, payable in connection therewith. The Company shall within five (5) business days transfer this Purchase Warrant on the books of the Company and shall execute and deliver a new Purchase Warrant or Purchase Warrants of like tenor to the appropriate assignee(s) expressly evidencing the right to purchase the aggregate number of Shares purchasable hereunder or such portion of such number as shall be contemplated by any such assignment.

3.2 Restrictions Imposed by the Securities Act. The securities evidenced by this Purchase Warrant shall not be transferred unless and until: (i) the Company has received the opinion of counsel for the Holder that the securities may be transferred pursuant to an exemption from registration under the Securities Act and applicable state securities laws, the availability of which is established to the reasonable satisfaction of the Company (the Company hereby agreeing that the opinion of K&L Gates LLP shall be deemed satisfactory evidence of the availability of an exemption), or (ii) a registration statement or a post-effective amendment to the Registration Statement relating to the offer and sale of such securities has been filed by the Company and declared effective by the U.S. Securities and Exchange Commission (the "**Commission**") and compliance with applicable state securities law has been established.

4. Registration Rights.

4.1 Demand Registration.

4.1.1 Grant of Right. The Company, upon written demand (a "**Demand Notice**") of the Holders of at least 51% of the Purchase Warrants and/or the underlying Shares, agrees to register, on one (1) occasion, all or any portion of the Shares underlying the Purchase Warrants (collectively, the " **Registrable Securities**"). On such occasion, the Company will file a registration statement with the Commission covering the Registrable Securities within sixty (60) days after receipt of a Demand Notice and use its reasonable best efforts to have the registration statement declared effective promptly thereafter, subject to compliance with review by the Commission; provided, however, that the Company shall not be required to comply with a Demand Notice if the Company has filed a registration statement with respect to which the Holder is entitled to piggyback registration rights pursuant to Section 4.2 hereof and either: (i) the Holder has elected to participate in the offering covered by such registration statement or (ii) if such registration statement relates to an underwritten primary offering of securities of the Company, until the offering covered by such registration statement has been withdrawn or until thirty (30) days after such offering is consummated. The Company covenants and agrees to give written notice of its receipt of any Demand Notice by any Holders to all other registered Holders of the Purchase Warrants and/or the Registrable Securities within ten (10) days after the date of the receipt of any such Demand Notice.

4.1.2 Terms. The Company shall bear all fees and expenses attendant to the registration of the Registrable Securities pursuant to Section 4.1.1, but the Holders shall pay any and all underwriting commissions and the expenses of any legal counsel selected by the Holders to represent them in connection with the sale of the Registrable Securities. The Company agrees to use its reasonable best efforts to cause the filing required herein to become effective promptly and to qualify or register the Registrable Securities in such states as are reasonably requested by the Holders; provided, however, that in no event shall the Company be required to register the Registrable Securities in a State in which such registration would cause: (i) the Company to be obligated to register or license to do business in such State or submit to general service of process in such State, or (ii) the principal stockholders of the Company to be obligated to escrow their shares of capital stock of the Company. The Company shall cause any registration statement filed pursuant to the demand right granted under Section 4.1.1 to remain effective for a period of at least twelve (12) consecutive months after the date that the Holders of the Registrable Securities covered by such registration statement are first given the opportunity to sell all of such securities. The Holders shall only use the prospectuses provided by the Company to sell the shares covered by such registration statement, and will immediately cease to use any prospectus furnished by the Company if the Company advises the Holder that such prospectus may no longer be used due to a material misstatement or omission. Notwithstanding the provisions of this Section 4.1.2, the Holder shall be entitled to a demand registration under this Section 4.1.2 on only one (1) occasion and such demand registration right shall terminate on the fifth anniversary of the Effective Date in accordance with FINRA Rule 5110(g)(8)(C).

4.2 "Piggy-Back" Registration.

4.2.1 Grant of Right. In addition to the demand right of registration described in Section 4.1 hereof, the Holder shall have the right, for a period of no more than seven (7) years from the Effective Date in accordance with FINRA Rule 5110(g)(8)(D), to include the Registrable Securities as part of any other registration of securities filed by the Company (other than in connection with a transaction contemplated by Rule 145(a) promulgated under the Securities Act or pursuant to Form S-8 or Form S-4 or any equivalent form); provided, however, that if, solely in connection with any primary underwritten public offering for the account of the Company, the managing underwriter(s) thereof shall, in its reasonable discretion, impose a limitation on the number of shares of common stock which may be included in the Registration Statement because, in such underwriter(s)' judgment, marketing or other factors dictate such limitation is necessary to facilitate public distribution, then the Company shall be obligated to include in such Registration Statement only such limited portion of the Registrable Securities with respect to which the Holder requested inclusion hereunder as the underwriter shall reasonably permit. Any exclusion of Registrable Securities shall be made pro rata among the Holders seeking to include Registrable Securities in proportion to the number of Registrable Securities sought to be included by such Holders; provided, however, that the Company shall not exclude any Registrable Securities unless the Company has first excluded all outstanding securities, the holders of which are not entitled to inclusion of such securities in such Registration Statement or are not entitled to pro rata inclusion with the Registrable Securities.

4.2.2 Terms. The Company shall bear all fees and expenses attendant to registering the Registrable Securities pursuant to Section 4.2.1 hereof, but the Holders shall pay any and all underwriting commissions and the expenses of any legal counsel selected by the Holders to represent them in connection with the sale of the Registrable Securities. In the event of such a proposed registration, the Company shall furnish the then Holders of outstanding Registrable Securities with not less than thirty (30) days' written notice prior to the proposed date of filing of such registration statement. Such notice to the Holders shall continue to be given for each registration statement filed by the Company until such time as all of the Registrable Securities have been sold by the Holder. The holders of the Registrable Securities shall exercise the "piggy-back" rights provided for herein by giving written notice within ten (10) days of the receipt of the Company's notice of its intention to file a registration statement. Except as otherwise provided in this Purchase Warrant, there shall be no limit on the number of times the Holder may request registration under this Section 4.2.2; provided, however, that such registration rights shall terminate on the fifth anniversary of the Commencement Date.

4.3 General Terms.

4.3.1 Indemnification. The Company shall indemnify the Holders of the Registrable Securities to be sold pursuant to any registration statement hereunder and each person, if any, who controls such Holders within the meaning of Section 15 of the Securities Act or Section 20(a) of the Securities Exchange Act of 1934, as amended ("**Exchange Act**"), against all loss, claim, damage, expense or liability (including all reasonable attorneys' fees and other expenses reasonably incurred in investigating, preparing or defending against any claim whatsoever) to which any of them may become subject under the Securities Act, the Exchange Act or otherwise, arising from such registration statement but only to the same extent and with the same effect as the provisions pursuant to which the Company has agreed to indemnify the Underwriters contained in Section 5.1 of the Underwriting Agreement between the Underwriters and the Company, dated as of [ ], 2022. The Holders of the Registrable Securities to be sold pursuant to such registration statement, and their successors and assigns, shall severally, and not jointly, indemnify the Company, against all loss, claim, damage, expense or liability (including all reasonable attorneys' fees and other expenses reasonably incurred in investigating, preparing or defending against any claim whatsoever) to which they may become subject under the Securities Act, the Exchange Act or otherwise, arising from information furnished by or on behalf of such Holders, or their successors or assigns, in writing, for specific inclusion in such registration statement to the same extent and with the same effect as the provisions contained in Section 5.2 of the Underwriting

Agreement pursuant to which the Underwriters have agreed to indemnify the Company.

4.3.2 Exercise of Purchase Warrants. Nothing contained in this Purchase Warrant shall be construed as requiring the Holders to exercise their Purchase Warrants prior to or after the initial filing of any registration statement or the effectiveness thereof.

4.3.3 Documents Delivered to Holders. The Company shall furnish to each Holder participating in any of the foregoing offerings and to each underwriter of any such offering, if any, a signed counterpart, addressed to such Holder or underwriter, of: (i) an opinion of counsel to the Company, dated the effective date of such registration statement (and, if such registration includes an underwritten public offering, an opinion dated the date of the closing under any underwriting agreement related thereto), and (ii) a "cold comfort" letter dated the effective date of such registration statement (and, if such registration includes an underwritten public offering, a letter dated the date of the closing under the underwriting agreement) signed by the independent registered public accounting firm which has issued a report on the Company's financial statements included in such registration statement, in each case covering substantially the same matters with respect to such registration statement (and the prospectus included therein) and, in the case of such accountants' letter, with respect to events subsequent to the date of such financial statements, as are customarily covered in opinions of issuer's counsel and in accountants' letters delivered to underwriters in underwritten public offerings of securities. The Company shall also deliver promptly to each Holder participating in the offering requesting the correspondence and memoranda described below and to the managing underwriter, if any, copies of all correspondence between the Commission and the Company, its counsel or auditors and all memoranda relating to discussions with the Commission or its staff with respect to the registration statement and permit each Holder and underwriter to do such investigation, upon reasonable advance notice, with respect to information contained in or omitted from the registration statement as it deems reasonably necessary to comply with applicable securities laws or rules of FINRA. Such investigation shall include access to books, records and properties and opportunities to discuss the business of the Company with its officers and independent auditors, all to such reasonable extent and at such reasonable times as any such Holder shall reasonably request.

4.3.4 Underwriting Agreement. The Company shall enter into an underwriting agreement with the managing underwriter(s), if any, selected by any Holders whose Registrable Securities are being registered pursuant to this Section 4, which managing underwriter shall be reasonably satisfactory to the Company. Such agreement shall be reasonably satisfactory in form and substance to the Company, each Holder and such managing underwriters, and shall contain such representations, warranties and covenants by the Company and such other terms as are customarily contained in agreements of that type used by the managing underwriter. The Holders shall be parties to any underwriting agreement relating to an underwritten sale of their Registrable Securities and may, at their option, require that any or all the representations, warranties and covenants of the Company to or for the benefit of such underwriters shall also be made to and for the benefit of such Holders. Such Holders shall not be required to make any representations or warranties to or agreements with the Company or the underwriters except as they may relate to such Holders, their Shares and their intended methods of distribution.

4.3.5 Documents to be Delivered by Holders. Each of the Holders participating in any of the foregoing offerings shall furnish to the Company a completed and executed questionnaire provided by the Company requesting information customarily sought of selling security holders.

4.3.6 Damages. Should the registration or the effectiveness thereof required by Sections 4.1 and 4.2 hereof be delayed by the Company or the Company otherwise fails to comply with such provisions, the Holders shall, in addition to any other legal or other relief available to the Holders, be entitled to obtain specific performance or other equitable (including injunctive) relief against the threatened breach of such provisions or the continuation of any such breach, without the necessity of proving actual damages and without the necessity of posting bond or other security.

4.4 Termination of Registration Rights. The registration rights afforded to the Holders under this Section 4 shall terminate on the earliest date when all Registrable Securities of such Holder either: (i) have been publicly sold by such Holder pursuant to a Registration Statement, (ii) have been covered by an effective Registration Statement on Form S-1 or Form S-3 (or successor form), which may be kept effective as an evergreen Registration Statement, or (iii) may be sold by the Holder within a 90 day period without registration pursuant to Rule 144 or consistent with applicable SEC interpretive guidance (including CD&I no. 201.04 (April 2, 2007) or similar interpretive guidance).

5. New Purchase Warrants to be Issued.

5.1 Partial Exercise or Transfer. Subject to the restrictions in Section 3 hereof, this Purchase Warrant may be exercised or assigned in whole or in part. In the event of the exercise or assignment hereof in part only, upon surrender of this Purchase Warrant for cancellation, together with the duly executed exercise or assignment form and funds sufficient to pay any Exercise Price and/or transfer tax if exercised pursuant to Section 2.1 hereto, the Company shall cause to be delivered to the Holder without charge a new Purchase Warrant of like tenor to this Purchase Warrant in the name of the Holder evidencing the right of the Holder to purchase the number of Shares purchasable hereunder as to which this Purchase Warrant has not been exercised or assigned.

5.2 Lost Certificate. Upon receipt by the Company of evidence satisfactory to it of the loss, theft, destruction or mutilation of this Purchase Warrant and of reasonably satisfactory indemnification or the posting of a bond, the Company shall execute and deliver a new Purchase Warrant of like tenor and date. Any such new Purchase Warrant executed and delivered as a result of such loss, theft, mutilation or destruction shall constitute a substitute contractual obligation on the part of the Company.

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6. Adjustments.

6.1 Adjustments to Exercise Price and Number of Securities. The Exercise Price and the number of Shares underlying the Purchase Warrant shall be subject to adjustment from time to time as hereinafter set forth:

6.1.1 Share Dividends; Split Ups. If, after the date hereof, and subject to the provisions of Section 6.3 below, the number of outstanding Shares is increased by a stock dividend payable in Shares or by a split up of Shares or other similar event, then, on the effective day thereof, the number of Shares purchasable hereunder shall be increased in proportion to such increase in outstanding Shares, and the Exercise Price shall be proportionately decreased.

6.1.2 Aggregation of Shares. If, after the date hereof, and subject to the provisions of Section 6.3 below, the number of outstanding Shares is decreased by a consolidation, combination or reclassification of Shares or other similar event, then, on the effective date thereof, the number of Shares purchasable hereunder shall be decreased in proportion to such decrease in outstanding Shares, and the Exercise Price shall be proportionately increased.

6.1.3 Replacement of Securities upon Reorganization, etc. In case of any reclassification or reorganization of the outstanding Shares other than a change covered by Section 6.1.1 or 6.1.2 hereof or that solely affects the par value of such Shares, or in the case of any share reconstruction or amalgamation or consolidation of the Company with or into another corporation (other than a consolidation or share reconstruction or amalgamation in which the Company is the continuing corporation and that does not result in any reclassification or reorganization of the outstanding Shares), or in the case of any sale or conveyance to another corporation or entity of the property of the Company as an entirety or substantially as an entirety in connection with which the Company is dissolved, the Holder of this Purchase Warrant shall have the right thereafter (until the expiration of the right of exercise of this Purchase Warrant) to receive upon the exercise hereof, for the same aggregate Exercise Price payable hereunder immediately prior to such event, the kind and amount of shares of stock or other securities or property (including cash) receivable upon such reclassification, reorganization, share

reconstruction or amalgamation, or consolidation, or upon a dissolution following any such sale or transfer, by a Holder of the number of Shares of the Company obtainable upon exercise of this Purchase Warrant immediately prior to such event; and if any reclassification also results in a change in Shares covered by Section 6.1.1 or 6.1.2, then such adjustment shall be made pursuant to Sections 6.1.1, 6.1.2 and this Section 6.1.3. The provisions of this Section 6.1.3 shall similarly apply to successive reclassifications, reorganizations, share reconstructions or amalgamations, or consolidations, sales or other transfers.

6.1.4 Changes in Form of Purchase Warrant. Except as may otherwise be required under Section 6.2 hereof, this form of Purchase Warrant need not be changed because of any change pursuant to this Section 6.1, and Purchase Warrants issued after such change may state the same Exercise Price and the same number of Shares as are stated in the Purchase Warrants initially issued pursuant to this Agreement. The acceptance by any Holder of the issuance of new Purchase Warrants reflecting a required or permissive change shall not be deemed to waive any rights to an adjustment occurring after the Commencement Date or the computation thereof.

6.2 Substitute Purchase Warrant. In case of any consolidation of the Company with, or share reconstruction or amalgamation of the Company with or into, another corporation (other than a consolidation or share reconstruction or amalgamation which does not result in any reclassification or change of the outstanding Shares), the corporation formed by such consolidation or share reconstruction or amalgamation shall execute and deliver to the Holder a supplemental Purchase Warrant providing that the holder of each Purchase Warrant then outstanding or to be outstanding shall have the right thereafter (until the stated expiration of such Purchase Warrant) to receive, upon exercise of such Purchase Warrant, the kind and amount of shares of stock and other securities and property receivable upon such consolidation or share reconstruction or amalgamation, by a holder of the number of Shares for which such Purchase Warrant might have been exercised immediately prior to such consolidation, share reconstruction or amalgamation, sale or transfer. Such supplemental Purchase Warrant shall provide for adjustments which shall be identical to the adjustments provided for in this Section 6. The above provision of this Section shall similarly apply to successive consolidations or share reconstructions or amalgamations.

6.3 Elimination of Fractional Interests. The Company shall not be required to issue certificates representing fractions of Shares upon the exercise of the Purchase Warrant, nor shall it be required to issue scrip or pay cash in lieu of any fractional interests, it being the intent of the parties that all fractional interests shall be eliminated by rounding any fraction up or down, as the case may be, to the nearest whole number of Shares or other securities, properties or rights.

7. Reservation and Listing. The Company shall at all times reserve and keep available out of its authorized Shares, solely for the purpose of issuance upon exercise of the Purchase Warrants, such number of Shares or other securities, properties or rights as shall be issuable upon the exercise thereof. The Company covenants and agrees that, upon exercise of the Purchase Warrants and payment of the Exercise Price therefor, in accordance with the terms hereby, all Shares and other securities issuable upon such exercise shall be duly and validly issued, fully paid and non- assessable and not subject to preemptive rights of any stockholder. As long as the Purchase Warrants shall be outstanding, the Company shall use its commercially reasonable efforts to cause all Shares issuable upon exercise of the Purchase Warrants to be listed (subject to official notice of issuance) on all national securities exchanges (or, if applicable, on the OTC Bulletin Board or any successor trading market) on which the Shares issued to the public in the Offering may then be listed and/or quoted.

8. Certain Notice Requirements.

8.1 Holder's Right to Receive Notice. Nothing herein shall be construed as conferring upon the Holders the right to vote or consent or to receive notice as a stockholder for the election of directors or any other matter, or as having any rights whatsoever as a stockholder of the Company. If, however, at any time prior to the expiration of the Purchase Warrants and their exercise, any of the events described in Section 8.2 shall occur, then, in one or more of said events, the Company shall give written notice of such event at least fifteen (15) days prior to the date fixed as a record date or the date of closing the transfer books for the determination of the stockholders entitled to such dividend, distribution, conversion or exchange of securities or subscription rights, or entitled to vote on such proposed dissolution, liquidation, winding up or sale. Such notice shall specify such record date or the date of the closing of the transfer books, as the case may be. Notwithstanding the foregoing, the Company shall deliver to each Holder a copy of each notice given to the other stockholders of the Company at the same time and in the same manner that such notice is given to the stockholders.

8.2 Events Requiring Notice. The Company shall be required to give the notice described in this Section 8 upon one or more of the following events: (i) if the Company shall take a record of the holders of its Shares for the purpose of entitling them to receive a dividend or distribution payable otherwise than in cash, or a cash dividend or distribution payable otherwise than out of retained earnings, as indicated by the accounting treatment of such dividend or distribution on the books of the Company; (ii) the Company shall offer to all the holders of its Shares any additional shares of capital stock of the Company or securities convertible into or exchangeable for shares of capital stock of the Company, or any option, right or warrant to subscribe therefor; or (iii) a dissolution, liquidation or winding up of the Company (other than in connection with a consolidation or share reconstruction or amalgamation) or a sale of all or substantially all of its property, assets and business shall be proposed.

8.3 Notice of Change in Exercise Price. The Company shall, promptly after an event requiring a change in the Exercise Price pursuant to Section 6 hereof, send notice to the Holders of such event and change ("**Price Notice**"). The Price Notice shall describe the event causing the change and the method of calculating same and shall be certified as being true and accurate by the Company's Chief Executive Officer or Chief Financial Officer.

8.4 Transmittal of Notices. All notices, requests, consents and other communications under this Purchase Warrant shall be in writing and shall be deemed to have been duly made when hand delivered or mailed by express mail or private courier service: (i) if to the registered Holder of the Purchase Warrant, to the address of such Holder as shown on the books of the Company, or (ii) if to the Company, to the following address or to such other address as the Company may designate by notice to the Holders:

If to the Holder:

EF Hutton

590 Madison Avenue, 39th Floor
New York, New York 10022
Attn: Joseph T. Rallo

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

Mitchell Silberberg & Knupp LLP
437 Madison Avenue
New York, New York 10022
Attn: Blake Baron
Fax No.: (917) 546-7686

If to the Company:

Yoshiharu Global Co.

6940 Beach Blvd., Suite D-705

Buena Park, California 90621
Attn: James Chae, Chief Executive Officer
Fax No.: [ ]

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

K&L Gates LLP
599 Lexington Avenue
New York, New York 10022
Attn: Matthew Ogurick
Fax No.: [ ]

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9. Miscellaneous.

9.1 Amendments. The Company and EF Hutton may from time to time supplement or amend this Purchase Warrant without the approval of any of the Holders in order to cure any ambiguity, to correct or supplement any provision contained herein that may be defective or inconsistent with any other provisions herein, or to make any other provisions in regard to matters or questions arising hereunder that the Company and EF Hutton may deem necessary or desirable and that the Company and EF Hutton deem shall not adversely affect the interest of the Holders. All other modifications or amendments shall require the written consent of and be signed by the party against whom enforcement of the modification or amendment is sought.

9.2 Headings. The headings contained herein are for the sole purpose of convenience of reference, and shall not in any way limit or affect the meaning or interpretation of any of the terms or provisions of this Purchase Warrant.

9.3 Entire Agreement. This Purchase Warrant (together with the other agreements and documents being delivered pursuant to or in connection with this Purchase Warrant) constitutes the entire agreement of the parties hereto with respect to the subject matter hereof, and supersedes all prior agreements and understandings of the parties, oral and written, with respect to the subject matter hereof.

9.4 Binding Effect. This Purchase Warrant shall inure solely to the benefit of and shall be binding upon, the Holder and the Company and their permitted assignees, respective successors, legal representatives and assigns, and no other person shall have or be construed to have any legal or equitable right, remedy or claim under or in respect of or by virtue of this Purchase Warrant or any provisions herein contained.

9.5 Governing Law; Submission to Jurisdiction; Trial by Jury. This Purchase Warrant shall be governed by and construed and enforced in accordance with the laws of the State of New York, without giving effect to conflict of laws principles thereof. The Company hereby agrees that any action, proceeding or claim against it arising out of, or relating in any way to this Purchase Warrant shall be brought and enforced in the New York Supreme Court, County of New York, or in the United States District Court for the Southern District of New York, and irrevocably submits to such jurisdiction, which jurisdiction shall be exclusive. The Company hereby waives any objection to such exclusive jurisdiction and that such courts represent an inconvenient forum. Any process or summons to be served upon the Company may be served by transmitting a copy thereof by registered or certified mail, return receipt requested, postage prepaid, addressed to it at the address set forth in Section 8 hereof. Such mailing shall be deemed personal service and shall be legal and binding upon the Company in any action, proceeding or claim. The Company and the Holder agree that the prevailing party(ies) in any such action shall be entitled to recover from the other party(ies) all of its reasonable attorneys' fees and expenses relating to such action or proceeding and/or incurred in connection with the preparation therefor. The Company (on its behalf and, to the extent permitted by applicable law, on behalf of its stockholders and affiliates) and the Holder hereby irrevocably waive, to the fullest extent permitted by applicable law, any and all right to trial by jury in any legal proceeding arising out of or relating to this Agreement or the transactions contemplated hereby.

9.6 Waiver, etc. The failure of the Company or the Holder to at any time enforce any of the provisions of this Purchase Warrant shall not be deemed or construed to be a waiver of any such provision, nor to in any way affect the validity of this Purchase Warrant or any provision hereof or the right of the Company or any Holder to thereafter enforce each and every provision of this Purchase Warrant. No waiver of any breach, non-compliance or non-fulfillment of any of the provisions of this Purchase Warrant shall be effective unless set forth in a written instrument executed by the party or parties against whom or which enforcement of such waiver is sought; and no waiver of any such breach, non-compliance or non-fulfillment shall be construed or deemed to be a waiver of any other or subsequent breach, non-compliance or non-fulfillment.

9.7 Execution in Counterparts. This Purchase Warrant may be executed in one or more counterparts, and by thedifferent parties hereto in separate counterparts, each of which shall be deemed to be an original, but all of which taken together shall constitute one and the same agreement, and shall become effective when one or more counterparts has been signed by each of the parties hereto and delivered to each of the other parties hereto. Such counterparts may be delivered by facsimile transmission or other electronic transmission.

9.8 Exchange Agreement. As a condition of the Holder's receipt and acceptance of this Purchase Warrant, Holder agrees that, at any time prior to the complete exercise of this Purchase Warrant by Holder, if the Company and EF Hutton enter into an agreement ("**Exchange Agreement**") pursuant to which they agree that all outstanding Purchase Warrants will be exchanged for securities or cash or a combination of both, then Holder shall agree to such exchange and become a party to the Exchange Agreement.

[Signature Page Follows]

IN WITNESS WHEREOF, the Company has caused this Purchase Warrant to be signed by its duly authorized officer as of the __ day of _____, 2022.

Yoshiharu Global Co.

By: _____
Name:
Title:

Date: , 20

The undersigned hereby elects irrevocably to exercise the Purchase Warrant for shares of common stock, par value $0.0001 per share (the "**Shares**"), of Yoshiharu Global Co., a Delaware corporation (the "**Company**"), and hereby makes payment of $ (at the rate of $ per Share) in payment of the Exercise Price pursuant thereto. Please issue the Shares as to which this Purchase Warrant is exercised in accordance with the instructions given below and, if applicable, a new Purchase Warrant representing the number of Shares for which this Purchase Warrant has not been exercised.

or

The undersigned hereby elects irrevocably to convert its right to purchase Shares of the Company under the Purchase Warrant for Shares, as determined in accordance with the following formula:

$$X = \frac{Y(A-B)}{A}$$

Where,

X = The number of Shares to be issued to Holder;

Y = The number of Shares for which the Purchase Warrant is being exercised;

A = The fair market value of one Share which is equal to $; and

B = The Exercise Price which is equal to $ per share

The undersigned agrees and acknowledges that the calculation set forth above is subject to confirmation by the Company and any disagreement with respect to the calculation shall be resolved by the Company in its sole discretion.

Please issue the Shares as to which this Purchase Warrant is exercised in accordance with the instructions given below and, if applicable, a new Purchase Warrant representing the number of Shares for which this Purchase Warrant has not been converted.

Signature _____

Signature Guaranteed _____

INSTRUCTIONS FOR REGISTRATION OF SECURITIES

Name: _____
(Print in Block Letters)

Address:

NOTICE: The signature to this form must correspond with the name as written upon the face of the Purchase Warrant without alteration or enlargement or any change whatsoever, and must be guaranteed by a bank, other than a savings bank, or by a trust company or by a firm having membership on a registered national securities exchange.

[*Form to be used to assign Purchase Warrant*]

ASSIGNMENT

(To be executed by the registered Holder to effect a transfer of the within Purchase Warrant):

FOR VALUE RECEIVED, _ does hereby sell, assign and transfer unto the right to purchase shares of common stock, par value $0.0001 per share, of Yoshiharu Global Co., a Delaware corporation (the "**Company**"), evidenced by the Purchase Warrant and does hereby authorize the Company to transfer such right on the books of the Company.

Dated: _____, 20__

Signature_____

Signature Guaranteed_____

NOTICE: The signature to this form must correspond with the name as written upon the face of the within Purchase Warrant without alteration or enlargement or any change whatsoever, and must be guaranteed by a bank, other than a savings bank, or by a trust company or by a firm having membership on a registered national securities exchange.

Exhibit 5.1

K&L Gates LLP
599 Lexington Avenue
New York, New York 10022
January __, 2022

Yoshiharu Global Co.
6940 Beach Blvd.
Suite D-705
Buena Park, CA 90621
Telephone: (213) 272-1780

Gentlemen:

We have acted as your counsel in connection with the Registration Statement on Form S-1 (the "Registration Statement"), filed with the U.S. Securities and Exchange Commission (the "Commission") under the Securities Act of 1933 (the "1933 Act") for the registration of up to 4,600,000 units, including the underwriters' over-allotment option (the "Public Units"), with each Public Unit consisting of one share (the "Public Shares") of Class A common stock, par value $0.0001 per share (the "Common Stock") of Yoshiharu Global Co., a Delaware corporation (the "Company") and one warrant of the Company, each whole warrant to purchase one share of Common Stock (the "Public Warrant Shares") at an initial exercise price of $5.625 (the "Public Warrants"), and the registration of a warrant to be issued to EF Hutton, a division of Benchmark Investments LLC, as representative of the underwriters (the "Representative"), to purchase up to 230,000 shares of Common Stock (the "Representative Shares"), an amount equivalent to percent (5%) of the shares of Common Stock which may be issued and sold in the public offering, and which is exercisable for a price per share equal to 125% of the public offering price (the "Representative Warrant")

You have requested our opinion as to the matters set forth below in connection with the Registration Statement. For purposes of rendering that opinion, we have examined the following:

1. the Registration Statement;
2. the Company's Certificate of Incorporation, as in effect as of the date hereof;
3. the Bylaws, as amended and restated of as of the date hereof;
4. a specimen unit certificate (the "Unit Certificate Specimen");
5. the Warrant Agreement, by and between the Company and VStock Transfer, LLC ("VStock");
6. a specimen warrant certificate (the "Warrant Certificate Specimen");
7. the corporate action of the Company that provides for the issuance of the Public Units, the Public Shares, the Public Warrants, the Public Warrant Shares, the Representative Warrant and the Representative Shares;
8. the Underwriting Agreement between the Company and the Representative of the underwriters named therein (the "Underwriting Agreement"); and
9. the Representative Warrant.

We have made such other investigation as we have deemed appropriate. We have examined and relied upon certificates of public officials and, as to certain matters of fact that are material to our opinion, we have also relied on a fact certificate of an officer of the Company. In rendering our opinion, we also have made the assumptions that are customary in opinion letters of this kind, including without limitation, that we have assumed: (i) that each document submitted to or reviewed by us is accurate and complete; (ii) that each such document that is an original is authentic and each such document that is a copy conforms to an authentic original; (iii) that all signatures on each such document are genuine; (iv) that any entity that is a party to any of the documents reviewed by us has been duly organized, incorporated or formed, and is validly existing and, if applicable, in good standing under the laws of its respective jurisdiction of organization, incorporation or formation; (v) that each party to each document reviewed by us has the full power, authority, and legal right to execute, deliver and perform each such document; (vi) the due authorization, execution and delivery by each party thereto of each document reviewed by us; (vii) that any amendment or restatement of any document reviewed by us has been accomplished in accordance with, and was permitted by, the relevant provisions of applicable law and the relevant provisions of such document (and/or any other applicable document) prior to its amendment or restatement from time to time; (viii) that each of the documents submitted to or reviewed by us (other than the Public Units and the Public Warrants) constitutes the legal, valid, and binding obligation of each party thereto, enforceable against each such party in accordance with its terms; (ix) that the Public Units and the Public Warrants are in the form of the Unit Certificate Specimen and the Warrant Certificate Specimen, as applicable; and (x) that there are no documents or agreements by or among any of the parties to the transaction described in the Registration Statement, other than those referenced in this opinion letter, that could affect any of the opinions expressed herein and no undisclosed modifications, waivers or amendments (whether written or oral) to any of the documents reviewed by us in connection with this opinion letter.

We have not verified any of those assumptions.

Our opinions set forth below are based on the facts in existence as of the date of this opinion letter and limited to (i) the Delaware General Corporation Law, and (ii) solely in connection with the opinion given in numbered paragraphs 3, 4 and 5, the law of the State of New York. We are not opining on, and we assume no responsibility for, the applicability to or effect on any of the matters covered herein of (i) any other laws; (ii) the laws of any other jurisdiction; or (iii) the law of any county, municipality or other political subdivision or local governmental agency or authority.

Based upon and subject to the foregoing, it is our opinion that:

1. The Public Shares underlying the Public Units are duly authorized for issuance by the Company, and when the Registration Statement becomes effective under the 1933 Act and the Public Units are issued and paid for in accordance with the Underwriting Agreement and as contemplated in the Registration Statement, the Public Shares underlying such Public Units will be validly issued, fully paid, and nonassessable.

2. When the Registration Statement becomes effective under the 1933 Act and when the Public Units are issued, delivered and paid for in accordance with the terms of the Underwriting Agreement and as contemplated by the Registration Statement, then such Public Units will be legally binding obligations of the Company enforceable in accordance with their terms.

3. When the Registration Statement becomes effective under the 1933 Act and when the Public Warrants underlying the Public Units are issued, delivered and paid for as part of the Public Units in accordance with the terms of the Underwriting Agreement and, as contemplated by the Registration Statement, then such Public Warrants will be legally binding obligations of the Company enforceable in accordance with their terms.

4. The Public Warrant Shares underlying the Public Warrants are duly authorized for issuance by the Company, and when the Registration Statement becomes effective under the 1933 Act and the Public Warrants are issued and paid for in accordance with the Underwriting Agreement and as contemplated in the Registration Statement, the Public Warrant Shares underlying such Public Warrants will be validly issued, fully paid, and nonassessable.

5. When the Registration Statement becomes effective under the 1933 Act and when the Representative Warrant is issued, delivered and paid for in accordance with the terms of the Representative Warrant and, as contemplated by the Registration Statement, then such Representative Warrant will be a legally binding obligation of the

Company enforceable in accordance with their terms.

6. The Representative Shares underlying the Representative Warrant are duly authorized for issuance by the Company, and when the Registration Statement becomes effective under the 1933 Act and the Representative Warrant is issued and paid for in accordance with the Representative Warrant and as contemplated in the Registration Statement, the Representative Shares underlying such Representative Warrant will be validly issued, fully paid, and nonassessable.

Our opinions are subject to and limited by (i) the effect of bankruptcy, insolvency, fraudulent conveyance, reorganization, receivership, moratorium or other similar laws relating to or affecting the rights and remedies of creditors or secured parties generally, (ii) the application of general principles of equity (regardless of whether considered in a proceeding in equity or at law), including, without limitation, the possible unavailability of specific performance, injunctive relief or another equitable remedy, (iii) concepts of materiality, reasonableness, good faith and fair dealing, and (iv) the public policy against indemnifications for an indemnified party's gross negligence or for violations of securities law.

Our opinions in numbered paragraphs 2, 3, and 5 above are given in reliance on Section 5-1401 of the New York General Obligations Law ("GOL 5-1401"). GOL 5-1401 provides, in pertinent part, that "the parties to any contract . . . may agree that the law of this state shall govern their rights and duties in whole or in part, whether or not such contract, agreement or undertaking bears a reasonable relation to this state." Although the New York Court of Appeals has recently upheld the application of that statute in *IRB-Brasil Resseguros, S.A. v. Inepur Invs., S. A.,* 82 N.E.2d 609 (N.Y. 2012), we note that legal commentators have questioned the validity thereof under the Constitution of the United States, and we express no opinion as to the constitutionality of such law. We draw your attention to the fact that at least one federal court has, notwithstanding the terms of GOL 5-1401, in dictum noted possible constitutional limitations upon GOL 5-1401, in both domestic and international transactions. *See e.g., Lehman Brothers Commercial Corp. v. Minmetals Non-Ferrous Metals Trading Co*., No. 94 Civ. 8301, 2000 WL 1702039 (S.D.N.Y. Nov. 13, 2000).

Our opinion is based on facts and laws as in effect on the date hereof and as of the effective date of the Registration Statement, and we assume no obligation to revise or supplement this opinion after the effective date of the Registration Statement should the law be changed by legislative action, judicial decision or otherwise. Where our opinions expressed herein refer to events to occur at a future date, we have assumed that there will have been no changes in the relevant law or facts between the date hereof and such future date. Our opinions expressed herein are limited to the matters expressly stated herein and no opinion is implied or may be inferred beyond the matters expressly stated. Not in limitation of the foregoing, we are not rendering any opinion as to the compliance with any other federal or state law, rule or regulation relating to securities, or to the sale or issuance thereof.

We hereby consent to the filing of this opinion letter with the Commission as Exhibit 5.1 to the Registration Statement and to the reference to this firm under the heading "Legal Matters" in the prospectus forming a part thereof. In giving this consent, we do not thereby admit that we are experts with respect to any part of the Registration Statement or prospectus within the meaning of the term "expert" as used in Section 11 of the 1933 Act or the rules and regulations promulgated thereunder by the Commission, nor do we admit that we are within the category of persons whose consent is required under Section 7 of the 1933 Act or the rules and regulations of the Commission promulgated thereunder.

Sincerely,

Exhibit 10.1

Form of Lock-Up Agreement

_____, 2022

EF HUTTON,

division of Benchmark Investments, LLC

as Representative of the Underwriters

590 Madison Avenue, 39th Floor

New York, New York 10022

Ladies and Gentlemen:

The undersigned understands that EF Hutton, division of Benchmark Investments, LLC (the "**Representative**") proposes to enter into an Underwriting Agreement (the "**Underwriting Agreement**") with Yoshiharu Global Co., a Delaware corporation (the "**Company**"), providing for the public offering (the "**Public Offering**") of shares of Class A common stock of the Company, par value $0.0001 per share (the "**Common Stock**"), together with warrants to purchase shares of Common Stock each at an exercise price equal to 125% of the public offering price per Firm Unit (as defined hereafter) (the "**Warrants**," and collectively with the Common Stock, the "**Securities**").

To induce the Representative to continue its efforts in connection with the Public Offering, the undersigned hereby agrees that, without the prior written consent of the Representative, the undersigned will not, during the period commencing on the date hereof and ending twelve (12) months after the date of the Underwriting Agreement (the "**Lock-Up Period**"), (1) offer, pledge, sell, contract to sell, grant, lend, or otherwise transfer or dispose of, directly or indirectly, any Common Stock or any securities convertible into or exercisable or exchangeable for the Common Stock, whether now owned or hereafter acquired by the undersigned or with respect to which the undersigned has or hereafter acquires the power of disposition (collectively, the "**Lock-Up Securities**"); (2) enter into any swap or other arrangement that transfers to another, in whole or in part, any of the economic consequences of ownership of the Lock-Up Securities, whether any such transaction described in clause (1) or (2) above is to be settled by delivery of Lock-Up Securities, in cash or otherwise; (3) make any demand for or exercise any right with respect to the registration of any Lock-Up Securities; or (4) publicly disclose the intention to make any offer, sale, pledge or disposition, or to enter into any transaction, swap, hedge or other arrangement relating to any Lock-Up Securities. Notwithstanding the foregoing, and subject to the conditions below, the undersigned may transfer Lock-Up Securities without the prior written consent of the Representative in connection with (a) transactions relating to Lock-Up Securities acquired in open market transactions after the completion of the Public Offering; provided that no filing under Section 13 or Section 16(a) of the Securities Exchange Act of 1934, as amended (the "**Exchange Act**"), or other public announcement shall be required or shall be voluntarily made during the Lock-Up Period in connection with subsequent sales of Lock-Up Securities acquired in such open market transactions; (b) transfers of Lock-Up Securities as a bona fide gift, by will or intestacy or to a family member or trust for the benefit of a family member (for purposes of this lock-up agreement, "family member" means any relationship by blood, marriage or adoption, not more remote than first cousin); (c) transfers of Lock-Up Securities to a charity or educational institution; or (d) if the undersigned, directly or indirectly, controls a corporation, partnership, limited liability company or other business entity, any transfers of Lock- Up Securities to any shareholder, partner or member of, or owner of similar equity interests in, the undersigned, as the case may be; provided that in the case of any transfer pursuant to the foregoing clauses (b), (c) or (d), (i) it shall be a condition to any such transfer that (i) the transferee/donee agrees to be bound by the terms of this lock-up agreement (including, without limitation, the restrictions set forth in the preceding sentence) to the same extent as if the transferee/donee were a party hereto; (ii) each party (donor, donee, transferor or transferee) shall not be required by law (including without limitation the disclosure requirements of the Securities Act of 1933, as amended (the "**Securities Act**"), and the Exchange Act) to make, and shall agree to not voluntarily make, any filing or public announcement of the transfer or disposition prior to the expiration of the Lock-Up Period; and (iii) the undersigned notifies the Representative at least two (2) business days prior to the proposed transfer or disposition.

In addition, the foregoing restrictions shall not apply to (i) the exercise or vesting of stock options or other equity awards granted pursuant to the Company's equity incentive plans; provided that it shall apply to any of the undersigned's Common Stock issued upon such exercise, (ii) the conversion or exercise of convertible debt or warrants; provided that it shall apply to any of the undersigned's Common Stock issued upon such exercise, or (iii) the establishment of any new plan (a "**Plan**") that satisfies all of the requirements of Rule 10b5-1(c)(1)(i)(B) under the Exchange Act; provided that no sales of the undersigned's Securities shall be made pursuant to such new Plan prior to the expiration of the Lock-Up Period (as such may have been extended pursuant to the provisions hereof), and such a Plan may only be established if no public announcement of the establishment or existence thereof and no filing with the Securities and Exchange Commission or other regulatory authority in respect thereof or transactions thereunder or contemplated thereby, by the undersigned, the Company or any other person, shall be required, and no such announcement or filing is made voluntarily, by the undersigned, the Company or any other person, prior to the expiration of the Lock-Up Period (as such may have been extended pursuant to the provisions hereof).

The undersigned also agrees and consents to the entry of stop transfer instructions with the Company's transfer agent and registrar against the transfer of the undersigned's Securities subject to this lock-up agreement except in compliance with this lock-up agreement.

If the undersigned is an officer or director of the Company, (i) the undersigned agrees that the foregoing restrictions shall be equally applicable to any Securities that the undersigned may purchase in the Public Offering; (ii) the Representative agrees that, at least three (3) business days before the effective date of any release or waiver of the foregoing restrictions in connection with a transfer of Lock-Up Securities, the Representative will notify the Company of the impending release or waiver; and (iii) the Company has agreed in the Underwriting Agreement to announce the impending release or waiver by press release through a major news service at least two (2) business days before the effective date of the release or waiver. Any release or waiver granted by the Representative hereunder to any such officer or director shall only be effective two (2) business days after the publication date of such press release. The provisions of this paragraph will not apply if (a) the release or waiver is effected solely to permit a transfer of Lock-Up Securities not for consideration and (b) the transferee has agreed in writing to be bound by the same terms described in this lock-up agreement to the extent and for the duration that such terms remain in effect at the time of such transfer.

The undersigned understands that the Company and the Representative are relying upon this lock-up agreement in proceeding toward consummation of the Public Offering. The undersigned further understands that this lock-up agreement is irrevocable and shall be binding upon the undersigned's heirs, legal representatives, successors and assigns.

The undersigned understands that, if the Underwriting Agreement does not become effective, or if the Underwriting Agreement (other than the provisions thereof which survive termination) shall terminate or be terminated prior to payment for and delivery of the Securities to be sold thereunder, the undersigned shall be released from all obligations under this lock-up agreement.

This lock-up agreement shall be governed by, and construed in accordance with, the laws of the State of New York.

Very truly yours,

(Name - Please Print)

(Signature)

(Name of Signatory, in the case of entities - Please Print)

(Title of Signatory, in the case of entities - Please Print)

(Name - Please Print)

Address:

Exhibit 10.2

INDEMNIFICATION AGREEMENT

This Agreement, made and entered into effective as of the ___ day of _____, 2022 ("**Agreement**"), by and between Yoshiharu Global Co., a Delaware corporation ("**Company**"), and _____ ("**Indemnitee**").

WHEREAS, the adoption of the Sarbanes-Oxley Act of 2002 and other laws, rules and regulations being promulgated have increased the potential for liability of officers and directors; and

WHEREAS, the Board of Directors of the Company ("**Board**") has determined that the ability to attract and retain such persons is in the best interests of the Company's shareholders; and

WHEREAS, it is reasonable, prudent and necessary for the Company to obligate itself contractually to indemnify such persons to the fullest extent permitted by applicable law so that such persons will serve or continue to serve the Company free from undue concern that they will not be adequately indemnified; and

WHEREAS, Indemnitee is willing to serve on behalf of the Company on the condition that he be indemnified according to the terms of this Agreement;

NOW, THEREFORE, in consideration of the premises and the covenants contained herein, the Company and Indemnitee do hereby covenant and agree as follows:

Section 1. Definitions. For purposes of this Agreement:

1.1 "**Change in Control**" means a change in control of the Company occurring after the date hereof of a nature that would be required to be reported in response to Item 6(e) of Schedule 14A of Regulation 14A (or in response to any similar item on any similar schedule or form) promulgated under the Securities Exchange Act of 1934, as amended ("**Act**"), whether or not the Company is then subject to such reporting requirement provided, however, that, without limitation, such a Change in Control shall be deemed to have occurred if after the date hereof (i) any "person" (as such term is used in Sections 13(d) and 14(d) of the Act), other than a person who is an officer or director of the Company on the date hereof (and any of such person's affiliates), is or becomes "beneficial owner" (as defined in Rule 13d-3 under the Act), directly or indirectly, of securities of the Company representing 50% or more of the combined voting power of the then outstanding securities of the Company without the prior approval of at least two-thirds of the members of the Board in office immediately prior to such person attaining such percentage interest; (ii) the Company is a party to a merger, consolidation, sale of assets or other reorganization, or a proxy contest, as a consequence of which (A) members of the Board in office immediately prior to such transaction or event constitute less than a majority of the Board thereafter or (B) the voting securities of the Company outstanding immediately prior to such transaction do not continue to represent (either by remaining outstanding or by being converted into voting securities of the surviving entity) more than 50% of the combined voting power of the voting securities of the surviving entity outstanding immediately after such transaction with the power to elect at least a majority of the board of directors or other governing body of such surviving entity; or (iii) during any period of two consecutive years, individuals who at the beginning of such period constituted the Board (including for this purpose any new director whose election or nomination for election by the Company's shareholders was approved by a vote of at least two-thirds of the directors then still in office who were directors at the beginning of such period or whose election or nomination for election was previously so approved) cease for any reason to constitute at least a majority of the Board.

1.2 "**Corporate Status**" means the status of a person who is or was a director, officer, employee, agent or fiduciary of the Company or of any other corporation, partnership, joint venture, trust, employee benefit plan or other enterprise which such person is or was serving at the request of the Company. In addition to service at the actual request of the Company, for purposes of this Agreement, Indemnitee shall be deemed to be serving or to have served at the request of the Company as a director, officer, employee, agent or fiduciary of any other enterprise if Indemnitee is or was serving as a director, officer, employee, agent or fiduciary of such enterprise and (A) such enterprise is or at the time of such service was an affiliate of the Company, (B) such enterprise is or at the time of such service was an employee benefit plan (or related trust) sponsored or maintained by the Company or an affiliate of the Company or (C) the Company or an affiliate of the Company directly or indirectly caused Indemnitee to be nominated, elected, appointed, designated, employed, engaged or selected to serve in such capacity.

1.3 "**Disinterested Director**" means a director of the Company who is not and was not a party to the Proceeding in respect of which indemnification is sought by Indemnitee.

1.4 "**Expenses**" means all reasonable attorneys' fees, retainers, court costs (including trial and appeals), transcript costs, fees of experts, witness fees, travel expenses, duplicating costs, printing and binding costs, telephone charges, postage, delivery service fees, federal, state, local, or foreign taxes imposed as a result of the actual or deemed receipt of any payments under this Agreement, and all other disbursements or expenses of the types customarily incurred in connection with prosecuting, defending, preparing to prosecute or defend, appealing, preparing to appeal, investigating, or being or preparing to be a witness in a Proceeding.

1.5 "**Independent Counsel**" means a law firm, or a member of a law firm, that is experienced in matters of corporation law and neither presently is, nor in the past five years has been, retained to represent: (i) the Company or Indemnitee in any other matter material to either such party, or (ii) any other party to the Proceeding giving rise to a claim for indemnification hereunder. Notwithstanding the foregoing, the term "Independent Counsel" does not include any person who, under the applicable standards of professional conduct then prevailing, would have a conflict of interest in representing either the Company or Indemnitee in an action to determine Indemnitee's rights under this Agreement. Except as provided in the first sentence of Section 9.3 hereof, Independent Counsel shall be selected by (a) the Disinterested Directors or (b) a committee of the Board consisting of two or more Disinterested Directors or if (a) and (b) above are not possible, then by a majority of the full Board.

1.6 "**Proceeding**" means any action, suit, arbitration, alternate dispute resolution mechanism, investigation, administrative hearing or any other proceeding, whether conducted by or on behalf of the Company or any other party, whether civil, criminal, administrative or investigative, except one initiated by an Indemnitee pursuant to Section 11 of this Agreement to enforce his rights under this Agreement.

Section 2. Services by Indemnitee. Indemnitee agrees to serve as a director, officer or employee of the Company. Indemnitee may at any time and for any reason resign from such position (subject to any other contractual obligation or any obligation imposed by operation of law).

Section 3. Indemnification - General. The Company shall indemnify, and, subject to Section 26 hereof, advance Expenses to, Indemnitee as provided in this Agreement to the fullest extent permitted by applicable law in effect on the date hereof and to such greater extent as any amendment to or interpretation of applicable law may thereafter from time to time permit. The rights of Indemnitee provided under the preceding sentence shall include, but shall not be limited to, the rights set forth in the other Sections of this Agreement.

Section 4. Proceedings Other Than Proceedings by or in the Right of the Company. Indemnitee shall be entitled to the rights of indemnification provided in this Agreement if, by reason of his Corporate Status, he is, was or is threatened to be made, a party to any threatened, pending or completed Proceeding, other than a Proceeding by or in the right of the Company. Pursuant to this Agreement, subject to Section 26 hereof, Indemnitee shall be indemnified against Expenses, judgments, penalties, fines and

amounts paid in settlement actually and reasonably incurred by him or on his behalf in connection with any such Proceeding or any claim, issue or matter therein, if he acted in good faith and in a manner he reasonably believed to be in or not opposed to the best interests of the Company, and, with respect to any criminal Proceeding, had no reasonable cause to believe his conduct was unlawful.

Section 5. Proceedings by or in the Right of the Company. Indemnitee shall be entitled to the rights of indemnification provided in this Agreement if, by reason of his Corporate Status, he was or is threatened to be made, a party to any threatened, pending or completed Proceeding brought by or in the right of the Company to procure a judgment in its favor. Pursuant to this Agreement, subject to Section 26 hereof, Indemnitee shall be indemnified against amounts paid in settlement and Expenses actually and reasonably incurred by him or on his behalf in connection with the defense or settlement of any such Proceeding if he acted in good faith and in a manner he reasonably believed to be in or not opposed to the best interests of the Company. Notwithstanding the foregoing, no indemnification under this paragraph shall be made in respect of (1) a threatened or pending Proceeding which is settled or otherwise disposed of, or (2) any claim, issue or matter as to which such person shall have been adjudged to be liable to the Company, unless and only to the extent that the court in which such Proceeding shall have been brought, was brought or is pending, shall determine, upon application, that Indemnitee is fairly and reasonably entitled to indemnity for such portion of the settlement amount and Expenses as the court deems proper.

Section 6. Indemnification for Expenses of Party Who is Wholly or Partly Successful. Notwithstanding any other provision of this Agreement except for Section 26 hereof, to the extent that Indemnitee is, by reason of his Corporate Status, a party to and is successful, on the merits or otherwise, in any Proceeding, he shall be indemnified against all Expenses (and, when eligible hereunder, amounts paid in settlement) actually and reasonably incurred by him or on his behalf in connection therewith. If Indemnitee is not wholly successful in such Proceeding but is successful, on the merits or otherwise, as to one or more but less than all claims, issues or matters in such Proceeding, the Company shall indemnify Indemnitee against all Expenses (and, when eligible hereunder, amount paid in settlement) actually and reasonably incurred by him or on his behalf in connection with each successfully resolved claim, issue or matter. For purposes of this Agreement, the term "successful, on the merits or otherwise," includes, but is not limited to, (i) any termination, withdrawal, or dismissal (with or without prejudice) of any Proceeding against the Indemnitee without any express finding of liability or guilt against him, and (ii) the expiration of 90 days after the making of any claim or threat of a Proceeding without the institution of the same and without any promise or payment made to induce a settlement.

Section 7. Indemnification for Expenses as a Witness. Notwithstanding any other provision of this Agreement except for Section 26 hereof, to the extent that Indemnitee is, by reason of his Corporate Status, a witness in any Proceeding, he shall be indemnified against all Expenses actually and reasonably incurred by him or on his behalf in connection therewith.

Section 8. Advancement of Expenses and Other Amounts. Subject to Section 26 hereof, the Company shall advance all Expenses, judgments, penalties, fines and, when eligible hereunder, amounts paid in settlement, incurred by or on behalf of Indemnitee in connection with any Proceeding within thirty (30) days after the receipt by the Company of a statement or statements from Indemnitee requesting such advance or advances from time to time, whether prior to or after final disposition of such Proceeding. Such statement or statements shall reasonably evidence the Expenses, judgments, penalties, fines and amounts paid in settlement, incurred by Indemnitee and shall include or be preceded or accompanied by an agreement by or on behalf of Indemnitee to repay any Expenses, judgments, penalties, fines and amounts paid in settlement advanced if it shall ultimately be determined that Indemnitee is not entitled to be indemnified against such Expenses, judgments, penalties, fines and, when eligible hereunder, amounts paid in settlement. In connection with any request for advancement of Expenses, judgments, penalties, fines and amounts paid in settlement, Indemnitee shall not be required to provide any documentation or information to the extent that the provision thereof would undermine or otherwise jeopardize attorney-client privilege. The Company's obligation in respect of the advancement of Expenses, judgments, penalties, fines and amounts paid in settlement in connection with a criminal Proceeding in which Indemnitee is a defendant shall terminate at such time as Indemnitee pleads guilty or is convicted after trial and such conviction becomes final and no longer subject to appeal. Advances shall be unsecured and interest free. Advances shall be made without regard to Indemnitee's ability to repay such amounts and without regard to Indemnitee's ultimate entitlement to indemnification under the other provisions of this Agreement.

Section 9. Procedure for Determination of Entitlement to Indemnification.

9.1 To obtain indemnification under this Agreement in connection with any Proceeding, and for the duration thereof, Indemnitee shall submit to the Company a written request, including therein or therewith such documentation and information as is reasonably available to Indemnitee and is reasonably necessary to determine whether and to what extent Indemnitee is entitled to indemnification. The Secretary of the Company shall, promptly upon receipt of any such request for indemnification, advise the Board in writing that Indemnitee has requested indemnification.

9.2 Upon written request by Indemnitee for indemnification pursuant to Section 9.1 hereof, a determination, if required by applicable law, with respect to Indemnitee's entitlement thereto shall be made in such case: (i) if a Change in Control shall have occurred, by Independent Counsel (unless Indemnitee shall request that such determination be made by the Board or the shareholders, in which case such determination shall be made in the manner provided for in clauses (ii) or (iii) of this Section 9.2) in a written opinion to the Board, a copy of which shall be delivered to Indemnitee; (ii) if a Change in Control shall not have occurred, at the election of the Company, (A) by the Board by a majority vote of a quorum consisting of Disinterested Directors, or (B) if a quorum of the Board consisting of Disinterested Directors is not obtainable, by a majority of a committee of the Board consisting of two or more Disinterested Directors, or (C) by Independent Counsel in a written opinion to the Board, a copy of which shall be delivered to Indemnitee, or (D) by the shareholders of the Company, by a majority vote of a quorum consisting of shareholders who are not parties to the Proceeding, or if no such quorum is obtainable, by a majority vote of shareholders who are not parties to such proceeding; or (iii) as provided in Section 10.2 of this Agreement. If it is so determined that Indemnitee is entitled to indemnification, payment to Indemnitee shall be made within ten (10) days after such determination. Indemnitee shall cooperate with the person, persons or entity making such determination with respect to Indemnitee's entitlement to indemnification, including providing to such person, persons or entity upon reasonable advance request any documentation or information which is not privileged or otherwise protected from disclosure and which is reasonably available to Indemnitee and reasonably necessary to such determination. Any costs or expenses (including attorneys' fees and disbursements) incurred by Indemnitee in so cooperating with the person, persons or entity making such determination shall be borne by the Company (irrespective of the determination as to Indemnitee's entitlement to indemnification) and the Company hereby indemnifies and agrees to hold Indemnitee harmless therefrom.

9.3 If a Change in Control shall have occurred, Independent Counsel shall be selected by Indemnitee (unless Indemnitee shall request that such selection be made by the Board), and Indemnitee (or the Board, as the case may be) shall give written notice to the other party advising it of the identity of Independent Counsel so selected. In either event, Indemnitee or the Company, as the case may be, may, within seven days after such written notice of selection shall have been given, deliver to the Company or to Indemnitee, as the case may be, a written objection to such selection. Such objection may be asserted only on the ground that Independent Counsel so selected does not meet the requirements of "Independent Counsel" as defined in Section 1 of this Agreement, and the objection shall set forth with particularity the factual basis of such assertion. If such written objection is made, Independent Counsel so selected may not serve as Independent Counsel unless and until a court has determined that such objection is without merit. If, within 20 days after submission by Indemnitee of a written request for indemnification pursuant to Section 9.1 hereof, no Independent Counsel shall have been selected and not objected to, either the Company or Indemnitee may petition a court of competent jurisdiction, for resolution of any objection which shall have been made by the Company or Indemnitee to the other's selection of Independent Counsel and/or for the appointment as Independent Counsel of a person selected by such court or by such other person as such court shall designate, and the person with respect to whom an objection is so resolved or the person so appointed shall act as Independent Counsel under Section 9.2 hereof. The Company shall pay any and all reasonable fees and expenses of Independent Counsel incurred by such Independent Counsel in connection with its actions pursuant to this Agreement, and the Company shall pay all reasonable fees and expenses incident to the procedures of this Section 9.3, regardless of the manner in which such Independent Counsel was selected or appointed. Upon the due commencement date of any judicial proceeding pursuant to Section 11.1(iii) of this Agreement, Independent Counsel shall be discharged and relieved of any further responsibility in such capacity (subject to the applicable standards of professional conduct then prevailing).

Section 10. Presumptions and Effects of Certain Proceedings.

10.1 In making a determination with respect to entitlement to indemnification hereunder, the person or persons or entity making such determination shall presume that Indemnitee is entitled to indemnification under this Agreement if Indemnitee has submitted a request for indemnification in accordance with Section 9.1 of this Agreement, and the Company shall have the burden of proof to overcome that presumption by clear and convincing evidence in connection with the making by any person, persons or entity of any determination contrary to that presumption.

10.2 If the person, persons or entity empowered or selected under Section 9 of this Agreement to determine whether Indemnitee is entitled to indemnification shall not have made a determination within sixty (60) days after receipt by the Company of the request therefor, the requisite determination of entitlement to indemnification shall be deemed to have been made and Indemnitee shall be entitled to such indemnification, absent (i) a misstatement by Indemnitee of a material fact, or an omission of a material fact necessary to make Indemnitee's statement not materially misleading, in connection with the request for indemnification, or (ii) prohibition of such indemnification under applicable law; provided, however, that such 60-day period may be extended for a reasonable time, not to exceed an additional thirty (30) days, if the person, persons or entity making the determination with respect to entitlement to indemnification in good faith require(s) such additional time for the obtaining or evaluating of documentation and/or information relating thereto; and provided, further, however, that the foregoing provisions of this Section 10.2 shall not apply (i) if the determination of entitlement to indemnification is to be made by the shareholders pursuant to Section 9.2 of this Agreement and if (A) within 15 days after receipt by the Company of the request for such determination the Board has resolved to submit such determination to the shareholders for their consideration at an annual meeting thereof to be held within 75 days after such receipt and such determination is made thereat, or (B) a special meeting of shareholders is called within 15 days after such receipt for the purpose of making such determination, such meeting is held for such purpose within 60 days after having been so called and such determination is made thereat, or (ii) if the determination of entitlement to indemnification is to be made by Independent Counsel pursuant to Section 9.2 of this Agreement. In connection with each meeting at which a shareholder determination will be made, the Company shall solicit proxies that expressly include a proposal to indemnify or reimburse the Indemnitee. The Company shall afford the Indemnitee ample opportunity to present evidence of the facts upon which the Indemnitee relies for indemnification in any Company proxy statement relating to such shareholder determination. Subject to the fiduciary duties of its members under applicable law, the Board will not recommend against indemnification or reimbursement in any proxy statement relating to the proposal to indemnify or reimburse the Indemnitee.

10.3 The termination of any Proceeding or of any claim, issue or matter therein, by judgment, order, settlement or conviction, or upon a plea of nolo contendere or its equivalent, shall not (except as otherwise expressly provided in this Agreement) of itself adversely affect the right of Indemnitee to indemnification or create a presumption that Indemnitee did not act in good faith and in a manner which he reasonably believed to be in or not opposed to the best interests of the Company or, with respect to any criminal Proceeding, that Indemnitee had reasonable cause to believe that his conduct was unlawful.

10.4 Reliance as Safe Harbor. For purposes of this Agreement, the Indemnitee shall be deemed to have acted in good faith and in a manner he reasonably believed to be in or not opposed to the best interests of the Company, or, with respect to any criminal Proceeding, to have had no reasonable cause to believe his conduct was unlawful, if his action is based on (i) the records or books of account of the Company, or another enterprise, including financial statements, (ii) information supplied to him by the officers of the Company or another enterprise in the course of their duties, (iii) the advice of legal counsel for the Company or another enterprise, or of an independent certified public accountant or an appraiser or other expert selected with reasonable care by the Company or another enterprise. The term "another enterprise" as used in this Section shall mean any other corporation or any partnership, joint venture, trust, employee benefit plan or other enterprise of which the Indemnitee is or was serving at the request of the Company as a director, officer, partner, trustee, employee or agent. The provisions of this Section shall not be deemed to be exclusive or to limit in any way the other circumstances in which the Indemnitee may be deemed to have met the applicable standard of conduct set forth herein. Whether or not the foregoing provisions of this Section 10.4 are satisfied, it shall in any event be presumed that Indemnitee has at all times acted in good faith and in a manner he reasonably believed to be in or not opposed to the best interests of the Company, or, with respect to any criminal Proceeding, to have had no reasonable cause to believe Indemnitee's conduct was unlawful. Anyone seeking to overcome this presumption shall have the burden of proof and the burden of persuasion by clear and convincing evidence.

Section 11. Remedies of Indemnitee.

11.1 In the event that (i) a determination is made pursuant to Section 9 of this Agreement that Indemnitee is not entitled to indemnification under this Agreement, (ii) advancement of Expenses is not timely made pursuant to Section 8 of this Agreement, (iii) the determination of indemnification is to be made by Independent Counsel pursuant to Section 9.2 of this Agreement and such determination shall not have been made and delivered in a written opinion within sixty (60) days after receipt by the Company of the request for indemnification, (iv) payment of indemnification is not made pursuant to Section 7 of this Agreement within thirty (30) days after receipt by the Company of a written request therefor, or (v) payment of indemnification is not made within thirty (30) days after a determination has been made that Indemnitee is entitled to indemnification or such determination is deemed to have been made pursuant to Section 9 or 10 of this Agreement, Indemnitee shall be entitled to an adjudication in an appropriate court of the State of New York, or in any other court of competent jurisdiction, of his entitlement to such indemnification or advancement of Expenses, judgments, penalties, fines or, when eligible hereunder, amounts paid in settlement. The Company shall not oppose Indemnitee's right to seek any such adjudication.

11.2 In the event that a determination shall have been made pursuant to Section 9 of this Agreement that Indemnitee is not entitled to indemnification, any judicial proceeding commenced pursuant to this Section shall be conducted in all respects as a de novo trial on the merits and Indemnitee shall not be prejudiced by reason of that adverse determination.

11.3 If a determination shall have been made or deemed to have been made pursuant to Section 9 or 10 of this Agreement that Indemnitee is entitled to indemnification, the Company shall be bound by such determination in any judicial proceeding commenced pursuant to this Section, absent (i) a misstatement by Indemnitee of a material fact, or an omission of a material fact necessary to make Indemnitee's statement not materially misleading, in connection with the request for indemnification, or (ii) prohibition of such indemnification under applicable law.

11.4 The Company shall be precluded from asserting in any judicial proceeding commenced pursuant to this Section that the procedures and presumptions of this Agreement are not valid, binding and enforceable and shall stipulate in any such court that the Company is bound by all the provisions of this Agreement.

11.5 In the event that Indemnitee, pursuant to this Section, seeks a judicial adjudication of his rights under, or to recover damages for breach of, this Agreement or any other agreement, including any other indemnification, contribution or advancement agreement, or any provision of the certificate of incorporation or by-laws of the Company now or hereafter in effect, or for recovery under directors' and officers' liability insurance policies maintained by the Company, Indemnitee shall be entitled to recover from the Company, and shall be indemnified by the Company against, any and all expenses (of the kinds described in the definition of Expenses) actually and reasonably incurred by him in such judicial adjudication, but only if he prevails therein. If it shall be determined in such judicial adjudication that Indemnitee is entitled to receive less than all of the indemnification or advancement of expenses sought, the expenses incurred by Indemnitee in connection with such judicial adjudication shall be appropriately prorated. In addition, the Company shall, if so requested by Indemnitee, advance the foregoing expenses to Indemnitee, subject to and in accordance with Section 8.

Section 12. Procedure Regarding Indemnification. With respect to any Proceedings, the Indemnitee, prior to taking any action with respect to such Proceeding, shall consult with the Company as to the procedure to be followed in defending, settling, or compromising the Proceeding and may not consent to any settlement or compromise of the Proceeding without the written consent of the Company (which consent may not be unreasonably withheld or delayed). The Company shall be entitled to participate in defending, settling or compromising any Proceeding and to assume the defense of such Proceeding with counsel of its choice and shall assume such defense if requested by the Indemnitee. Notwithstanding the election by, or obligation of, the Company to assume the defense of a Proceeding, the Indemnitee shall have the right to participate in the defense of such Proceeding and to employ counsel of Indemnitee's choice, but the fees and expenses of such counsel shall be at the expense of the Indemnitee unless (i) the employment of such counsel has been authorized in writing by the Company, or (ii) the Indemnitee has reasonably concluded that there may be defenses available to him which are different from or additional to those available to the Company (in which latter case the Company shall not have the right to direct the defense of such Proceeding on behalf of the Indemnitee), in either of which events the fees and expenses of not more than one additional firm of attorneys selected by the Indemnitee shall be borne by the Company. If the Company assumes the defense of a Proceeding, then counsel for the Company and Indemnitee shall keep Indemnitee reasonably informed of the status of the Proceeding and promptly send to Indemnitee copies of all documents filed or produced in the Proceeding, and the Company shall not compromise or settle any such Proceeding without the written consent of the Indemnitee (which consent may not be unreasonably withheld or delayed) if the relief provided shall be other than monetary damages and shall promptly notify the Indemnitee of any settlement and the amount thereof.

Section 13. Non-Exclusivity; Survival of Rights; Insurance; Subrogation; Contribution.

13.1 The rights of indemnification and to receive advancement of Expenses as provided by this Agreement shall not be deemed exclusive of any other rights to which Indemnitee may at any time be entitled under applicable law, the certificate of incorporation or by-laws of the Company, any agreement, a vote of shareholders or a resolution of directors, or otherwise. No amendment, alteration or repeal of this Agreement or any provision hereof shall be effective as to any Indemnitee with respect to any action taken or omitted by such Indemnitee in his Corporate Status prior to such amendment, alteration or repeal.

13.2 To the extent that the Company maintains an insurance policy or policies providing liability insurance for directors, officers, employees, agents or fiduciaries of the Company or of any other corporation, partnership, joint venture, trust, employee benefit plan or other enterprise which such person serves at the request of the Company, Indemnitee shall be covered by such policy or policies in accordance with its or their terms to the maximum extent of the coverage available for any such director, officer, employee, agent or fiduciary under such policy or policies.

13.3 In the event of any payment under this Agreement, the Company shall be subrogated to the extent of such payment to all of the rights of recovery of Indemnitee, who shall execute all papers required and take all action necessary to secure such rights, including execution of such documents as are reasonably necessary to enable the Company to bring suit to enforce such rights.

13.4 The Company shall not be liable under this Agreement to make any payment of amounts otherwise indemnifiable hereunder if and to the extent that Indemnitee has otherwise actually received such payment under any insurance policy, contract, agreement or otherwise.

13.5 If a determination is made that Indemnitee is not entitled to indemnification, after Indemnitee submits a written request therefor, under this Agreement, then in respect of any threatened, pending or completed Proceeding in which the Company is jointly liability with the Indemnitee (or would be if joined in such Proceeding), the Company shall contribute to the amount of Expenses, judgments, fines and amounts paid in settlement by the Indemnitee in such proportion as is appropriate to reflect (i) the relative benefits received by the Company on the one hand and the Indemnitee on the other hand from the transaction from which Proceeding arose, and (ii) the relative fault of the Company on the one hand and of the Indemnitee on the other hand in connection with the events that resulted in such Expenses, judgments, fines or amounts paid in settlement, as well as any other relevant equitable considerations. The relative fault of the Company on the one hand and of the Indemnitee on the other hand shall be determined by reference to, among other things, the parties' relative intent, knowledge, access to information and opportunity to correct or prevent the circumstances resulting in such Expenses, judgments, fines or amounts paid in settlement. The Company agrees that it would not be just and equitable if contribution pursuant to this Section were determined by pro rata allocation or any other method of allocation that does not take into account the foregoing equitable considerations. The determination as to the amount of the contribution, if any, shall be made by: (i) a court of competent jurisdiction upon the application of both the Indemnitee and the Company (if the Proceeding had been brought in, and final determination had been rendered by such court); (ii) the Board by a majority vote of a quorum consisting of Disinterested Directors; or (iii) Independent Counsel, if a quorum is not obtainable for the purpose of (ii) above, or, even if obtainable, a quorum of Disinterested Directors so directs.

Section 14. Duration of Agreement. This Agreement shall continue until and terminate upon the later of: (a) ten (10) years after the date that Indemnitee shall have ceased to serve as a director and/or officer of the Company, or (b) the final termination of all pending Proceedings in respect of which Indemnitee is granted rights of indemnification or advancement of Expenses, judgments, penalties, fines or amounts paid in settlement hereunder and or any proceeding commenced by Indemnitee pursuant to Section 11 of this Agreement. This Agreement shall be binding upon the Company and its successors and assigns and shall inure to the benefit of Indemnitee and his spouse, heirs, executors, personal representatives and administrators. The Company shall require and cause any successor (whether direct or indirect by purchase, merger, consolidation, or otherwise) to all, substantially all, or a substantial part, of the business and/or assets of the Company, by written agreement in form and substance satisfactory to Indemnitee, expressly to assume and agree to perform this Agreement in the same manner and to the same extent that the Company would be required to perform if no such succession had taken place.

Section 15. Severability. If any provision or provisions of this Agreement shall be held to be invalid, illegal or unenforceable for any reason whatsoever: (a) the validity, legality and enforceability of the remaining provisions of this Agreement (including, without limitation, each portion of any Section of this Agreement containing any such provision held to be invalid, illegal or unenforceable, that is not itself invalid, illegal or unenforceable) shall not in any way be affected or impaired thereby; and (b) to the fullest extent possible, the provisions of this Agreement (including, without limitation, each portion of any Section of this Agreement containing any such provision held to be invalid, illegal or unenforceable, that is not itself invalid, illegal or unenforceable) shall be construed so as to give effect to the intent manifested by the provision held invalid, illegal or unenforceable.

Section 16. Entire Agreement. This Agreement constitutes the entire agreement between the Company and the Indemnitee with respect to the subject matter hereof and supersedes all prior agreements, understanding, negotiations and discussion, both written and oral, between the parties hereto with respect to such subject matter (the "**Prior Agreements**"); provided, however, that if this Agreement shall ever be held void or unenforceable for any reasons whatsoever, and is not reformed pursuant to Section 15 hereof, then (i) this Agreement shall not be deemed to have superseded any Prior Agreements; (ii) all of such Prior Agreements shall be deemed to be in full force and effect notwithstanding the execution of this Agreement; and (iii) the Indemnitee shall be entitled to maximum indemnification benefits provided under any Prior Agreements, as well as those provided under applicable law, the certificate of incorporation or by-laws of the Company, a vote of shareholders or resolution of directors.

Section 17. Exception to Right of Indemnification or Advancement of Expenses.

17.1 Except as provided in Section 11.5, Indemnitee shall not be entitled to indemnification or advancement of Expenses, judgments, penalties, fines and amounts paid in settlement under this Agreement with respect to any Proceeding, or any claim therein, brought or made by him against the Company.

17.2 Indemnitee shall not be entitled to indemnification or advancement of Expenses under this Agreement with respect to any Proceeding, or any claim therein, arising from the purchase and sale by Indemnitee of securities in violation of Section 16(b) of the Exchange Act or Company similar successor statute.

Section 18. Covenant Not to Sue; Limitation of Actions; Release of Claims. No legal action shall be brought and no cause of action shall be asserted by or on behalf of the Company (or any of its subsidiaries) against the Indemnitee, his spouse, heirs, executors, personal representatives or administrators after the expiration of two (2) years from the date of accrual of such cause of action and any claim or cause of action of the Company (or any of its subsidiaries) shall be extinguished and deemed released unless asserted by the filing of a legal action within such two (2) year period; provided, however, that if any shorter period of limitation is otherwise applicable to any such cause of action, such shorter period shall govern.

Section 19. Identical Counterparts. This Agreement may be executed in one or more counterparts, each of which shall for all purposes be deemed to be an original but all of which together shall constitute one and the same Agreement.

Section 20. Headings. The headings of the paragraphs of this Agreement are inserted for convenience only and shall not be deemed to constitute part of this Agreement or to affect the construction thereof.

Section 21. Modification and Waiver. No supplement, modification or amendment of this Agreement shall be binding unless executed in writing by both of the parties hereto. No waiver of any of the provisions of this Agreement shall be deemed or shall constitute a waiver of any other provisions hereof (whether or not similar) nor shall such waiver constitute a continuing waiver.

Section 22. Notice by Indemnitee. Indemnitee agrees promptly to notify the Company in writing upon being served with any summons, citation, subpoena, complaint, indictment, information or other document relating to any Proceeding or matter which may be subject to indemnification or advancement of Expenses, judgments, penalties, fines or amounts paid in settlement covered hereunder. The failure to notify the Company on a timely basis shall not constitute a waiver of Indemnitee's rights under this Agreement, except to the extent that such failure or delay (i) causes the amounts paid or to be paid by the Company to be greater than they otherwise would have been, (ii) adversely affects the Company's ability to obtain for itself or Indemnitee coverage or proceeds under any insurance policy available to the Company or Indemnitee, or (iii) otherwise results in prejudice to the Company.

Section 23. Notices. All notices, requests, demands and other communications hereunder shall be in writing and shall be deemed to have been duly given if (i) delivered by hand and receipted for by the party to whom such notice or other communication shall have been directed, or (ii) mailed by certified or registered mail with postage prepaid, on the third business day after the date on which it is so mailed:

If to Indemnitee, to:

If to the Company, to:
Yoshiharu Global Co.
6940 Beach Blvd. Suite D-705
Buena Park, CA 90621Attn: ____

or to such other address or such other person as Indemnitee or the Company shall designate in writing in accordance with this Section, except that notices regarding changes in notices shall be effective only upon receipt.

Section 24. Governing Law. The parties agree that this Agreement shall be governed by, and construed and enforced in accordance with, the laws of the State of New York applicable to contracts made and performed in that state without giving effect to the principles of conflicts of laws. The Company and Indemnitee each hereby irrevocably consents to the jurisdiction of the courts of the State of New York and the federal courts within the State for all purposes in connection with any action or proceeding that arises out of or relates to this Agreement and agrees that any action instituted under this Agreement shall be brought only in the United States District Court for the Southern District of New York and any New York State court within that District.

Section 25. Mutual Acknowledgment. Both the Company and Indemnitee acknowledge that, in certain instances, Federal law or applicable public policy may prohibit the Company from indemnifying its directors and officers under this Agreement or otherwise. Indemnitee understands and acknowledges that the Company has undertaken or may be required in the future in certain circumstances to undertake with the Securities and Exchange Commission to submit the question of indemnification to a court for a determination of the Company's right under public policy to indemnify Indemnitee.

Section 26. Miscellaneous. Use of the masculine pronoun shall be deemed to include usage of the feminine pronoun where appropriate.

[Signature Page Follows]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on the day and year first above written.

YOSHIHARU GLOBAL CO.

By: _____
Name:
Title:

INDEMNITEE

AIR COMMERCIAL REAL ESTATE ASSOCIATION
STANDARD INDUSTRIAL/COMMERCIAL MULTI-TENANT LEASE - NET

1. **Basic Provisions ("Basic Provisions").**

1.1 **Parties:** This Lease **("Lease")**, dated for reference purposes only November 1, 2015, is made by and between Daniel D. Lim **("Lessor")** and Global JJ Group, Inc. **("Lessee")**, (collectively the **"Parties"**, or individually a **"Party"**).

1.2(a) **Premises:** That certain portion of the Project (as defined below), including all improvements therein or to be provided by Lessor under the terms of this Lease, commonly known by the street address of 1891 North Tustin, located in the City of Orange, County of Orange, State of California, with zip code 92865, as outlined on Exhibit A attached hereto **("Premises")** and generally described as (describe briefly the nature of the Premises): Approximately 1,600 Square Feet.

In addition to Lessee's rights to use and occupy the Premises as hereinafter specified, Lessee shall have non-exclusive rights to any utility raceways of the building containing the Premises **("Building")** and to the common Areas (as defined in Paragraph 2.7 below), but shall not have any rights to the roof or exterior walls of the Building or to any other buildings in the Project. The Premises, the Building, the Common Areas, the land upon which they are located, along with all other buildings and improvements thereon, are herein collectively referred to as the **"Project."** (See also Paragraph 2)

1.2(b) **Parking:** None unreserved vehicle parking spaces. (See also Paragraph 2.6)

1.3 **Term:** Five years and no months **("Original Term")** commencing January 1, 2016 **("Commencement Date")** and ending December 31, 2021 **("Expiration Date")**. (See also Paragraph 3)

1.4 **Early Possession:** If the Premises are available Lessee may have non-exclusive possession of the Premises commencing November 6, 2015 under existing lease **("Early Possession Date")**. (See also Paragraphs 3.2 and 3.3)

1.5 **Base Rent:** $ 1,400.00 per month **("Base Rent")**, payable on the first day of each month commencing January 1, 2016. (See also Paragraph 4)

☑ If this box is checked, there are provisions in this Lease for the Base Rent to be adjusted. See Paragraph 55

1.6 **Lessee's Share of Common Area Operating Expenses:** Seven & 40/100 percent (7.4 %) **("Lessee's Share")**. In the event that the size of the Premises and/or the Project are modified during the term of this Lease, Lessor shall recalculate Lessee's Share to reflect such modification.

1.7 **Base Rent and Other Monies Paid Upon Execution:**

(a) **Base Rent:** $1,400.00 for the period January 1, 2016.

(b) **Common Area Operating Expenses:** $240.00 for the period January 2016.

(c) **Security Deposit:** $1,640.00 **("Security Deposit")**. (See also Paragraph 5)

(d) **Other:** $N/A for

(e) **Total Due Upon Execution of this Lease:** $

1.8 **Agreed Use:** Ramen shop. (See also Paragraph 6)

1.9 **Insuring Party.** Lessor is the **"Insuring Party"**. (See also Paragraph 8)

1.10 **Real Estate Brokers:** (See also Paragraph 15 and 25)

INITIALS INITIALS

(a) **Representation:** The following real estate brokers (the **"Brokers"**) and brokerage relationships exist in this transaction (check applicable boxes):

☑ Avirom Realty represents Lessor exclusively (**"Lessor's Broker"**);

☐ _____ represents Lessee exclusively (**"Lessee's Broker"**); or

☐ _____ represents both Lessor and Lessee (**"Dual Agency"**).

(b) **Payment to Brokers:** Upon execution and delivery of this Lease by both Parties, Lessor shall pay to the Brokers for the brokerage services rendered by the Brokers the fee agreed to in the attached a separate written agreement or if no such agreement is attached, the sum of _____ or _____% of the total Base Rent payable for the Original Term, the sum of _____ or _____ of the total Base Rent payable during any period of time that the Lessee occupies the Premises subsequent to the Original Term, and/or the sum of _____ or _____ % of the purchase price in the event that the Lessee or anyone affiliated with Lessee acquires from Lessor any rights to the Premises.

1.11 **Guarantor.** The obligations of the Lessee under this Lease are to be guaranteed by _____ _____ (**"Guarantor"**). (See also Paragraph 37)

1.12 **Attachments.** Attached hereto are the following, all of which constitute a part of this Lease:

☑ an Addendum consisting of Paragraphs 54 through 55 ;

☐ a site plan depicting the Premises;

☐ a site plan depicting the Project;

☐ a current set of the Rules and Regulations for the Project;

☐ a current set of the Rules and Regulations adopted by the owners' association;

☐ a Work Letter;

☐ other (specify); _____ _____ .

2. **Premises.**

2.1 **Letting.** Lessor hereby leases to Lessee, and Lessee hereby leases from Lessor, the Premises, for the term, at the rental, and upon all of the terms, covenants and conditions set forth in this Lease. While the approximate square footage of the Premises may have been used in the marketing of the Premises for purposes of comparison, the Base Rent stated herein is NOT tied to square footage and is not subject to adjustment should the actual size be determined to be different. **NOTE: Lessee is advised to verify the actual size prior to executing this Lease.**

2.2 **Condition.** Lessor shall deliver that portion of the Premises contained within the Building **("Unit")** to Lessee broom clean and free of debris on the Commencement Date or the Early Possession Date, whichever first occurs **("Start Date")**, and, so long as the required service contracts described in Paragraph 7.1(b) below are obtained by Lessee and in effect within thirty days following the Start Date, warrants that the existing electrical, plumbing, fire sprinkler, lighting, heating, ventilating and air conditioning systems **("HVAC")**, loading doors, sump pumps, if any, and all other such elements in the Unit, other than those constructed by Lessee, shall be in good operating condition on said date, that the structural elements of the roof, bearing walls and foundation of the Unit shall be free of material defects, and that the Unit does not contain hazardous levels of any mold or fungi defined as toxic under applicable state or federal law. If a non-compliance with such warranty exists as of the Start Date, or if one of such systems or elements should malfunction or fail within the appropriate warranty period, Lessor shall, as Lessor's sole obligation with respect to such matter, except as otherwise provided in this Lease, promptly after receipt of written notice from Lessee setting forth with specificity the nature and extent of such non-compliance, malfunction or failure, rectify same at Lessor's expense. The warranty periods shall be as follows: (i) 6 months as to the HVAC systems, and (ii) 30 days as to the remaining systems and other elements of the Unit. If Lessee does not give Lessor the required notice within the appropriate warranty period, correction of any such non-compliance, malfunction or failure shall be the obligation of Lessee at Lessee's sole cost and expense (except for the repairs to the fire sprinkler systems, roof, foundations, and/or bearing walls - see Paragraph 7).

2.3 **Compliance.** Lessor warrants that to the best of its knowledge the improvements on the Premises and the Common Areas comply with the building codes that were in effect at the time that each such improvement, or portion thereof, was constructed, and also with all applicable laws, covenants or restrictions of record, regulations, and ordinances in effect on the Start Date **("Applicable Requirements")**. Said warranty does not apply to the use to which Lessee will put the Premises, modifications which may be required by the Americans with Disabilities Act or any similar laws as a result of Lessee's use (see Paragraph 49), or to any Alterations or Utility Installations (as defined in Paragraph 7.3(a)) made or to be made by Lessee. **NOTE: Lessee is responsible for determining whether or not the Applicable Requirements and especially the zoning are appropriate for Lessee's intended use, and acknowledges that past uses of the Premises may no longer be allowed.** If the Premises do not comply with said warranty, Lessor shall, except as otherwise provided, promptly after receipt of written notice from Lessee setting forth with specificity the nature and extent of such non-compliance, rectify the same at Lessor's expense. If Lessee does not give Lessor written notice of a non-compliance with this warranty within 6 months following the Start Date, correction of that non-compliance shall be the obligation of Lessee at Lessee's sole cost and expense. If the Applicable Requirements are hereafter changed so as to require during the term of this Lease the construction of an addition to or an alteration of the Unit, Premises and/or Building, the remediation of any Hazardous Substance, or the reinforcement or other physical modification of the

Unit, Premises and/or Building **("Capital Expenditure")**, Lessor and Lessee shall allocate the cost of such work as follows:

(a) Subject to Paragraph 2.3(c) below, if such Capital Expenditures are required as a result of the specific and unique use of the Premises by Lessee as compared with uses by tenants in general, Lessee shall be fully responsible for the cost thereof, provided, however that if such Capital Expenditure is required during the last 2 years of this Lease and the cost thereof exceeds 6 months' Base Rent, Lessee may instead terminate this Lease unless Lessor notifies Lessee, in writing, within 10 days after receipt of Lessee's termination notice that Lessor has elected to pay the difference between the actual cost thereof and the amount equal to 6 months' Base Rent. If Lessee elects termination, Lessee shall immediately cease the use of the Premises which requires such Capital Expenditure and deliver to Lessor written notice specifying a termination date at least 90 days thereafter. Such termination date shall, however, in no event be earlier than the last day that Lesssee could legally utilize the Premises without commencing such Capital Expenditure.

(b) If such Capital Expenditure is not the result of the specific and unique use of the Premises by Lessee (such as, governmentally mandated seismic modifications), then Lessor shall pay for such Capital Expenditure and Lessee shall only be obligated to pay, each month during the remainder of the term of this Lease or any extension thereof, on the date that on which the Base Rent is due, an amount equal to 1/144th of the portion of such costs reasonably attributable to the Premises. Lessee shall pay interest on the balance but may prepay its obligation at any time. If, however, such Capital Expenditure is required during the last 2 years of this Lease or if Lessor reasonably determines that it is not economically feasible to pay its share thereof, Lessor shall have the option to terminate this Lease upon 90 days prior written notice to Lessee unless Lessee notifies Lessor, in writing, within 10 days after receipt of Lessor's termination notice that Lessee will pay for such Capital Expenditure. If Lessor does not elect to terminate, and fails to tender its share of any such Capital Expenditure, Lessee may advance such funds and deduct same, with interest, from Rent until Lessor's share of such costs have been fully paid. If Lessee is unable to finance Lessor's share, or if the balance of the Rent due and payable for the remainder of this Lease is not sufficient to fully reimburse Lessee on an offset basis, Lessee shall have the right to terminate this Lease upon 30 days written notice to Lessor.

(c) Notwithstanding the above, the provisions concerning Capital Expenditures are intended to apply only to non-voluntary, unexpected, and new Applicable Requirements. If the Capital Expenditures are instead triggered by Lessee as a result of an actual or proposed change in use, change in intensity of use, or modification to the Premises then, and in that event, Lessee shall either: (i) immediately cease such changed use or intensity of use and/or take such other steps as may be necessary to eliminate the requirement for such Capital Expenditure, or (ii) complete such Capital Expenditure at its own expense. Lessee shall not have any right to terminate this Lease.

2.4 **Acknowledgements**. Lessee acknowledges that: (a) it has been given an opportunity to inspect and measure the Premises, (b) it has been advised by Lessor and/or Brokers to satisfy itself with respect to the size and condition of the Premises (including but not limited to the electrical, HVAC and fire sprinkler systems, security, environmental aspects, and compliance with Applicable Requirements and the Americans with Disabilities Act), and their suitability for Lessee's intended use, (c) Lessee has made such investigation as it deems necessary with reference to such matters and assumes all responsibility therefor as the same relate to its occupancy of the Premises, (d) it is not relying on any representation as to the size of the Premises made by Brokers or Lessor, (e) the square footage of the Premises was not material to Lessee's decision to lease the Premises and pay the Rent stated herein, and (f) neither Lessor, Lessor's agents, nor Brokers have made any oral or written representations or warranties with respect to said matters other than as set forth in this Lease. In addition, Lessor acknowledges that: (i) Brokers have made no representations, promises or warranties concerning Lessee's ability to honor the Lease or suitability to occupy the Premises, and (ii) it is Lessor's sole responsibility to investigate the financial capability and/or suitability of all proposed tenants.

2.5 **Lessee as Prior Owner/Occupant**. The warranties made by Lessor in Paragraph 2 shall be of no force or effect if immediately prior to the Start Date Lessee was the owner or occupant of the Premises. In such event, Lessee shall be responsible for any necessary corrective work. *Lessee is purchasing the existing business from the current Lessee and is considered a Prior Owner/Occupant for the purposes of this Lease.*

2.6 **Vehicle Parking**. Lessee shall be entitled to use the number of parking spaces specified in Paragraph 1.2(b) on those portions of the Common Areas designated from time to time by Lessor for parking. Lessee shall not use more parking spaces than said number. Said parking spaces shall be used for parking by vehicles no larger than full-size passenger automobiles or pick-up trucks, herein called **"Permitted Size Vehicles."** Lessor may regulate the loading and unloading of vehicles by adopting Rules and Regulations as provided in Paragraph 2.9. No vehicles other than Permitted Size Vehicles may be parked in the Common Area without the prior written permission of Lessor. In addition:

(a) Lessee shall not permit or allow any vehicles that belong to or are controlled by Lessee or Lessee's employees, suppliers, shippers, customers, contractors or invitees to be loaded, unloaded, or parked in areas other than those designated by Lessor for such activities.

(b) Lessee shall not service or store any vehicles in the Common Areas.

(c) If Lessee permits or allows any of the prohibited activities described in this Paragraph 2.6, then Lessor shall have the right, without notice, in addition to such other rights and remedies that it may have, to remove or tow away the vehicle involved and charge the cost to Lessee, which cost shall be immediately payable upon demand by Lessor.

2.7 **Common Areas - Definition**. The term **"Common Areas"** is defined as all areas and facilities outside the Premises and within the exterior boundary line of the Project and interior utility raceways and installations within the Unit that are provided and designated by the Lessor from time to time for the general non-exclusive use of Lessor, Lessee and other tenants of the Project and their respective employees, suppliers, shippers,

customers, contractors and invitees, including parking areas, loading and unloading areas, trash areas, roadways, walkways, driveways and landscaped areas.

2.8 **Common Areas - Lessee's Rights.** Lessor grants to Lessee, for the benefit of Lessee and its employees, suppliers, shippers, contractors, customers and invitees, during the term of this Lease, the non-exclusive right to use, in common with others entitled to such use, the Common Areas as they exist from time to time, subject to any rights, powers, and privileges reserved by Lessor under the terms hereof or under the terms of any rules and regulations or restrictions governing the use of the Project. Under no circumstances shall the right herein granted to use the Common Areas be deemed to include the right to store any property, temporarily or permanently, in the Common Areas. Any such storage shall be permitted only by the prior written consent of Lessor or Lessor's designated agent, which consent may be revoked at any time. In the event that any unauthorized storage shall occur then Lessor shall have the right, without notice, in addition to such other rights and remedies that it may have, to remove the property and charge the cost to Lessee, which cost shall be immediately payable upon demand by Lessor.

2.9 **Common Areas - Rules and Regulations.** Lessor or such other person(s) as Lessor may appoint shall have the exclusive control and management of the Common Areas and shall have the right, from time to time, to establish, modify, amend and enforce reasonable rules and regulations **("Rules and Regulations")** for the management, safety, care, and cleanliness of the grounds, the parking and unloading of vehicles and the preservation of good order, as well as for the convenience of other occupants or tenants of the Building and the Project and their invitees. Lessee agrees to abide by and conform to all such Rules and Regulations, and shall use its best efforts to cause its employees, suppliers, shippers, customers, contractors and invitees to so abide and conform. Lessor shall not be responsible to Lessee for the non-compliance with said Rules and Regulations by other tenants of the Project.

2.10 **Common Areas - Changes.** Lessor shall have the right, in Lessor's sole discretion, from time to time:

(a) To make changes to the Common Areas, including, without limitation, changes in the location, size, shape and number of driveways, entrances, parking spaces, parking areas, loading and unloading areas, ingress, egress, direction of traffic, landscaped areas, walkways and utility raceways;

(b) To close temporarily any of the Common Areas for maintenance purposes so long as reasonable access to the Premises remains available;

(c) To designate other land outside the boundaries of the Project to be a part of the Common Areas;

(d) To add additional buildings and improvements to the Common Areas;

(e) To use the Common Areas while engaged in making additional improvements, repairs or alterations to the Project, or any portion thereof; and

(f) To do and perform such other acts and make such other changes in, to or with respect to the Common Areas and Project as Lessor may, in the exercise of sound business judgment, deem to be appropriate.

3. **Term.**

3.1 **Term.** The Commencement Date, Expiration Date and Original Term of this Lease are as specified in Paragraph 1.3.

3.2 **Early Possession.** Any provision herein granting Lessee Early Possession of the Premises is subject to and conditioned upon the Premises being available for such possession prior to the Commencement Date. Any grant of Early Possession only conveys a non-exclusive right to occupy the Premises. If Lessee totally or partially occupies the Premises prior to the Commencement Date, the obligation to pay Base Rent shall be abated for the period of such Early Possession. All other terms of this Lease (including but not limited to the obligations to pay Lessee's Share of Common Area Operating Expenses, Real Property Taxes and insurance premiums and to maintain the Premises) shall be in effect during such period. Any such Early Possession shall not affect the Expiration Date.

3.3 **Delay In Possession.** Lessor agrees to use its best commercially reasonable efforts to deliver possession of the Premises to Lessee by the Commencement Date. If, despite said efforts, Lessor is unable to deliver possession by such date, Lessor shall not be subject to any liability therefor, nor shall such failure affect the validity of this Lease or change the Expiration Date. Lessee shall not, however, be obligated to pay Rent or perform its other obligations until Lessor delivers possession of the Premises and any period of rent abatement that Lessee would otherwise have enjoyed shall run from the date of delivery of possession and continue for a period equal to what Lessee would otherwise have enjoyed under the terms hereof, but minus any days of delay caused by the acts or omissions of Lessee. If possession is not delivered within 60 days after the Commencement Date, as the same may be extended under the terms of any Work Letter executed by Parties, Lessee may, at its option, by notice in writing within 10 days after the end of such 60 day period, cancel this Lease, in which event the Parties shall be discharged from all obligations hereunder. If such written notice is not received by Lessor within said 10 day period, Lessee's right to cancel shall terminate. If possession of the Premises is not delivered within 120 days after the Commencement Date, this Lease shall terminate unless other agreements are reached between Lessor and Lessee, in writing.

3.4 **Lessee Compliance.** Lessor shall not be required to tender possession of the Premises to Lessee until Lessee complies with its obligation to provide evidence of insurance (Paragraph 8.5). Pending delivery of such evidence, Lessee shall be required to perform all of its obligations under this Lease from and after the Start Date, including the payment of Rent, notwithstanding Lessor's election to withhold possession pending receipt of such evidence of insurance. Further, if Lessee is required to perform any other conditions prior to or concurrent with the Start Date, the Start Date shall occur but Lessor may elect to withhold possession until such conditions are satisfied.

4. **Rent.**

4.1 **Rent Defined.** All monetary obligations of Lessee to Lessor under the terms of this Lease (except for the Security Deposit) are deemed to be rent **("Rent")**.

4.2 **Common Area Operating Expenses.** Lessee shall pay to Lessor during the term hereof, in addition to the Base Rent, Lessee's Share (as specified in Paragraph 1.6) of all Common Area Operating Expenses, as hereinafter defined, during each calendar year of the term of this Lease, in accordance with the following provisions:

(a) **"Common Area Operating Expenses"** are defined, for purposes of this Lease, as all costs incurred by Lessor relating to the ownership and operation of the Project, including, but not limited to, the following:

(i) The operation, repair and maintenance, in neat, clean, good order and condition , and if necessary the replacement, of the following:

(aa) The Common Areas and Common Area improvements, including parking areas, loading and unloading areas, trash areas, roadways, parkways, walkways, driveways, landscaped areas, bumpers, irrigation systems, Common Area lighting facilities, fences and gates, elevators, roofs, exterior walls of the buildings, building systems and roof drainage systems.

(bb) Exterior signs and any tenant directories.

(cc) Any fire sprinkler systems.

(dd) All other areas and improvements that are within the exterior boundaries of the Project but outside of the Premises and/or any other space occupied by a tenant.

(ii) The cost of water, gas, electricity and telephone to service the Common Areas and any utilities not separately metered.

(iii) The cost of trash disposal, pest control services, property management, security services, owners' association dues and fees, the cost to repaint the exterior of any structures and the cost of any environmental inspections.

(iv) Reserves set aside for maintenance, repair and/or replacement of Common Area improvements and equipment.

(v) Real Property Taxes (as defined in Paragraph 10).

(vi) The cost of the premiums for the insurance maintained by Lessor pursuant to Paragraph 8.

(vii) Any deductible portion of an insured loss concerning the Building or the Common Areas.

(viii) Auditors', accountants' and attorneys' fees and costs related to the operation, maintenance, repair and replacement of the Project.

(ix) The cost of any capital improvement to the Building or the Project not covered under the provisions of Paragraph 2.3 provided; however, that Lessor shall allocate the cost of any such capital improvement over a 12 year period and Lessee shall not be required to pay more than Lessee's Share of 1/144th of the cost of such capital improvement in any given month.

(x) The cost of any other services to be provided by Lessor that are stated elsewhere in this Lease to be a Common Area Operating Expense.

(b) Any Common Area Operating Expenses and Real Property Taxes that are specifically attributable to the Unit, the Building or to any other building in the Project or to the operation, repair and maintenance thereof, shall be allocated entirely to such Unit, Building, or other building. However, any Common Area Operating Expenses and Real Property Taxes that are not specifically attributable to the Building or to any other building or to the operation, repair and maintenance thereof, shall be equitably allocated by Lessor to all buildings in the Project.

(c) The inclusion of the improvements, facilities and services set forth in Subparagraph 4.2(a) shall not be deemed to impose an obligation upon Lessor to either have said improvements or facilities or to provide those services unless the Project already has the same, Lessor already provides the services, or Lessor has agreed elsewhere in this Lease to provide the same or some of them.

(d) Lessee's Share of Common Area Operating Expenses is payable monthly on the same day as the Base Rent is due hereunder. The amount of such payments shall be based on Lessor's estimate of the annual Common Area Operating Expenses. Within 60 days after written request (but not more than once each year) Lessor shall deliver to Lessee a reasonably detailed statement showing Lessee's Share of the actual Common Area Operating Expenses for the preceding year. If Lessee's payments during such year exceed Lessee's Share, Lessor shall credit the amount of such over-payment against Lessee's future payments. If Lessee's payments during such year were less than Lessee's Share, Lessee shall pay to Lessor the amount of the deficiency within 10 days after delivery by Lessor to Lessee of the statement.

(e) Common Area Operating Expenses shall not include any expenses paid by any tenant directly to third parties, or as to which Lessor is otherwise reimbursed by any third party, other tenant, or insurance proceeds.

4.3 **Payment.** Lessee shall cause payment of Rent to be received by Lessor in lawful money of the United States, without offset or deduction (except as specifically permitted in this Lease), on or before the day on which it is due. All monetary amounts shall be rounded to the nearest whole dollar. In the event that any invoice prepared by Lessor is inaccurate such inaccuracy shall not constitute a waiver and Lessee shall be obligated to pay the amount set forth in this Lease. Rent for any period during the term hereof which is for less than one full calendar month shall be prorated based upon the actual number of days of said month. Payment of Rent shall be made to Lessor at its address stated herein or to such other persons or place as Lessor may from time to time designate in writing. Acceptance of a payment which is less than the amount then due shall not be a waiver of Lessor's rights to the balance of such Rent, regardless of Lessor's endorsement of any check so stating. In the event that any check, draft, or other

instrument of payment given by Lessee to Lessor is dishonored for any reason, Lessee agrees to pay to Lessor the sum of $25 in addition to any Late Charge and Lessor, at its option, may require all future Rent be paid by cashier's check. Payments will be applied first to accrued late charges and attorney's fees, second to accrued interest, then to Base Rent and Common Area Operating Expenses, and any remaining amount to any other outstanding charges or costs.

5. **Security Deposit.** Lessee shall deposit with Lessor upon execution hereof the Security Deposit as security for Lessee's faithful performance of its obligations under this Lease. If Lessee fails to pay Rent, or otherwise Defaults under this Lease, Lessor may use, apply or retain all or any portion of said Security Deposit for the payment of any amount already due Lessor, for Rents which will be due in the future, and/ or to reimburse or compensate Lessor for any liability, expense, loss or damage which Lessor may suffer or incur by reason thereof. If Lessor uses or applies all or any portion of the Security Deposit, Lessee shall within 10 days after written request therefor deposit monies with Lessor sufficient to restore said Security Deposit to the full amount required by this Lease. If the Base Rent increases during the term of this Lease, Lessee shall, upon written request from Lessor, deposit additional monies with Lessor so that the total amount of the Security Deposit shall at all times bear the same proportion to the increased Base Rent as the initial Security Deposit bore to the initial Base Rent. Should the Agreed Use be amended to accommodate a material change in the business of Lessee or to accommodate a sublessee or assignee, Lessor shall have the right to increase the Security Deposit to the extent necessary, in Lessor's reasonable judgment, to account for any increased wear and tear that the Premises may suffer as a result thereof. If a change in control of Lessee occurs during this Lease and following such change the financial condition of Lessee is, in Lessor's reasonable judgment, significantly reduced, Lessee shall deposit such additional monies with Lessor as shall be sufficient to cause the Security Deposit to be at a commercially reasonable level based on such change in financial condition. Lessor shall not be required to keep the Security Deposit separate from its general accounts. Within 90 days after the expiration or termination of this Lease, Lessor shall return that portion of the Security Deposit not used or applied by Lessor. No part of the Security Deposit shall be considered to be held in trust, to bear interest or to be prepayment for any monies to be paid by Lessee under this Lease.

6. **Use.**

6.1 **Use.** Lessee shall use and occupy the Premises only for the Agreed Use, or any other legal use which is reasonably comparable thereto, and for no other purpose. Lessee shall not use or permit the use of the Premises in a manner that is unlawful, creates damage, waste or a nuisance, or that disturbs occupants of or causes damage to neighboring premises or properties. Other than guide, signal and seeing eye dogs, Lessee shall not keep or allow in the Premises any pets, animals, birds, fish, or reptiles. Lessor shall not unreasonably withhold or delay its consent to any written request for a modification of the Agreed Use, so long as the same will not impair the structural integrity of the Building or the mechanical or electrical systems therein, and/or is not significantly more burdensome to the Project. If Lessor elects to withhold consent, Lessor shall within 7 days after such request give written notification of same, which notice shall include an explanation of Lessor's objections to the change in the Agreed Use.

6.2 **Hazardous Substances.**

(a) **Reportable Uses Require Consent.** The term **"Hazardous Substance"** as used in this Lease shall mean any product, substance, or waste whose presence, use, manufacture, disposal, transportation, or release, either by itself or in combination with other materials expected to be on the Premises, is either: (i) potentially injurious to the public health, safety or welfare, the environment or the Premises, (ii) regulated or monitored by any governmental authority, or (iii) a basis for potential liability of Lessor to any governmental agency or third party under any applicable statute or common law theory. Hazardous Substances shall include, but not be limited to, hydrocarbons, petroleum, gasoline, and/or crude oil or any products, by-products or fractions thereof. Lessee shall not engage in any activity in or on the Premises which constitutes a Reportable Use of Hazardous Substances without the express prior written consent of Lessor and timely compliance (at Lessee's expense) with all Applicable Requirements. **"Reportable Use"** shall mean (i) the installation or use of any above or below ground storage tank, (ii) the generation, possession, storage, use, transportation, or disposal of a Hazardous Substance that requires a permit from, or with respect to which a report, notice, registration or business plan is required to be filed with, any governmental authority, and/or (iii) the presence at the Premises of a Hazardous Substance with respect to which any Applicable Requirements requires that a notice be given to persons entering or occupying the Premises or neighboring properties. Notwithstanding the foregoing, Lessee may use any ordinary and customary materials reasonably required to be used in the normal course of the Agreed Use, ordinary office supplies (copier toner, liquid paper, glue, etc.) and common household cleaning materials, so long as such use is in compliance with all Applicable Requirements, is not a Reportable Use, and does not expose the Premises or neighboring property to any meaningful risk of contamination or damage or expose Lessor to any liability therefor. In addition, Lessor may condition its consent to any Reportable Use upon receiving such additional assurances as Lessor reasonably deems necessary to protect itself, the public, the Premises and/or the environment against damage, contamination, injury and/or liability, including, but not limited to, the installation (and removal on or before Lease expiration or termination) of protective modifications (such as concrete encasements) and/or increasing the Security Deposit.

(b) **Duty to Inform Lessor.** If Lessee knows, or has reasonable cause to believe, that a Hazardous Substance has come to be located in, on, under or about the Premises, other than as previously consented to by Lessor, Lessee shall immediately give written notice of such fact to Lessor, and provide Lessor with a copy of any report, notice, claim or other documentation which it has concerning the presence of such Hazardous Substance.

(c) **Lessee Remediation.** Lessee shall not cause or permit any Hazardous Substance to be spilled or released in, on, under, or about the Premises (including through the plumbing or sanitary sewer system) and shall promptly, at Lessee's expense, comply with all Applicable Requirements and take all investigatory and/or remedial action reasonably recommended, whether or not formally ordered or required, for

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the cleanup of any contamination of, and for the maintenance, security and/or monitoring of the Premises or neighboring properties, that was caused or materially contributed to by Lessee, or pertaining to or involving any Hazardous Substance brought onto the Premises during the term of this Lease, by or for Lessee, or any third party.

(d) **Lessee Indemnification.** Lessee shall indemnify, defend and hold Lessor, its agents, employees, lenders and ground lessor, if any, harmless from and against any and all loss of rents and/or damages, liabilities, judgments, claims, expenses, penalties, and attorneys' and consultants' fees arising out of or involving any Hazardous Substance brought onto the Premises by or for Lessee, or any third party (provided, however, that Lessee shall have no liability under this Lease with respect to underground migration of any Hazardous Substance under the Premises from areas outside of the Project not caused or contributed to by Lessee). Lessee's obligations shall include, but not be limited to, the effects of any contamination or injury to person, property or the environment created or suffered by Lessee, and the cost of investigation, removal, remediation, restoration and/or abatement, and shall survive the expiration or termination of this Lease. No termination, cancellation or release agreement entered into by Lessor and Lessee shall release Lessee from its obligations under this Lease with respect to Hazardous Substances, unless specifically so agreed by Lessor in writing at the time of such agreement.

(e) **Lessor Indemnification.** Except as otherwise provided in paragraph 8.7, Lessor and its successors and assigns shall indemnify, defend, reimburse and hold Lessee, its employees and lenders, harmless from and against any and all environmental damages, including the cost of remediation, which are suffered as a direct result of Hazardous Substances on the Premises prior to Lessee taking possession or which are caused by the gross negligence or willful misconduct of Lessor, its agents or employees. Lessor's obligations, as and when required by the Applicable Requirements, shall include, but not be limited to, the cost of investigation, removal, remediation, restoration and/or abatement, and shall survive the expiration or termination of this Lease.

(f) **Investigations and Remediations.** Lessor shall retain the responsibility and pay for any investigations or remediation measures required by governmental entities having jurisdiction with respect to the existence of Hazardous Substances on the Premises prior to the Lessee taking possession, unless such remediation measure is required as a result of Lessee's use (including "Alterations", as defined in paragraph 7.3(a) below) of the Premises, in which event Lessee shall be responsible for such payment. Lessee shall cooperate fully in any such activities at the request of Lessor, including allowing Lessor and Lessor's agents to have reasonable access to the Premises at reasonable times in order to carry out Lessor's investigative and remedial responsibilities.

(g) **Lessor Termination Option.** If a Hazardous Substance Condition (see Paragraph 9.1(e)) occurs during the term of this Lease, unless Lessee is legally responsible therefor (in which case Lessee shall make the investigation and remediation thereof required by the Applicable Requirements and this Lease shall continue in full force and effect, but subject to Lessor's rights under Paragraph 6.2(d) and Paragraph 13), Lessor may, at Lessor's option, either (i) investigate and remediate such Hazardous Substance Condition, if required, as soon as reasonably possible at Lessor's expense, in which event this Lease shall continue in full force and effect, or (ii) if the estimated cost to remediate such condition exceeds 12 times the then monthly Base Rent or $100,000, whichever is greater, give written notice to Lessee, within 30 days after receipt by Lessor of knowledge of the occurrence of such Hazardous Substance Condition, of Lessor's desire to terminate this Lease as of the date 60 days following the date of such notice. In the event Lessor elects to give a termination notice, Lessee may, within 10 days thereafter, give written notice to Lessor of Lessee's commitment to pay the amount by which the cost of the remediation of such Hazardous Substance Condition exceeds an amount equal to 12 times the then monthly Base Rent or $100,000, whichever is greater. Lessee shall provide Lessor with said funds or satisfactory assurance thereof within 30 days following such commitment. In such event, this Lease shall continue in full force and effect, and Lessor shall proceed to make such remediation as soon as reasonably possible after the required funds are available. If Lessee does not give such notice and provide the required funds or assurance thereof within the time provided, this Lease shall terminate as of the date specified in Lessor's notice of termination.

6.3 **Lessee's Compliance with Applicable Requirements.** Except as otherwise provided in this Lease, Lessee shall, at Lessee's sole expense, fully, diligently and in a timely manner, materially comply with all Applicable Requirements, the requirements of any applicable fire insurance underwriter or rating bureau, and the recommendations of Lessor's engineers and/or consultants which relate in any manner to such Requirements, without regard to whether said Requirements are now in effect or become effective after the Start Date. Lessee shall, within 10 days after receipt of Lessor's written request, provide Lessor with copies of all permits and other documents, and other information evidencing Lessee's compliance with any Applicable Requirements specified by Lessor, and shall immediately upon receipt, notify Lessor in writing (with copies of any documents involved) of any threatened or actual claim, notice, citation, warning, complaint or report pertaining to or involving the failure of Lessee or the Premises to comply with any Applicable Requirements. Likewise, Lessee shall immediately give written notice to Lessor of: (i) any water damage to the Premises and any suspected seepage, pooling, dampness or other condition conducive to the production of mold; or (ii) any mustiness or other odors that might indicate the presence of mold in the Premises.

6.4 **Inspection; Compliance.** Lessor and Lessor's **"Lender"** (as defined in Paragraph 30) and consultants shall have the right to enter into Premises at any time, in the case of an emergency, and otherwise at reasonable times after reasonable notice, for the purpose of inspecting the condition of the Premises and for verifying compliance by Lessee with this Lease. The cost of any such inspections shall be paid by Lessor, unless a violation of Applicable Requirements, or a Hazardous Substance Condition (see Paragraph 9.1) is found to exist or be imminent, or the inspection is requested or ordered by a governmental authority. In such case, Lessee shall upon request reimburse Lessor for the cost of such inspection, so long as such inspection is reasonably related to the violation or contamination. In addition, Lessee shall provide copies of all relevant material safety data sheets (**MSDS**) to Lessor within 10 days of the receipt of written request therefor.

7. **Maintenance; Repairs, Utility Installations; Trade Fixtures and Alterations.**

7.1 **Lessee's Obligations.**

(a) **In General.** Subject to the provisions of Paragraph 2.2 (Condition), 2.3 (Compliance), 6.3 (Lessee's Compliance with Applicable Requirements), 7.2 (Lessor's Obligations), 9 (Damage or Destruction), and 14 (Condemnation), Lessee shall, at Lessee's sole expense, keep the Premises, Utility Installations (intended for Lessee's exclusive use, no matter where located), and Alterations in good order, condition and repair (whether or not the portion of the Premises requiring repairs, or the means of repairing the same, are reasonably or readily accessible to Lessee, and whether or not the need for such repairs occurs as a result of Lessee's use, any prior use, the elements or the age of such portion of the Premises), including, but not limited to, all equipment or facilities, such as plumbing, HVAC equipment, electrical, lighting facilities, boilers, pressure vessels, fixtures, interior walls, interior surfaces of exterior walls, ceilings, floors, windows, doors, plate glass, and skylights but excluding any items which are the responsibility of Lessor pursuant to Paragraph 7.2. Lessee, in keeping the Premises in good order, condition and repair, shall exercise and perform good maintenance practices, specifically including the procurement and maintenance of the service contracts required by Paragraph 7.1(b) below. Lessee's obligations shall include restorations, replacements or renewals when necessary to keep the Premises and all improvements thereon or a part thereof in good order, condition and state of repair.

(b) **Service Contracts.** Lessee shall, at Lessee's sole expense, procure and maintain contracts, with copies to Lessor, in customary form and substance for, and with contractors specializing and experienced in the maintenance of the following equipment and improvements, if any, if and when installed on the Premises: (i) HVAC equipment, (ii) boiler and pressure vessels, and (iii) clarifiers. However, Lessor reserves the right, upon notice to Lessee, to procure and maintain any or all of such service contracts, and Lessee shall reimburse Lessor, upon demand, for the cost thereof.

(c) **Failure to Perform.** If Lessee fails to perform Lessee's obligations under this Paragraph 7.1, Lessor may enter upon the Premises after 10 days' prior written notice to Lessee (except in the case of an emergency, in which case no notice shall be required), perform such obligations on Lessee's behalf, and put the Premises in good order, condition and repair, and Lessee shall promptly pay to Lessor a sum equal to 115% of the cost thereof.

(d) **Replacement.** Subject to Lessee's indemnification of Lessor as set forth in Paragraph 8.7 below, and without relieving Lessee of liability resulting from Lessee's failure to exercise and perform good maintenance practices, if an item described in Paragraph 7.1(b) cannot be repaired other than at a cost which is in excess of 50% of the cost of replacing such item, then such item shall be replaced by Lessor, and the cost thereof shall be prorated between the Parties and Lessee shall only be obligated to pay, each month during the remainder of the term of this Lease, on the date on which Base Rent is due, an amount equal to the product of multiplying the cost of such replacement by a fraction, the numerator of which is one, and the denominator of which is 144 (ie. 1/144th of the cost per month). Lessee shall pay Interest on the unamortized balance but may prepay its obligation at any time.

7.2 **Lessor's Obligations.** Subject to the provisions of Paragraphs 2.2 (Condition), 2.3 (Compliance), 4.2 (Common Area Operating Expenses), 6 (Use), 7.1 (Lessee's Obligations), 9 (Damage or Destruction) and 14 (Condemnation), Lessor, subject to reimbursement pursuant to Paragraph 4.2, shall keep in good order, condition and repair the foundations, exterior walls, structural condition of interior bearing walls, exterior roof, fire sprinkler system, Common Area fire alarm and/or smoke detection systems, fire hydrants, parking lots, walkways, parkways, driveways, landscaping, fences, signs and utility systems serving the Common Areas and all parts thereof, as well as providing the services for which there is a Common Area Operating Expense pursuant to Paragraph 4.2. Lessor shall not be obligated to paint the exterior or interior surfaces of exterior walls nor shall Lessor be obligated to maintain, repair or replace windows, doors or plate glass of the Premises. Lessee expressly waives the benefit of any statute now or hereafter in effect to the extent it is inconsistent with the terms of this Lease.

7.3 **Utility Installations; Trade Fixtures; Alterations.**

(a) **Definitions.** The term **"Utility Installations"** refers to all floor and window coverings, air and/or vacuum lines, power panels, electrical distribution, security and fire protection systems, communication cabling, lighting fixtures, HVAC equipment, plumbing, and fencing in or on the Premises. The term **"Trade Fixtures"** shall mean Lessee's machinery and equipment that can be removed without doing material damage to the Premises. The term **"Alterations"** shall mean any modification of the improvements, other than Utility Installations or Trade Fixtures, whether by addition or deletion. **"Lessee Owned Alterations and/or Utility Installations"** are defined as Alterations and/or Utility Installations made by Lessee that are not yet owned by Lessor pursuant to Paragraph 7.4(a).

(b) **Consent.** Lessee shall not make any Alterations or Utility Installations to the Premises without Lessor's prior written consent. Lessee may, however, make non-structural Alterations or Utility Installations to the interior of the Premises (excluding the roof) without such consent but upon notice to Lessor, as long as they are not visible from the outside, do not involve puncturing, relocating or removing the roof or any existing walls, will not affect the electrical, plumbing, HVAC, and/or life safety systems, and the cumulative cost thereof during this Lease as extended does not exceed a sum equal to 3 month's Base Rent in the aggregate or a sum equal to one month's Base Rent in any one year. Notwithstanding the foregoing, Lessee shall not make or permit any roof penetrations and/or install anything on the roof without the prior written approval of Lessor. Lessor may, as a precondition to granting such approval, require Lessee to utilize a contractor chosen and/or approved by Lessor. Any Alterations or Utility Installations that Lessee shall desire to make and which require the consent of the Lessor shall be presented to Lessor in written form with detailed plans. Consent shall be deemed conditioned upon Lessee's: (i) acquiring all applicable governmental permits, (ii) furnishing Lessor with copies of both the permits and the plans and specifications prior to commencement of the work, and (iii) compliance with all conditions of said permits and other

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Applicable Requirements in a prompt and expeditious manner. Any Alterations or Utility Installations shall be performed in a workmanlike manner with good and sufficient materials. Lessee shall promptly upon completion furnish Lessor with as-built plans and specifications. For work which costs an amount in excess of one month's Base Rent, Lessor may condition its consent upon Lessee providing a lien and completion bond in an amount equal to 150% of the estimated cost of such Alteration or Utility Installation and/or upon Lessee's posting an additional Security Deposit with Lessor.

(c) **Liens; Bonds.** Lessee shall pay, when due, all claims for labor or materials furnished or alleged to have been furnished to or for Lessee at or for use on the Premises, which claims are or may be secured by any mechanic's or materialman's lien against the Premises or any interest therein. Lessee shall give Lessor not less than 10 days notice prior to the commencement of any work in, on or about the Premises, and Lessor shall have the right to post notices of non-responsibility. If Lessee shall contest the validity of any such lien, claim or demand, then Lessee shall, at its sole expense defend and protect itself, Lessor and the Premises against the same and shall pay and satisfy any such adverse judgment that may be rendered thereon before the enforcement thereof. If Lessor shall require, Lessee shall furnish a surety bond in an amount equal to 150% of the amount of such contested lien, claim or demand, indemnifying Lessor against liability for the same. If Lessor elects to participate in any such action, Lessee shall pay Lessor's attorneys' fees and costs.

7.4 **Ownership; Removal; Surrender; and Restoration.**

(a) **Ownership.** Subject to Lessor's right to require removal or elect ownership as hereinafter provided, all Alterations and Utility Installations made by Lessee shall be the property of Lessee, but considered a part of the Premises. Lessor may, at any time, elect in writing to be the owner of all or any specified part of the Lessee Owned Alterations and Utility Installations. Unless otherwise instructed per paragraph 7.4(b) hereof, all Lessee Owned Alterations and Utility Installations shall, at the expiration or termination of this Lease, become the property of Lessor and be surrendered by Lessee with the Premises.

(b) **Removal.** By delivery to Lessee of written notice from Lessor not earlier than 90 and not later than 30 days prior to the end of the term of this Lease, Lessor may require that any or all Lessee Owned Alterations or Utility Installations be removed by the expiration or termination of this Lease. Lessor may require the removal at any time of all or any part of any Lessee Owned Alterations or Utility Installations made without the required consent.

(c) **Surrender; Restoration.** Lessee shall surrender the Premises by the Expiration Date or any earlier termination date, with all of the improvements, parts and surfaces thereof broom clean and free of debris, and in good operating order, condition and state of repair, ordinary wear and tear excepted. "Ordinary wear and tear" shall not include any damage or deterioration that would have been prevented by good maintenance practice. Notwithstanding the foregoing, if this Lease is for 12 months or less, then Lessee shall surrender the Premises in the same condition as delivered to Lessee on the Start Date with NO allowance for ordinary wear and tear. Lessee shall repair any damage occasioned by the installation, maintenance or removal of Trade Fixtures, Lessee owned Alterations and/or Utility Installations, furnishings, and equipment as well as the removal of any storage tank installed by or for Lessee. Lessee shall also completely remove from the Premises any and all Hazardous Substances brought onto the Premises by or for Lessee, or any third party (except Hazardous Substances which were deposited via underground migration from areas outside of the Project) even if such removal would require Lessee to perform or pay for work that exceeds statutory requirements. Trade Fixtures shall remain the property of Lessee and shall be removed by Lessee. Any personal property of Lessee not removed on or before the Expiration Date or any earlier termination date shall be deemed to have been abandoned by Lessee and may be disposed of or retained by Lessor as Lessor may desire. The failure by Lessee to timely vacate the Premises pursuant to this Paragraph 7.4(c) without the express written consent of Lessor shall constitute a holdover under the provisions of Paragraph 26 below.

8. **Insurance; Indemnity.**

8.1 **Payment of Premiums.** The cost of the premiums for the insurance policies required to be carried by Lessor, pursuant to Paragraphs 8.2(b), 8.3(a) and 8.3(b), shall be a Common Area Operating Expense. Premiums for policy periods commencing prior to, or extending beyond, the term of this Lease shall be prorated to coincide with the corresponding Start Date or Expiration Date.

8.2 **Liability Insurance.**

(a) **Carried by Lessee.** Lessee shall obtain and keep in force a Commercial General Liability policy of insurance protecting Lessee and Lessor as an additional insured against claims for bodily injury, personal injury and property damage based upon or arising out of the ownership, use, occupancy or maintenance of the Premises and all areas appurtenant thereto. Such insurance shall be on an occurrence basis providing single limit coverage in an amount not less than $1,000,000 per occurrence with an annual aggregate of not less than $2,000,000. Lessee shall add Lessor as an additional insured by means of an endorsement at least as broad as the Insurance Service Organization's "Additional Insured-Managers or Lessors of Premises" Endorsement. The policy shall not contain any intra-insured exclusions as between insured persons or organizations, but shall include coverage for liability assumed under this Lease as an **"insured contract"** for the performance of Lessee's indemnity obligations under this Lease. The limits of said insurance shall not, however, limit the liability of Lessee nor relieve Lessee of any obligation hereunder. Lessee shall provide an endorsement on its liability policy(ies) which provides that its insurance shall be primary to and not contributory with any similar insurance carried by Lessor, whose insurance shall be considered excess insurance only.

(b) **Carried by Lessor.** Lessor shall maintain liability insurance as described in Paragraph 8.2(a), in addition to, and not in lieu of, the insurance required to be maintained by Lessee. Lessee shall not be named as an additional insured therein.

8.3 **Property Insurance - Building, Improvements and Rental Value.**

(a) **Building and Improvements.** Lessor shall obtain and keep in force a policy or policies of insurance in the name of

Lessor, with loss payable to Lessor, any ground-lessor, and to any Lender insuring loss or damage to the Premises. The amount of such insurance shall be equal to the full insurable replacement cost of the Premises, as the same shall exist from time to time, or the amount required by any Lender, but in no event more than the commercially reasonable and available insurable value thereof. Lessee Owned Alterations and Utility Installations, Trade Fixtures, and Lessee's personal property shall be insured by Lessee not by Lessor. If the coverage is available and commercially appropriate, such policy or policies shall insure against all risks of direct physical loss or damage (except the perils of flood and/or earthquake unless required by a Lender), including coverage for debris removal and the enforcement of any Applicable Requirements requiring the upgrading, demolition, reconstruction or replacement of any portion of the Premises as the result of a covered loss. Said policy or policies shall also contain an agreed valuation provision in lieu of any coinsurance clause, waiver of subrogation, and inflation guard protection causing an increase in the annual property insurance coverage amount by a factor of not less than the adjusted U.S. Department of Labor Consumer Price Index for All Urban Consumers for the city nearest to where the Premises are located. If such insurance coverage has a deductible clause, the deductible amount shall not exceed $5,000 per occurrence.

(b) **Rental Value.** Lessor shall also obtain and keep in force a policy or policies in the name of Lessor with loss payable to Lessor and any Lender, insuring the loss of the full Rent for one year with an extended period of indemnity for an additional 180 days ("Rental Value Insurance"). Said insurance shall contain an agreed valuation provision in lieu of any coinsurance clause, and the amount of coverage shall be adjusted annually to reflect the projected Rent otherwise payable by Lessee, for the next 12 month period.

(c) **Adjacent Premises.** Lessee shall pay for any increase in the premiums for the property insurance of the Building and for the Common Areas or other buildings in the Project if said increase is caused by Lessee's acts, omissions, use or occupancy of the Premises.

(d) **Lessee's Improvements.** Since Lessor is the Insuring Party, Lessor shall not be required to insure Lessee Owned Alterations and Utility Installations unless the item in question has become the property of Lessor under the terms of this Lease.

8.4 **Lessee's Property; Business Interruption Insurance; Worker's Compensation Insurance.**

(a) **Property Damage.** Lessee shall obtain and maintain insurance coverage on all of Lessee's personal property, Trade Fixtures, and Lessee Owned Alterations and Utility Installations. Such insurance shall be full replacement cost coverage with a deductible of not to exceed $1,000 per occurrence. The proceeds from any such insurance shall be used by Lessee for the replacement of personal property, Trade Fixtures and Lessee Owned Alterations and Utility Installations.

(b) **Business Interruption.** Lessee shall obtain and maintain loss of income and extra expense insurance in amounts as will reimburse Lessee for direct or indirect loss of earnings attributable to all perils commonly insured against by prudent lessees in the business of Lessee or attributable to prevention of access to the Premises as a result of such perils.

(c) **Worker's Compensation Insurance.** Lessee shall obtain and maintain Worker's Compensation Insurance in such amount as may be required by Applicable Requirements. Such policy shall include a 'Waiver of Subrogation' endorsement. Lessee shall provide Lessor with a copy of such endorsement along with the certificate of insurance or copy of the policy required by paragraph 8.5.

(d) **No Representation of Adequate Coverage.** Lessor makes no representation that the limits or forms of coverage of insurance specified herein are adequate to cover Lessee's property, business operations or obligations under this Lease.

8.5 **Insurance Policies.** Insurance required herein shall be by companies maintaining during the policy term a "General Policyholders Rating" of at least A-, VII, as set forth in the most current issue of "Best's Insurance Guide", or such other rating as may be required by a Lender. Lessee shall not do or permit to be done anything which invalidates the required insurance policies. Lessee shall, prior to the Start Date, deliver to Lessor certified copies of policies of such insurance or certificates with copies of the required endorsements evidencing the existence and amounts of the required insurance. No such policy shall be cancelable or subject to modification except after 30 days prior written notice to Lessor. Lessee shall, at least 10 days prior to the expiration of such policies, furnish Lessor with evidence of renewals or "insurance binders" evidencing renewal thereof, or Lessor may order such insurance and charge the cost thereof to Lessee, which amount shall be payable by Lessee to Lessor upon demand. Such policies shall be for a term of at least one year, or the length of the remaining term of this Lease, whichever is less. If either Party shall fail to procure and maintain the insurance required to be carried by it, the other Party may, but shall not be required to, procure and maintain the same.

8.6 **Waiver of Subrogation.** Without affecting any other rights or remedies, Lessee and Lessor each hereby release and relieve the other, and waive their entire right to recover damages against the other, for loss of or damage to its property arising out of or incident to the perils required to be insured against herein. The effect of such releases and waivers is not limited by the amount of insurance carried or required, or by any deductibles applicable hereto. The Parties agree to have their respective property damage insurance carriers waive any right to subrogation that such companies may have against Lessor or Lessee, as the case may be, so long as the insurance is not invalidated thereby.

8.7 **Indemnity.** Except for Lessor's gross negligence or willful misconduct, Lessee shall indemnify, protect, defend and hold harmless the Premises, Lessor and its agents, Lessor's master or ground lessor, partners and Lenders, from and against any and all claims, loss of rents and/or damages, liens, judgments, penalties, attorneys' and consultants' fees, expenses and/or liabilities arising out of, involving, or in connection with, the use and/or occupancy of the Premises by Lessee. If any action or proceeding is brought against Lessor by reason of any of the foregoing matters, Lessee shall upon notice defend the same at Lessee's expense by counsel reasonably satisfactory to Lessor and Lessor shall cooperate with Lessee in such defense. Lessor need not have first paid any such claim in order to be defended or indemnified.

8.8 **Exemption of Lessor and its Agents from Liability.** Notwithstanding the negligence or breach of this Lease by Lessor or its agents, neither Lessor nor its agents shall be liable under any circumstances for: (i) injury or damage to the person or goods, wares, merchandise or

other property of Lessee, Lessee's employees, contractors, invitees, customers, or any other person in or about the Premises, whether such damage or injury is caused by or results from fire, steam, electricity, gas, water or rain, indoor air quality, the presence of mold or from the breakage, leakage, obstruction or other defects of pipes, fire sprinklers, wires, appliances, plumbing, HVAC or lighting fixtures, or from any other cause, whether the said injury or damage results from conditions arising upon the Premises or upon other portions of the Building, or from other sources or places, (ii) any damages arising from any act or neglect of any other tenant of Lessor or from the failure of Lessor or its agents to enforce the provisions of any other lease in the Project, or (iii) injury to Lessee's business or for any loss of income or profit therefrom. Instead, it is intended that Lessee's sole recourse in the event of such damages or injury be to file a claim on the insurance policy(ies) that Lessee is required to maintain pursuant to the provisions of paragraph 8.

8.9 **Failure to Provide Insurance.** Lessee acknowledges that any failure on its part to obtain or maintain the insurance required herein will expose Lessor to risks and potentially cause Lessor to incur costs not contemplated by this Lease, the extent of which will be extremely difficult to ascertain. Accordingly, for any month or portion thereof that Lessee does not maintain the required insurance and/or does not provide Lessor with the required binders or certificates evidencing the existence of the required insurance, the Base Rent shall be automatically increased, without any requirement for notice to Lessee, by an amount equal to 10% of the then existing Base Rent or $100, whichever is greater. The parties agree that such increase in Base Rent represents fair and reasonable compensation for the additional risk/costs that Lessor will incur by reason of Lessee's failure to maintain the required insurance. Such increase in Base Rent shall in no event constitute a waiver of Lessee's Default or Breach with respect to the failure to maintain such insurance, prevent the exercise of any of the other rights and remedies granted hereunder, nor relieve Lessee of its obligation to maintain the insurance specified in this Lease.

9. **Damage or Destruction.**

9.1 **Definitions.**

(a) **"Premises Partial Damage"** shall mean damage or destruction to the improvements on the Premises, other than Lessee Owned Alterations and Utility Installations, which can reasonably be repaired in 3 months or less from the date of the damage or destruction, and the cost thereof does not exceed a sum equal to 6 month's Base Rent. Lessor shall notify Lessee in writing within 30 days from the date of the damage or destruction as to whether or not the damage is Partial or Total.

(b) **"Premises Total Destruction"** shall mean damage or destruction to the improvements on the Premises, other than Lessee Owned Alterations and Utility Installations and Trade Fixtures, which cannot reasonably be repaired in 3 months or less from the date of the damage or destruction and/or the cost thereof exceeds a sum equal to 6 month's Base Rent. Lessor shall notify Lessee in writing within 30 days from the date of the damage or destruction as to whether or not the damage is Partial or Total.

(c) **"Insured Loss"** shall mean damage or destruction to improvements on the Premises, other than Lessee Owned Alterations and Utility Installations and Trade Fixtures, which was caused by an event required to be covered by the insurance described in Paragraph 8.3(a), irrespective of any deductible amounts or coverage limits involved.

(d) **"Replacement Cost"** shall mean the cost to repair or rebuild the improvements owned by Lessor at the time of the occurrence to their condition existing immediately prior thereto, including demolition, debris removal and upgrading required by the operation of Applicable Requirements, and without deduction for depreciation.

(e) **"Hazardous Substance Condition"** shall mean the occurrence or discovery of a condition involving the presence of, or a contamination by, a Hazardous Substance, in, on, or under the Premises which requires restoration.

9.2 **Partial Damage - Insured Loss.** If a Premises Partial Damage that is an Insured Loss occurs, then Lessor shall, at Lessor's expense, repair such damage (but not Lessee's Trade Fixtures or Lessee Owned Alterations and Utility Installations) as soon as reasonably possible and this Lease shall continue in full force and effect; provided, however, that Lessee shall, at Lessor's election, make the repair of any damage or destruction the total cost to repair of which is $10,000 or less, and, in such event, Lessor shall make any applicable insurance proceeds available to Lessee on a reasonable basis for that purpose. Notwithstanding the foregoing, if the required insurance was not in force or the insurance proceeds are not sufficient to effect such repair, the Insuring Party shall promptly contribute the shortage in proceeds as and when required to complete said repairs. In the event, however, such shortage was due to the fact that, by reason of the unique nature of the improvements, full replacement cost insurance coverage was not commercially reasonable and available, Lessor shall have no obligation to pay for the shortage in insurance proceeds or to fully restore the unique aspects of the Premises unless Lessee provides Lessor with the funds to cover same, or adequate assurance thereof, within 10 days following receipt of written notice of such shortage and request therefor. If Lessor receives said funds or adequate assurance thereof within said 10 day period, the party responsible for making the repairs shall complete them as soon as reasonably possible and this Lease shall remain in full force and effect. If such funds or assurance are not received, Lessor may nevertheless elect by written notice to Lessee within 10 days thereafter to: (i) make such restoration and repair as is commercially reasonable with Lessor paying any shortage in proceeds, in which case this Lease shall remain in full force and effect, or (ii) have this Lease terminate 30 days thereafter. Lessee shall not be entitled to reimbursement of any funds contributed by Lessee to repair any such damage or destruction. Premises Partial Damage due to flood or earthquake shall be subject to Paragraph 9.3, notwithstanding that there may be some insurance coverage, but the net proceeds of any such insurance shall be made available for the repairs if made by either Party.

9.3 **Partial Damage - Uninsured Loss.** If a Premises Partial Damage that is not an Insured Loss occurs, unless caused by a negligent or willful act of Lessee (in which event Lessee shall make the repairs at Lessee's expense), Lessor may either: (i) repair such damage as soon as reasonably possible at Lessor's expense, in which event this Lease shall continue in full force and effect, or (ii) terminate this Lease by giving

written notice to Lessee within 30 days after receipt by Lessor of knowledge of the occurrence of such damage. Such termination shall be effective 60 days following the date of such notice. In the event Lessor elects to terminate this Lease, Lessee shall have the right within 10 days after receipt of the termination notice to give written notice to Lessor of Lessee's commitment to pay for the repair of such damage without reimbursement from Lessor. Lessee shall provide Lessor with said funds or satisfactory assurance thereof within 30 days after making such commitment. In such event this Lease shall continue in full force and effect, and Lessor shall proceed to make such repairs as soon as reasonably possible after the required funds are available. If Lessee does not make the required commitment, this Lease shall terminate as of the date specified in the termination notice.

9.4 **Total Destruction.** Notwithstanding any other provision hereof, if a Premises Total Destruction occurs, this Lease shall terminate 60 days following such Destruction. If the damage or destruction was caused by the gross negligence or willful misconduct of Lessee, Lessor shall have the right to recover Lessor's damages from Lessee, except as provided in Paragraph 8.6.

9.5 **Damage Near End of Term.** If at any time during the last 6 months of this Lease there is damage for which the cost to repair exceeds one month's Base Rent, whether or not an Insured Loss, Lessor may terminate this Lease effective 60 days following the date of occurrence of such damage by giving a written termination notice to Lessee within 30 days after the date of occurrence of such damage. Notwithstanding the foregoing, if Lessee at that time has an exercisable option to extend this Lease or to purchase the Premises, then Lessee may preserve this Lease by, (a) exercising such option and (b) providing Lessor with any shortage in insurance proceeds (or adequate assurance thereof) needed to make the repairs on or before the earlier of (i) the date which is 10 days after Lessee's receipt of Lessor's written notice purporting to terminate this Lease, or (ii) the day prior to the date upon which such option expires. If Lessee duly exercises such option during such period and provides Lessor with funds (or adequate assurance thereof) to cover any shortage in insurance proceeds, Lessor shall, at Lessor's commercially reasonable expense, repair such damage as soon as reasonably possible and this Lease shall continue in full force and effect. If Lessee fails to exercise such option and provide such funds or assurance during such period, then this Lease shall terminate on the date specified in the termination notice and Lessee's option shall be extinguished.

9.6 **Abatement of Rent; Lessee's Remedies.**

(a) **Abatement.** In the event of Premises Partial Damage or Premises Total Destruction or a Hazardous Substance Condition for which Lessee is not responsible under this Lease, the Rent payable by Lessee for the period required for the repair, remediation or restoration of such damage shall be abated in proportion to the degree to which Lessee's use of the Premises is impaired, but not to exceed the proceeds received from the Rental Value insurance. All other obligations of Lessee hereunder shall be performed by Lessee, and Lessor shall have no liability for any such damage, destruction, remediation, repair or restoration except as provided herein.

(b) **Remedies.** If Lessor is obligated to repair or restore the Premises and does not commence, in a substantial and meaningful way, such repair or restoration within 90 days after such obligation shall accrue, Lessee may, at any time prior to the commencement of such repair or restoration, give written notice to Lessor and to any Lenders of which Lessee has actual notice, of Lessee's election to terminate this Lease on a date not less than 60 days following the giving of such notice. If Lessee gives such notice and such repair or restoration is not commenced within 30 days thereafter, this Lease shall terminate as of the date specified in said notice. If the repair or restoration is commenced within such 30 days, this Lease shall continue in full force and effect. "Commence" shall mean either the unconditional authorization of the preparation of the required plans, or the beginning of the actual work on the Premises, whichever first occurs.

9.7 **Termination; Advance Payments.** Upon termination of this Lease pursuant to Paragraph 6.2(g) or Paragraph 9, an equitable adjustment shall be made concerning advance Base Rent and any other advance payments made by Lessee to Lessor. Lessor shall, in addition, return to Lessee so much of Lessee's Security Deposit as has not been, or is not then required to be, used by Lessor.

10. **Real Property Taxes.**

10.1 **Definition.** As used herein, the term **"Real Property Taxes"** shall include any form of assessment; real estate, general, special, ordinary or extraordinary, or rental levy or tax (other than inheritance, personal income or estate taxes); improvement bond; and/or license fee imposed upon or levied against any legal or equitable interest of Lessor in the Project, Lessor's right to other income therefrom, and/or Lessor's business of leasing, by any authority having the direct or indirect power to tax and where the funds are generated with reference to the Project address and where the proceeds so generated are to be applied by the city, county or other local taxing authority of a jurisdiction within which the Project is located. The term "Real Property Taxes" shall also include any tax, fee, levy, assessment or charge, or any increase therein: (i) imposed by reason of events occurring during the term of this Lease, including but not limited to, a change in the ownership of the Project, (ii) a change in the improvements thereon, and/or (iii) levied or assessed on machinery or equipment provided by Lessor to Lessee pursuant to this Lease. In calculating Real Property Taxes for any calendar year, the Real Property Taxes for any real estate tax year shall be included in the calculation of Real Property Taxes for such calendar year based upon the number of days which such calendar year and tax year have in common.

10.2 **Payment of Taxes.** Except as otherwise provided in Paragraph 10.3, Lessor shall pay the Real Property Taxes applicable to the Project, and said payments shall be included in the calculation of Common Area Operating Expenses in accordance with the provisions of Paragraph 4.2.

10.3 **Additional Improvements.** Common Area Operating Expenses shall not include Real Property Taxes specified in the tax assessor's records and work sheets as being caused by additional improvements placed upon the Project by other lessees or by Lessor for the exclusive enjoyment of such other lessees. Notwithstanding Paragraph 10.2 hereof, Lessee shall, however, pay to Lessor at the time Common Area Operating Expenses are payable under Paragraph 4.2, the entirety of any increase in Real Property Taxes if assessed solely by reason of Alterations,

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Trade Fixtures or Utility Installations placed upon the Premises by Lessee or at Lessee's request or by reason of any alterations or improvements to the Premises made by Lessor subsequent to the execution of this Lease by the Parties.

10.4 **Joint Assessment.** If the Building is not separately assessed, Real Property Taxes allocated to the Building shall be an equitable proportion of the Real Property Taxes for all of the land and improvements included within the tax parcel assessed, such proportion to be determined by Lessor from the respective valuations assigned in the assessor's work sheets or such other information as may be reasonably available. Lessor's reasonable determination thereof, in good faith, shall be conclusive.

10.5 **Personal Property Taxes.** Lessee shall pay prior to delinquency all taxes assessed against and levied upon Lessee Owned Alterations and Utility Installations, Trade Fixtures, furnishings, equipment and all personal property of Lessee contained in the Premises. When possible, Lessee shall cause its Lessee Owned Alterations and Utility Installations, Trade Fixtures, furnishings, equipment and all other personal property to be assessed and billed separately from the real property of Lessor. If any of Lessee's said property shall be assessed with Lessor's real property, Lessee shall pay Lessor the taxes attributable to Lessee's property within 10 days after receipt of a written statement setting forth the taxes applicable to Lessee's property.

11. **Utilities and Services.** Lessee shall pay for all water, gas, heat, light, power, telephone, trash disposal and other utilities and services supplied to the Premises, together with any taxes thereon. Notwithstanding the provisions of Paragraph 4.2, if at any time in Lessor's sole judgment, Lessor determines that Lessee is using a disproportionate amount of water, electricity or other commonly metered utilities, or that Lessee is generating such a large volume of trash as to require an increase in the size of the trash receptacle and/or an increase in the number of times per month that it is emptied, then Lessor may increase Lessee's Base Rent by an amount equal to such increased costs. There shall be no abatement of Rent and Lessor shall not be liable in any respect whatsoever for the inadequacy, stoppage, interruption or discontinuance of any utility or service due to riot, strike, labor dispute, breakdown, accident, repair or other cause beyond Lessor's reasonable control or in cooperation with governmental request or directions.

12. **Assignment and Subletting.**

12.1 **Lessor's Consent Required.**

(a) Lessee shall not voluntarily or by operation of law assign, transfer, mortgage or encumber (collectively, **"assign or assignment"**) or sublet all or any part of Lessee's interest in this Lease or in the Premises without Lessor's prior written consent.

(b) Unless Lessee is a corporation and its stock is publicly traded on a national stock exchange, a change in the control of Lessee shall constitute an assignment requiring consent. The transfer, on a cumulative basis, of 25% or more of the voting control of Lessee shall constitute a change in control for this purpose.

(c) The involvement of Lessee or its assets in any transaction, or series of transactions (by way of merger, sale, acquisition, financing, transfer, leveraged buy-out or otherwise), whether or not a formal assignment or hypothecation of this Lease or Lessee's assets occurs, which results or will result in a reduction of the Net Worth of Lessee by an amount greater than 25% of such Net Worth as it was represented at the time of the execution of this Lease or at the time of the most recent assignment to which Lessor has consented, or as it exists immediately prior to said transaction or transactions constituting such reduction, whichever was or is greater, shall be considered an assignment of this Lease to which Lessor may withhold its consent. **"Net Worth of Lessee"** shall mean the net worth of Lessee (excluding any guarantors) established under generally accepted accounting principles.

(d) An assignment or subletting without consent shall, at Lessor's option, be a Default curable after notice per Paragraph 13.1(c), or a noncurable Breach without the necessity of any notice and grace period. If Lessor elects to treat such unapproved assignment or subletting as a noncurable Breach, Lessor may either: (i) terminate this Lease, or (ii) upon 30 days written notice, increase the monthly Base Rent to 110% of the Base Rent then in effect. Further, in the event of such Breach and rental adjustment, (i) the purchase price of any option to purchase the Premises held by Lessee shall be subject to similar adjustment to 110% of the price previously in effect, and (ii) all fixed and non-fixed rental adjustments scheduled during the remainder of the Lease term shall be increased to 110% of the scheduled adjusted rent.

(e) Lessee's remedy for any breach of Paragraph 12.1 by Lessor shall be limited to compensatory damages and/or injunctive relief.

(f) Lessor may reasonably withhold consent to a proposed assignment or subletting if Lessee is in Default at the time consent is requested.

(g) Notwithstanding the foregoing, allowing a de minimis portion of the Premises, ie. 20 square feet or less, to be used by a third party vendor in connection with the installation of a vending machine or payphone shall not constitute a subletting.

12.2 **Terms and Conditions Applicable to Assignment and Subletting.**

(a) Regardless of Lessor's consent, no assignment or subletting shall: (i) be effective without the express written assumption by such assignee or sublessee of the obligations of Lessee under this Lease, (ii) release Lessee of any obligations hereunder, or (iii) alter the primary liability of Lessee for the payment of Rent or for the performance of any other obligations to be performed by Lessee.

(b) Lessor may accept Rent or performance of Lessee's obligations from any person other than Lessee pending approval or disapproval of an assignment. Neither a delay in the approval or disapproval of such assignment nor the acceptance of Rent or performance shall constitute a waiver or estoppel of Lessor's right to exercise its remedies for Lessee's Default or Breach.

(c) Lessor's consent to any assignment or subletting shall not constitute consent to any subsequent assignment or subletting.

(d) In the event of any Default or Breach by Lessee, Lessor may proceed directly against Lessee, any Guarantors or anyone else responsible for the performance of Lessee's obligations under this Lease, including any assignee or sublessee, without first exhausting Lessor's remedies against any other person or entity responsible therefore to Lessor, or any security held by Lessor.

(e) Each request for consent to an assignment or subletting shall be in writing, accompanied by information relevant to Lessor's determination as to the financial and operational responsibility and appropriateness of the proposed assignee or sublessee, including but not limited to the intended use and/or required modification of the Premises, if any, together with a fee of $500 as consideration for Lessor's considering and processing said request. Lessee agrees to provide Lessor with such other or additional information and/or documentation as may be reasonably requested. (See also Paragraph 36)

(f) Any assignee of, or sublessee under, this Lease shall, by reason of accepting such assignment, entering into such sublease, or entering into possession of the Premises or any portion thereof, be deemed to have assumed and agreed to conform and comply with each and every term, covenant, condition and obligation herein to be observed or performed by Lessee during the term of said assignment or sublease, other than such obligations as are contrary to or inconsistent with provisions of an assignment or sublease to which Lessor has specifically consented to in writing.

(g) Lessor's consent to any assignment or subletting shall not transfer to the assignee or sublessee any Option granted to the original Lessee by this Lease unless such transfer is specifically consented to by Lessor in writing. (See Paragraph 39.2)

12.3 **Additional Terms and Conditions Applicable to Subletting.** The following terms and conditions shall apply to any subletting by Lessee of all or any part of the Premises and shall be deemed included in all subleases under this Lease whether or not expressly incorporated therein:

(a) Lessee hereby assigns and transfers to Lessor all of Lessee's interest in all Rent payable on any sublease, and Lessor may collect such Rent and apply same toward Lessee's obligations under this Lease; provided, however, that until a Breach shall occur in the performance of Lessee's obligations, Lessee may collect said Rent. In the event that the amount collected by Lessor exceeds Lessee's then outstanding obligations any such excess shall be refunded to Lessee. Lessor shall not, by reason of the foregoing or any assignment of such sublease, nor by reason of the collection of Rent, be deemed liable to the sublessee for any failure of Lessee to perform and comply with any of Lessee's obligations to such sublessee. Lessee hereby irrevocably authorizes and directs any such sublessee, upon receipt of a written notice from Lessor stating that a Breach exists in the performance of Lessee's obligations under this Lease, to pay to Lessor all Rent due and to become due under the sublease. Sublessee shall rely upon any such notice from Lessor and shall pay all Rents to Lessor without any obligation or right to inquire as to whether such Breach exists, notwithstanding any claim from Lessee to the contrary.

(b) In the event of a Breach by Lessee, Lessor may, at its option, require sublessee to attorn to Lessor, in which event Lessor shall undertake the obligations of the sublessor under such sublease from the time of the exercise of said option to the expiration of such sublease; provided, however, Lessor shall not be liable for any prepaid rents or security deposit paid by such sublessee to such sublessor or for any prior Defaults or Breaches of such sublessor.

(c) Any matter requiring the consent of the sublessor under a sublease shall also require the consent of Lessor.

(d) No sublessee shall further assign or sublet all or any part of the Premises without Lessor's prior written consent.

(e) Lessor shall deliver a copy of any notice of Default or Breach by Lessee to the sublessee, who shall have the right to cure the Default of Lessee within the grace period, if any, specified in such notice. The sublessee shall have a right of reimbursement and offset from and against Lessee for any such Defaults cured by the sublessee.

13. **Default; Breach; Remedies.**

13.1 **Default; Breach.** A **"Default"** is defined as a failure by the Lessee to comply with or perform any of the terms, covenants, conditions or Rules and Regulations under this Lease. A **"Breach"** is defined as the occurrence of one or more of the following Defaults, and the failure of Lessee to cure such Default within any applicable grace period:

(a) The abandonment of the Premises; or the vacating of the Premises without providing a commercially reasonable level of security, or where the coverage of the property insurance described in Paragraph 8.3 is jeopardized as a result thereof, or without providing reasonable assurances to minimize potential vandalism.

(b) The failure of Lessee to make any payment of Rent or any Security Deposit required to be made by Lessee hereunder, whether to Lessor or to a third party, when due, to provide reasonable evidence of insurance or surety bond, or to fulfill any obligation under this Lease which endangers or threatens life or property, where such failure continues for a period of 3 business days following written notice to Lessee. THE ACCEPTANCE BY LESSOR OF A PARTIAL PAYMENT OF RENT OR SECURITY DEPOSIT SHALL NOT CONSTITUTE A WAIVER OF ANY OF LESSOR'S RIGHTS, INCLUDING LESSOR'S RIGHT TO RECOVER POSSESSION OF THE PREMISES.

(c) The failure of Lessee to allow Lessor and/or its agents access to the Premises or the commission of waste, act or acts constituting public or private nuisance, and/or an illegal activity on the Premises by Lessee, where such actions continue for a period of 3 business days following written notice to Lessee.

(d) The failure by Lessee to provide (i) reasonable written evidence of compliance with Applicable Requirements, (ii) the service contracts, (iii) the rescission of an unauthorized assignment or subletting, (iv) an Estoppel Certificate or financial statements, (v) a requested subordination, (vi) evidence concerning any guaranty and/or Guarantor, (vii) any document requested under Paragraph 41, (viii) material data safety sheets (MSDS), or (ix) any other documentation or information which Lessor may reasonably require of Lessee under the terms of this Lease, where

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any such failure continues for a period of 10 days following written notice to Lessee.

(e) A Default by Lessee as to the terms, covenants, conditions or provisions of this Lease, or of the rules adopted under Paragraph 2.9 hereof, other than those described in subparagraphs 13.1(a), (b), (c) or (d), above, where such Default continues for a period of 30 days after written notice; provided, however, that if the nature of Lessee's Default is such that more than 30 days are reasonably required for its cure, then it shall not be deemed to be a Breach if Lessee commences such cure within said 30 day period and thereafter diligently prosecutes such cure to completion.

(f) The occurrence of any of the following events: (i) the making of any general arrangement or assignment for the benefit of creditors; (ii) becoming a **"debtor"** as defined in 11 U.S.C. § 101 or any successor statute thereto (unless, in the case of a petition filed against Lessee, the same is dismissed within 60 days); (iii) the appointment of a trustee or receiver to take possession of substantially all of Lessee's assets located at the Premises or of Lessee's interest in this Lease, where possession is not restored to Lessee within 30 days; or (iv) the attachment, execution or other judicial seizure of substantially all of Lessee's assets located at the Premises or of Lessee's interest in this Lease, where such seizure is not discharged within 30 days; provided, however, in the event that any provision of this subparagraph is contrary to any applicable law, such provision shall be of no force or effect, and not affect the validity of the remaining provisions.

(g) The discovery that any financial statement of Lessee or of any Guarantor given to Lessor was materially false.

(h) If the performance of Lessee's obligations under this Lease is guaranteed: (i) the death of a Guarantor, (ii) the termination of a Guarantor's liability with respect to this Lease other than in accordance with the terms of such guaranty, (iii) a Guarantor's becoming insolvent or the subject of a bankruptcy filing, (iv) a Guarantor's refusal to honor the guaranty, or (v) a Guarantor's breach of its guaranty obligation on an anticipatory basis, and Lessee's failure, within 60 days following written notice of any such event, to provide written alternative assurance or security, which, when coupled with the then existing resources of Lessee, equals or exceeds the combined financial resources of Lessee and the Guarantors that existed at the time of execution of this Lease.

13.2 **Remedies.** If Lessee fails to perform any of its affirmative duties or obligations, within 10 days after written notice (or in case of an emergency, without notice), Lessor may, at its option, perform such duty or obligation on Lessee's behalf, including but not limited to the obtaining of reasonably required bonds, insurance policies, or governmental licenses, permits or approvals. Lessee shall pay to Lessor an amount equal to 115% of the costs and expenses incurred by Lessor in such performance upon receipt of an invoice therefor. In the event of a Breach, Lessor may, with or without further notice or demand, and without limiting Lessor in the exercise of any right or remedy which Lessor may have by reason of such Breach:

(a) Terminate Lessee's right to possession of the Premises by any lawful means, in which case this Lease shall terminate and Lessee shall immediately surrender possession to Lessor. In such event Lessor shall be entitled to recover from Lessee: (i) the unpaid Rent which had been earned at the time of termination; (ii) the worth at the time of award of the amount by which the unpaid rent which would have been earned after termination until the time of award exceeds the amount of such rental loss that the Lessee proves could have been reasonably avoided; (iii) the worth at the time of award of the amount by which the unpaid rent for the balance of the term after the time of award exceeds the amount of such rental loss that the Lessee proves could be reasonably avoided; and (iv) any other amount necessary to compensate Lessor for all the detriment proximately caused by the Lessee's failure to perform its obligations under this Lease or which in the ordinary course of things would be likely to result therefrom, including but not limited to the cost of recovering possession of the Premises, expenses of reletting, including necessary renovation and alteration of the Premises, reasonable attorneys' fees, and that portion of any leasing commission paid by Lessor in connection with this Lease applicable to the unexpired term of this Lease. The worth at the time of award of the amount referred to in provision (iii) of the immediately preceding sentence shall be computed by discounting such amount at the discount rate of the Federal Reserve Bank of the District within which the Premises are located at the time of award plus one percent. Efforts by Lessor to mitigate damages caused by Lessee's Breach of this Lease shall not waive Lessor's right to recover any damages to which Lessor is otherwise entitled. If termination of this Lease is obtained through the provisional remedy of unlawful detainer, Lessor shall have the right to recover in such proceeding any unpaid Rent and damages as are recoverable therein, or Lessor may reserve the right to recover all or any part thereof in a separate suit. If a notice and grace period required under Paragraph 13.1 was not previously given, a notice to pay rent or quit, or to perform or quit given to Lessee under the unlawful detainer statute shall also constitute the notice required by Paragraph 13.1. In such case, the applicable grace period required by Paragraph 13.1 and the unlawful detainer statute shall run concurrently, and the failure of Lessee to cure the Default within the greater of the two such grace periods shall constitute both an unlawful detainer and a Breach of this Lease entitling Lessor to the remedies provided for in this Lease and/or by said statute.

(b) Continue the Lease and Lessee's right to possession and recover the Rent as it becomes due, in which event Lessee may sublet or assign, subject only to reasonable limitations. Acts of maintenance, efforts to relet, and/or the appointment of a receiver to protect the Lessor's interests, shall not constitute a termination of the Lessee's right to possession.

(c) Pursue any other remedy now or hereafter available under the laws or judicial decisions of the state wherein the Premises are located. The expiration or termination of this Lease and/or the termination of Lessee's right to possession shall not relieve Lessee from liability under any indemnity provisions of this Lease as to matters occurring or accruing during the term hereof or by reason of Lessee's occupancy of the Premises.

13.3 **Inducement Recapture.** Any agreement for free or abated rent or other charges, or for the giving or paying by Lessor to or for Lessee of any cash or other bonus, inducement or consideration for Lessee's entering into this Lease, all of which concessions are hereinafter referred to as **"Inducement Provisions"**, shall be deemed conditioned upon Lessee's full and faithful performance of all of the terms, covenants and conditions

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of this Lease. Upon Breach of this Lease by Lessee, any such Inducement Provision shall automatically be deemed deleted from this Lease and of no further force or effect, and any rent, other charge, bonus, inducement or consideration theretofore abated, given or paid by Lessor under such an Inducement Provision shall be immediately due and payable by Lessee to Lessor, notwithstanding any subsequent cure of said Breach by Lessee. The acceptance by Lessor of rent or the cure of the Breach which initiated the operation of this paragraph shall not be deemed a waiver by Lessor of the provisions of this paragraph unless specifically so stated in writing by Lessor at the time of such acceptance.

13.4 **Late Charges.** Lessee hereby acknowledges that late payment by Lessee of Rent will cause Lessor to incur costs not contemplated by this Lease, the exact amount of which will be extremely difficult to ascertain. Such costs include, but are not limited to, processing and accounting charges, and late charges which may be imposed upon Lessor by any Lender. Accordingly, if any Rent shall not be received by Lessor within 5 days after such amount shall be due, then, without any requirement for notice to Lessee, Lessee shall immediately pay to Lessor a one-time late charge equal to 10% of each such overdue amount or $100, whichever is greater. The parties hereby agree that such late charge represents a fair and reasonable estimate of the costs Lessor will incur by reason of such late payment. Acceptance of such late charge by Lessor shall in no event constitute a waiver of Lessee's Default or Breach with respect to such overdue amount, nor prevent the exercise of any of the other rights and remedies granted hereunder. In the event that a late charge is payable hereunder, whether or not collected, for 3 consecutive installments of Base Rent, then notwithstanding any provision of this Lease to the contrary, Base Rent shall, at Lessor's option, become due and payable quarterly in advance.

13.5 **Interest.** Any monetary payment due Lessor hereunder, other than late charges, not received by Lessor, when due shall bear interest from the 31st day after it was due. The interest ("**Interest**") charged shall be computed at the rate of 10% per annum but shall not exceed the maximum rate allowed by law. Interest is payable in addition to the potential late charge provided for in Paragraph 13.4.

13.6 **Breach by Lessor.**

(a) **Notice of Breach.** Lessor shall not be deemed in breach of this Lease unless Lessor fails within a reasonable time to perform an obligation required to be performed by Lessor. For purposes of this Paragraph, a reasonable time shall in no event be less than 30 days after receipt by Lessor, and any Lender whose name and address shall have been furnished Lessee in writing for such purpose, of written notice specifying wherein such obligation of Lessor has not been performed; provided, however, that if the nature of Lessor's obligation is such that more than 30 days are reasonably required for its performance, then Lessor shall not be in breach if performance is commenced within such 30 day period and thereafter diligently pursued to completion.

(b) **Performance by Lessee on Behalf of Lessor.** In the event that neither Lessor nor Lender cures said breach within 30 days after receipt of said notice, or if having commenced said cure they do not diligently pursue it to completion, then Lessee may elect to cure said breach at Lessee's expense and offset from Rent the actual and reasonable cost to perform such cure, provided however, that such offset shall not exceed an amount equal to the greater of one month's Base Rent or the Security Deposit, reserving Lessee's right to reimbursement from Lessor for any such expense in excess of such offset. Lessee shall document the cost of said cure and supply said documentation to Lessor.

14. **Condemnation.** If the Premises or any portion thereof are taken under the power of eminent domain or sold under the threat of the exercise of said power (collectively "**Condemnation**"), this Lease shall terminate as to the part taken as of the date the condemning authority takes title or possession, whichever first occurs. If more than 10% of the floor area of the Unit, or more than 25% of the parking spaces is taken by Condemnation, Lessee may, at Lessee's option, to be exercised in writing within 10 days after Lessor shall have given Lessee written notice of such taking (or in the absence of such notice, within 10 days after the condemning authority shall have taken possession) terminate this Lease as of the date the condemning authority takes such possession. If Lessee does not terminate this Lease in accordance with the foregoing, this Lease shall remain in full force and effect as to the portion of the Premises remaining, except that the Base Rent shall be reduced in proportion to the reduction in utility of the Premises caused by such Condemnation. Condemnation awards and/or payments shall be the property of Lessor, whether such award shall be made as compensation for diminution in value of the leasehold, the value of the part taken, or for severance damages; provided, however, that Lessee shall be entitled to any compensation paid by the condemnor for Lessee's relocation expenses, loss of business goodwill and/or Trade Fixtures, without regard to whether or not this Lease is terminated pursuant to the provisions of this Paragraph. All Alterations and Utility Installations made to the Premises by Lessee, for purposes of Condemnation only, shall be considered the property of the Lessee and Lessee shall be entitled to any and all compensation which is payable therefor. In the event that this Lease is not terminated by reason of the Condemnation, Lessor shall repair any damage to the Premises caused by such Condemnation.

15. **Brokerage Fees.**

15.1 **Additional Commission.** In addition to the payments owed pursuant to Paragraph 1.10 above, and unless Lessor and the Brokers otherwise agree in writing, Lessor agrees that: (a) if Lessee exercises any Option, (b) if Lessee or anyone affiliated with Lessee acquires from Lessor any rights to the Premises or other premises owned by Lessor and located within the Project, (c) if Lessee remains in possession of the Premises, with the consent of Lessor, after the expiration of this Lease, or (d) if Base Rent is increased, whether by agreement or operation of an escalation clause herein, then, Lessor shall pay Brokers a fee in accordance with the fee schedule of the Brokers in effect at the time the Lease was executed.

15.2 **Assumption of Obligations.** Any buyer or transferee of Lessor's interest in this Lease shall be deemed to have assumed Lessor's obligation hereunder. Brokers shall be third party beneficiaries of the provisions of Paragraphs 1.10, 15, 22 and 31. If Lessor fails to pay to Brokers any amounts due as and for brokerage fees pertaining to this Lease when due, then such amounts shall accrue Interest. In addition, if Lessor fails to pay any amounts to Lessee's Broker when due, Lessee's Broker may send written notice to Lessor and Lessee of such failure and if Lessor fails to pay such amounts within 10 days after said notice, Lessee shall pay said monies to its Broker and offset such amounts against Rent. In addition, Lessee's

Broker shall be deemed to be a third party beneficiary of any commission agreement entered into by and/or between Lessor and Lessor's Broker for the limited purpose of collecting any brokerage fee owed.

15.3 **Representations and Indemnities of Broker Relationships.** Lessee and Lessor each represent and warrant to the other that it has had no dealings with any person, firm, broker or finder (other than the Brokers, if any) in connection with this Lease, and that no one other than said named Brokers is entitled to any commission or finder's fee in connection herewith. Lessee and Lessor do each hereby agree to indemnify, protect, defend and hold the other harmless from and against liability for compensation or charges which may be claimed by any such unnamed broker, finder or other similar party by reason of any dealings or actions of the indemnifying Party, including any costs, expenses, attorneys' fees reasonably incurred with respect thereto.

16. **Estoppel Certificates.**

(a) Each Party (as **"Responding Party"**) shall within 10 days after written notice from the other Party (the **"Requesting Party"**) execute, acknowledge and deliver to the Requesting Party a statement in writing in form similar to the then most current **"Estoppel Certificate"** form published by the AIR Commercial Real Estate Association, plus such additional information, confirmation and/or statements as may be reasonably requested by the Requesting Party.

(b) If the Responding Party shall fail to execute or deliver the Estoppel Certificate within such 10 day period, the Requesting Party may execute an Estoppel Certificate stating that: (i) the Lease is in full force and effect without modification except as may be represented by the Requesting Party, (ii) there are no uncured defaults in the Requesting Party's performance, and (iii) if Lessor is the Requesting Party, not more than one month's rent has been paid in advance. Prospective purchasers and encumbrancers may rely upon the Requesting Party's Estoppel Certificate, and the Responding Party shall be estopped from denying the truth of the facts contained in said Certificate. In addition, Lessee acknowledges that any failure on its part to provide such an Estoppel Certificate will expose Lessor to risks and potentially cause Lessor to incur costs not contemplated by this Lease, the extent of which will be extremely difficult to ascertain. Accordingly, should the Lessee fail to execute and/or deliver a requested Estoppel Certificate in a timely fashion the monthly Base Rent shall be automatically increased, without any requirement for notice to Lessee, by an amount equal to 10% of the then existing Base Rent or $100, whichever is greater for remainder of the Lease. The Parties agree that such increase in Base Rent represents fair and reasonable compensation for the additional risk/costs that Lessor will incur by reason of Lessee's failure to provide the Estoppel Certificate. Such increase in Base Rent shall in no event constitute a waiver of Lessee's Default or Breach with respect to the failure to provide the Estoppel Certificate nor prevent the exercise of any of the other rights and remedies granted hereunder.

(c) If Lessor desires to finance, refinance, or sell the Premises, or any part thereof, Lessee and all Guarantors shall within 10 days after written notice from Lessor deliver to any potential lender or purchaser designated by Lessor such financial statements as may be reasonably required by such lender or purchaser, including but not limited to Lessee's financial statements for the past 3 years. All such financial statements shall be received by Lessor and such lender or purchaser in confidence and shall be used only for the purposes herein set forth.

17. **Definition of Lessor.** The term **"Lessor"** as used herein shall mean the owner or owners at the time in question of the fee title to the Premises, or, if this is a sublease, of the Lessee's interest in the prior lease. In the event of a transfer of Lessor's title or interest in the Premises or this Lease, Lessor shall deliver to the transferee or assignee (in cash or by credit) any unused Security Deposit held by Lessor. Upon such transfer or assignment and delivery of the Security Deposit, as aforesaid, the prior Lessor shall be relieved of all liability with respect to the obligations and/or covenants under this Lease thereafter to be performed by the Lessor. Subject to the foregoing, the obligations and/or covenants in this Lease to be performed by the Lessor shall be binding only upon the Lessor as hereinabove defined.

18. **Severability.** The invalidity of any provision of this Lease, as determined by a court of competent jurisdiction, shall in no way affect the validity of any other provision hereof.

19. **Days.** Unless otherwise specifically indicated to the contrary, the word **"days"** as used in this Lease shall mean and refer to calendar days.

20. **Limitation on Liability.** The obligations of Lessor under this Lease shall not constitute personal obligations of Lessor, or its partners, members, directors, officers or shareholders, and Lessee shall look to the Premises, and to no other assets of Lessor, for the satisfaction of any liability of Lessor with respect to this Lease, and shall not seek recourse against Lessor's partners, members, directors, officers or shareholders, or any of their personal assets for such satisfaction.

21. **Time of Essence.** Time is of the essence with respect to the performance of all obligations to be performed or observed by the Parties under this Lease.

22. **No Prior or Other Agreements; Broker Disclaimer.** This Lease contains all agreements between the Parties with respect to any matter mentioned herein, and no other prior or contemporaneous agreement or understanding shall be effective. Lessor and Lessee each represents and warrants to the Brokers that it has made, and is relying solely upon, its own investigation as to the nature, quality, character and financial responsibility of the other Party to this Lease and as to the use, nature, quality and character of the Premises. Brokers have no responsibility with respect thereto or with respect to any default or breach hereof by either Party.

23. **Notices.**

23.1 **Notice Requirements.** All notices required or permitted by this Lease or applicable law shall be in writing and may be delivered in person (by hand or by courier) or may be sent by regular, certified or registered mail or U.S. Postal Service Express Mail, with postage prepaid, or by facsimile transmission, and shall be deemed sufficiently given if served in a manner specified in this Paragraph 23. The addresses noted adjacent to a

Party's signature on this Lease shall be that Party's address for delivery or mailing of notices. Either Party may by written notice to the other specify a different address for notice, except that upon Lessee's taking possession of the Premises, the Premises shall constitute Lessee's address for notice. A copy of all notices to Lessor shall be concurrently transmitted to such party or parties at such addresses as Lessor may from time to time hereafter designate in writing.

23.2 **Date of Notice.** Any notice sent by registered or certified mail, return receipt requested, shall be deemed given on the date of delivery shown on the receipt card, or if no delivery date is shown, the postmark thereon. If sent by regular mail the notice shall be deemed given 72 hours after the same is addressed as required herein and mailed with postage prepaid. Notices delivered by United States Express Mail or overnight courier that guarantees next day delivery shall be deemed given 24 hours after delivery of the same to the Postal Service or courier. Notices transmitted by facsimile transmission or similar means shall be deemed delivered upon telephone confirmation of receipt (confirmation report from fax machine is sufficient), provided a copy is also delivered via delivery or mail. If notice is received on a Saturday, Sunday or legal holiday, it shall be deemed received on the next business day.

24. **Waivers.**

(a) No waiver by Lessor of the Default or Breach of any term, covenant or condition hereof by Lessee, shall be deemed a waiver of any other term, covenant or condition hereof, or of any subsequent Default or Breach by Lessee of the same or of any other term, covenant or condition hereof. Lessor's consent to, or approval of, any act shall not be deemed to render unnecessary the obtaining of Lessor's consent to, or approval of, any subsequent or similar act by Lessee, or be construed as the basis of an estoppel to enforce the provision or provisions of this Lease requiring such consent.

(b) The acceptance of Rent by Lessor shall not be a waiver of any Default or Breach by Lessee. Any payment by Lessee may be accepted by Lessor on account of moneys or damages due Lessor, notwithstanding any qualifying statements or conditions made by Lessee in connection therewith, which such statements and/or conditions shall be of no force or effect whatsoever unless specifically agreed to in writing by Lessor at or before the time of deposit of such payment.

(c) THE PARTIES AGREE THAT THE TERMS OF THIS LEASE SHALL GOVERN WITH REGARD TO ALL MATTERS RELATED THERETO AND HEREBY WAIVE THE PROVISIONS OF ANY PRESENT OR FUTURE STATUTE TO THE EXTENT THAT SUCH STATUTE IS INCONSISTENT WITH THIS LEASE.

25. **Disclosures Regarding The Nature of a Real Estate Agency Relationship.**

(a) When entering into a discussion with a real estate agent regarding a real estate transaction, a Lessor or Lessee should from the outset understand what type of agency relationship or representation it has with the agent or agents in the transaction. Lessor and Lessee acknowledge being advised by the Brokers in this transaction, as follows:

(i) *Lessor's Agent.* A Lessor's agent under a listing agreement with the Lessor acts as the agent for the Lessor only. A Lessor's agent or subagent has the following affirmative obligations: To the Lessor: A fiduciary duty of utmost care, integrity, honesty, and loyalty in dealings with the Lessor. To the Lessee and the Lessor: (a) Diligent exercise of reasonable skills and care in performance of the agent's duties. (b) A duty of honest and fair dealing and good faith. (c) A duty to disclose all facts known to the agent materially affecting the value or desirability of the property that are not known to, or within the diligent attention and observation of, the Parties. An agent is not obligated to reveal to either Party any confidential information obtained from the other Party which does not involve the affirmative duties set forth above.

(ii) *Lessee's Agent.* An agent can agree to act as agent for the Lessee only. In these situations, the agent is not the Lessor's agent, even if by agreement the agent may receive compensation for services rendered, either in full or in part from the Lessor. An agent acting only for a Lessee has the following affirmative obligations. To the Lessee: A fiduciary duty of utmost care, integrity, honesty, and loyalty in dealings with the Lessee. To the Lessee and the Lessor: (a) Diligent exercise of reasonable skills and care in performance of the agent's duties. (b) A duty of honest and fair dealing and good faith. (c) A duty to disclose all facts known to the agent materially affecting the value or desirability of the property that are not known to, or within the diligent attention and observation of, the Parties. An agent is not obligated to reveal to either Party any confidential information obtained from the other Party which does not involve the affirmative duties set forth above.

(iii) *Agent Representing Both Lessor and Lessee.* A real estate agent, either acting directly or through one or more associate licenses, can legally be the agent of both the Lessor and the Lessee in a transaction, but only with the knowledge and consent of both the Lessor and the Lessee. In a dual agency situation, the agent has the following affirmative obligations to both the Lessor and the Lessee: (a) A fiduciary duty of utmost care, integrity, honesty and loyalty in the dealings with either Lessor or the Lessee. (b) Other duties to the Lessor and the Lessee as stated above in subparagraphs (i) or (ii). In representing both Lessor and Lessee, the agent may not without the express permission of the respective Party, disclose to the other Party that the Lessor will accept rent in an amount less than that indicated in the listing or that the Lessee is willing to pay a higher rent than that offered. The above duties of the agent in a real estate transaction do not relieve a Lessor or Lessee from the responsibility to protect their own interests. Lessor and Lessee should carefully read all agreements to assure that they adequately express their understanding of the transaction. A real estate agent is a person qualified to advise about real estate. If legal or tax advice is desired, consult a competent professional.

(b) Brokers have no responsibility with respect to any Default or Breach hereof by either Party. The Parties agree that no lawsuit or other legal proceeding involving any breach of duty, error or omission relating to this Lease may be brought against Broker more than one year after the Start Date and that the liability (including court costs and attorneys' fees), of any Broker with respect to any such lawsuit and/or legal proceeding shall not exceed the fee received by such Broker pursuant to this Lease; provided, however, that the foregoing limitation on each Broker's liability shall not be

applicable to any gross negligence or willful misconduct of such Broker.

(c) Lessor and Lessee agree to identify to Brokers as "Confidential" any communication or information given Brokers that is considered by such Party to be confidential.

26. **No Right To Holdover.** Lessee has no right to retain possession of the Premises or any part thereof beyond the expiration or termination of this Lease. In the event that Lessee holds over, then the Base Rent shall be increased to 150% of the Base Rent applicable immediately preceding the expiration or termination. Nothing contained herein shall be construed as consent by Lessor to any holding over by Lessee.

27. **Cumulative Remedies.** No remedy or election hereunder shall be deemed exclusive but shall, wherever possible, be cumulative with all other remedies at law or in equity.

28. **Covenants and Conditions; Construction of Agreement.** All provisions of this Lease to be observed or performed by Lessee are both covenants and conditions. In construing this Lease, all headings and titles are for the convenience of the Parties only and shall not be considered a part of this Lease. Whenever required by the context, the singular shall include the plural and vice versa. This Lease shall not be construed as if prepared by one of the Parties, but rather according to its fair meaning as a whole, as if both Parties had prepared it.

29. **Binding Effect; Choice of Law.** This Lease shall be binding upon the parties, their personal representatives, successors and assigns and be governed by the laws of the State in which the Premises are located. Any litigation between the Parties hereto concerning this Lease shall be initiated in the county in which the Premises are located.

30. **Subordination; Attornment; Non-Disturbance.**

30.1 **Subordination.** This Lease and any Option granted hereby shall be subject and subordinate to any ground lease, mortgage, deed of trust, or other hypothecation or security device (collectively, **"Security Device"**), now or hereafter placed upon the Premises, to any and all advances made on the security thereof, and to all renewals, modifications, and extensions thereof. Lessee agrees that the holders of any such Security Devices (in this Lease together referred to as **"Lender"**) shall have no liability or obligation to perform any of the obligations of Lessor under this Lease. Any Lender may elect to have this Lease and/or any Option granted hereby superior to the lien of its Security Device by giving written notice thereof to Lessee, whereupon this Lease and such Options shall be deemed prior to such Security Device, notwithstanding the relative dates of the documentation or recordation thereof.

30.2 **Attornment.** In the event that Lessor transfers title to the Premises, or the Premises are acquired by another upon the foreclosure or termination of a Security Devise to which this Lease is subordinated (i) Lessee shall, subject to the non-disturbance provisions of Paragraph 30.3, attorn to such new owner, and upon request, enter into a new lease, containing all of the terms and provisions of this Lease, with such new owner for the remainder of the term hereof, or, at the election of the new owner, this Lease will automatically become a new lease between Lessee and such new owner, and (ii) Lessor shall thereafter be relieved of any further obligations hereunder and such new owner shall assume all of Lessor's obligations, except that such new owner shall not: (a) be liable for any act or omission of any prior lessor or with respect to events occurring prior to acquisition of ownership; (b) be subject to any offsets or defenses which Lessee might have against any prior lessor, (c) be bound by prepayment of more than one month's rent, or (d) be liable for the return of any security deposit paid to any prior lessor which was not paid or credited to such new owner.

30.3 **Non-Disturbance.** With respect to Security Devices entered into by Lessor after the execution of this Lease, Lessee's subordination of this Lease shall be subject to receiving a commercially reasonable non-disturbance agreement (a **"Non-Disturbance Agreement"**) from the Lender which Non-Disturbance Agreement provides that Lessee's possession of the Premises, and this Lease, including any options to extend the term hereof, will not be disturbed so long as Lessee is not in Breach hereof and attorns to the record owner of the Premises. Further, within 60 days after the execution of this Lease, Lessor shall, if requested by Lessee, use its commercially reasonable efforts to obtain a Non-Disturbance Agreement from the holder of any pre-existing Security Device which is secured by the Premises. In the event that Lessor is unable to provide the Non-Disturbance Agreement within said 60 days, then Lessee may, at Lessee's option, directly contact Lender and attempt to negotiate for the execution and delivery of a Non-Disturbance Agreement.

30.4 **Self-Executing.** The agreements contained in this Paragraph 30 shall be effective without the execution of any further documents; provided, however, that, upon written request from Lessor or a Lender in connection with a sale, financing or refinancing of the Premises, Lessee and Lessor shall execute such further writings as may be reasonably required to separately document any subordination, attornment and/or Non-Disturbance Agreement provided for herein.

31. **Attorneys' Fees.** If any Party or Broker brings an action or proceeding involving the Premises whether founded in tort, contract or equity, or to declare rights hereunder, the Prevailing Party (as hereafter defined) in any such proceeding, action, or appeal thereon, shall be entitled to reasonable attorneys' fees. Such fees may be awarded in the same suit or recovered in a separate suit, whether or not such action or proceeding is pursued to decision or judgment. The term, **"Prevailing Party"** shall include, without limitation, a Party or Broker who substantially obtains or defeats the relief sought, as the case may be, whether by compromise, settlement, judgment, or the abandonment by the other Party or Broker of its claim or defense. The attorneys' fees award shall not be computed in accordance with any court fee schedule, but shall be such as to fully reimburse all attorneys' fees reasonably incurred. In addition, Lessor shall be entitled to attorneys' fees, costs and expenses incurred in the preparation and service of notices of Default and consultations in connection therewith, whether or not a legal action is subsequently commenced in connection with such Default or resulting Breach ($200 is a reasonable minimum per occurrence for such services and consultation).

32. **Lessor's Access; Showing Premises; Repairs.** Lessor and Lessor's agents shall have the right to enter the Premises at any time, in the case of an emergency, and otherwise at reasonable times after reasonable prior notice for the purpose of showing the same to prospective

purchasers, lenders, or tenants, and making such alterations, repairs, improvements or additions to the Premises as Lessor may deem necessary or desirable and the erecting, using and maintaining of utilities, services, pipes and conduits through the Premises and/or other premises as long as there is no material adverse effect on Lessee's use of the Premises. All such activities shall be without abatement of rent or liability to Lessee.

33. **Auctions.** Lessee shall not conduct, nor permit to be conducted, any auction upon the Premises without Lessor's prior written consent. Lessor shall not be obligated to exercise any standard of reasonableness in determining whether to permit an auction.

34. **Signs.** Lessor may place on the Premises ordinary "For Sale" signs at any time and ordinary "For Lease" signs during the last 6 months of the term hereof. Except for ordinary "For Sublease" signs which may be placed only on the Premises, Lessee shall not place any sign upon the Project without Lessor's prior written consent. All signs must comply with all Applicable Requirements.

35. **Termination; Merger.** Unless specifically stated otherwise in writing by Lessor, the voluntary or other surrender of this Lease by Lessee, the mutual termination or cancellation hereof, or a termination hereof by Lessor for Breach by Lessee, shall automatically terminate any sublease or lesser estate in the Premises; provided, however, that Lessor may elect to continue any one or all existing subtenancies. Lessor's failure within 10 days following any such event to elect to the contrary by written notice to the holder of any such lesser interest, shall constitute Lessor's election to have such event constitute the termination of such interest.

36. **Consents.** Except as otherwise provided herein, wherever in this Lease the consent of a Party is required to an act by or for the other Party, such consent shall not be unreasonably withheld or delayed. Lessor's actual reasonable costs and expenses (including but not limited to architects', attorneys', engineers' and other consultants' fees) incurred in the consideration of, or response to, a request by Lessee for any Lessor consent, including but not limited to consents to an assignment, a subletting or the presence or use of a Hazardous Substance, shall be paid by Lessee upon receipt of an invoice and supporting documentation therefor. Lessor's consent to any act, assignment or subletting shall not constitute an acknowledgment that no Default or Breach by Lessee of this Lease exists, nor shall such consent be deemed a waiver of any then existing Default or Breach, except as may be otherwise specifically stated in writing by Lessor at the time of such consent. The failure to specify herein any particular condition to Lessor's consent shall not preclude the imposition by Lessor at the time of consent of such further or other conditions as are then reasonable with reference to the particular matter for which consent is being given. In the event that either Party disagrees with any determination made by the other hereunder and reasonably requests the reasons for such determination, the determining party shall furnish its reasons in writing and in reasonable detail within 10 business days following such request.

37. **Guarantor.**

37.1 **Execution.** The Guarantors, if any, shall each execute a guaranty in the form most recently published by the AIR Commercial Real Estate Association.

37.2 **Default.** It shall constitute a Default of the Lessee if any Guarantor fails or refuses, upon request to provide: (a) evidence of the execution of the guaranty, including the authority of the party signing on Guarantor's behalf to obligate Guarantor, and in the case of a corporate Guarantor, a certified copy of a resolution of its board of directors authorizing the making of such guaranty, (b) current financial statements, (c) an Estoppel Certificate, or (d) written confirmation that the guaranty is still in effect.

38. **Quiet Possession.** Subject to payment by Lessee of the Rent and performance of all of the covenants, conditions and provisions on Lessee's part to be observed and performed under this Lease, Lessee shall have quiet possession and quiet enjoyment of the Premises during the term hereof.

39. **Options.** If Lessee is granted any option, as defined below, then the following provisions shall apply.

39.1 **Definition. "Option"** shall mean: (a) the right to extend or reduce the term of or renew this Lease or to extend or reduce the term of or renew any lease that Lessee has on other property of Lessor; (b) the right of first refusal or first offer to lease either the Premises or other property of Lessor; (c) the right to purchase, the right of first offer to purchase or the right of first refusal to purchase the Premises or other property of Lessor.

39.2 **Options Personal To Original Lessee.** Any Option granted to Lessee in this Lease is personal to the original Lessee, and cannot be assigned or exercised by anyone other than said original Lessee and only while the original Lessee is in full possession of the Premises and, if requested by Lessor, with Lessee certifying that Lessee has no intention of thereafter assigning or subletting.

39.3 **Multiple Options.** In the event that Lessee has any multiple Options to extend or renew this Lease, a later Option cannot be exercised unless the prior Options have been validly exercised.

39.4 **Effect of Default on Options.**

(a) Lessee shall have no right to exercise an Option: (i) during the period commencing with the giving of any notice of Default and continuing until said Default is cured, (ii) during the period of time any Rent is unpaid (without regard to whether notice thereof is given Lessee), (iii) during the time Lessee is in Breach of this Lease, or (iv) in the event that Lessee has been given 3 or more notices of separate Default, whether or not the Defaults are cured, during the 12 month period immediately preceding the exercise of the Option.

(b) The period of time within which an Option may be exercised shall not be extended or enlarged by reason of Lessee's inability to exercise an Option because of the provisions of Paragraph 39.4(a).

(c) An Option shall terminate and be of no further force or effect, notwithstanding Lessee's due and timely exercise of the Option, if, after such exercise and prior to the commencement of the extended term or completion of the purchase, (i) Lessee fails to pay Rent for a period of 30 days after such Rent becomes due (without any necessity of Lessor to give notice thereof),or (ii) if Lessee commits a Breach of this Lease.

40. **Security Measures.** Lessee hereby acknowledges that the Rent payable to Lessor hereunder does not include the cost of guard service or

other security measures, and that Lessor shall have no obligation whatsoever to provide same. Lessee assumes all responsibility for the protection of the Premises, Lessee, its agents and invitees and their property from the acts of third parties.

41. **Reservations.** Lessor reserves the right: (i) to grant, without the consent or joinder of Lessee, such easements, rights and dedications that Lessor deems necessary, (ii) to cause the recordation of parcel maps and restrictions, and (iii) to create and/or install new utility raceways, so long as such easements, rights, dedications, maps, restrictions, and utility raceways do not unreasonably interfere with the use of the Premises by Lessee. Lessee agrees to sign any documents reasonably requested by Lessor to effectuate such rights.

42. **Performance Under Protest.** . If at any time a dispute shall arise as to any amount or sum of money to be paid by one Party to the other under the provisions hereof, the Party against whom the obligation to pay the money is asserted shall have the right to make payment "under protest" and such payment shall not be regarded as a voluntary payment and there shall survive the right on the part of said Party to institute suit for recovery of such sum. If it shall be adjudged that there was no legal obligation on the part of said Party to pay such sum or any part thereof, said Party shall be entitled to recover such sum or so much thereof as it was not legally required to pay. A Party who does not initiate suit for the recovery of sums paid "under protest" within 6 months shall be deemed to have waived its right to protest such payment.

43. **Authority; Multiple Parties; Execution.**

(a) If either Party hereto is a corporation, trust, limited liability company, partnership, or similar entity, each individual executing this Lease on behalf of such entity represents and warrants that he or she is duly authorized to execute and deliver this Lease on its behalf. Each Party shall, within 30 days after request, deliver to the other Party satisfactory evidence of such authority.

(b) If this Lease is executed by more than one person or entity as "Lessee", each such person or entity shall be jointly and severally liable hereunder. It is agreed that any one of the named Lessees shall be empowered to execute any amendment to this Lease, or other document ancillary thereto and bind all of the named Lessees, and Lessor may rely on the same as if all of the named Lessees had executed such document.

(c) This Lease may be executed by the Parties in counterparts, each of which shall be deemed an original and all of which together shall constitute one and the same instrument.

44. **Conflict.** Any conflict between the printed provisions of this Lease and the typewritten or handwritten provisions shall be controlled by the typewritten or handwritten provisions.

45. **Offer.** Preparation of this Lease by either party or their agent and submission of same to the other Party shall not be deemed an offer to lease to the other Party. This Lease is not intended to be binding until executed and delivered by all Parties hereto.

46. **Amendments.** This Lease may be modified only in writing, signed by the Parties in interest at the time of the modification. As long as they do not materially change Lessee's obligations hereunder, Lessee agrees to make such reasonable non-monetary modifications to this Lease as may be reasonably required by a Lender in connection with the obtaining of normal financing or refinancing of the Premises.

47. **Waiver of Jury Trial. THE PARTIES HEREBY WAIVE THEIR RESPECTIVE RIGHTS TO TRIAL BY JURY IN ANY ACTION OR PROCEEDING INVOLVING THE PROPERTY OR ARISING OUT OF THIS AGREEMENT.**

48. **Arbitration of Disputes.** An Addendum requiring the Arbitration of all disputes between the Parties and/or Brokers arising out of this Lease ☐ is ☐ is not attached to this Lease.

49. **Accessibility; Americans with Disabilities Act.**

(a) The Premises: ☑ have not undergone an inspection by a Certified Access Specialist (CASp). ☐ have undergone an inspection by a Certified Access Specialist (CASp) and it was determined that the Premises met all applicable construction-related accessibility standards pursuant to California Civil Code §55.51 et seq. ☐ have undergone an inspection by a Certified Access Specialist (CASp) and it was determined that the Premises did not meet all applicable construction-related accessibility standards pursuant to California Civil Code §55.51 et seq.

(b) Since compliance with the Americans with Disabilities Act (ADA) is dependent upon Lessee's specific use of the Premises, Lessor makes no warranty or representation as to whether or not the Premises comply with ADA or any similar legislation. In the event that Lessee's use of the Premises requires modifications or additions to the Premises in order to be in ADA compliance, Lessee agrees to make any such necessary modifications and/or additions at Lessee's expense.

50. AS IS . Lessee is taking the Premises in "as is" condition. Lessee is taking the Premises in its present condition including the contents left by the previous Lessee. Lessee assumes all responsibility and liability for removing the contents and remodeling the Premises for his intended use. Lessee shall be responsible for demolition of the existing improvements and rebuilding to premises to his requirements, all work to be done with required permits.

51. Americans with Disabilities Act (A.D.A.): Lessee is aware that the premises, as let, do not comply with A.D.A. and that Lessor does not intend to make any alterations to the property, exterior or common areas. Lessee shall be responsible for exterior and common area compliance if Lessee, its employees, agents, clients, customers, licensees, invitees or contractors, through any action or inquiry, cause such compliance to be

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necessary.

52. ASBESTOS: Per OSHA regulations effective October 1, 1995, Lessee is hereby informed that the premises were constructed prior to 1981 and therefore all thermal system insulation and sprayed-on or troweled-on surfacing materials are "presumed asbestos-containing materials". Lessee is advised to familiarize themselves with the relevant regulations before intentionally or incidentally disturbing any presumed asbestos-containing materials. Other building areas and materials may contain asbestos, but are not presumed to under the regulations.

53. Lessee's Insurance. Anything to the contrary contained in this lease notwithstanding, Lessor may cancel this lease on 10 days notice if Lessee's insurance coverage should lapse or otherwise fail to meet required standards. Upon initial placement of the policy and each subsequent renewal Lessee shall supply Lessor with an insurance certificate as provided in Paragraph 8 naming Lessor and any management company working under Lessor as additional insured(s).

END OF LEASE TERMS

LESSOR AND LESSEE HAVE CAREFULLY READ AND REVIEWED THIS LEASE AND EACH TERM AND PROVISION CONTAINED HEREIN, AND BY THE EXECUTION OF THIS LEASE SHOW THEIR INFORMED AND VOLUNTARY CONSENT THERETO. THE PARTIES HEREBY AGREE THAT, AT THE TIME THIS LEASE IS EXECUTED, THE TERMS OF THIS LEASE ARE COMMERCIALLY REASONABLE AND EFFECTUATE THE INTENT AND PURPOSE OF LESSOR AND LESSEE WITH RESPECT TO THE PREMISES.

ATTENTION: NO REPRESENTATION OR RECOMMENDATION IS MADE BY THE AIR COMMERCIAL REAL ESTATE ASSOCIATION OR BY ANY BROKER AS TO THE LEGAL SUFFICIENCY, LEGAL EFFECT, OR TAX CONSEQUENCES OF THIS LEASE OR THE TRANSACTION TO WHICH IT RELATES. THE PARTIES ARE URGED TO:

1. SEEK ADVICE OF COUNSEL AS TO THE LEGAL AND TAX CONSEQUENCES OF THIS LEASE.

2. RETAIN APPROPRIATE CONSULTANTS TO REVIEW AND INVESTIGATE THE CONDITION OF THE PREMISES. SAID INVESTIGATION SHOULD INCLUDE BUT NOT BE LIMITED TO: THE POSSIBLE PRESENCE OF HAZARDOUS SUBSTANCES, THE ZONING OF THE PREMISES, THE STRUCTURAL INTEGRITY, THE CONDITION OF THE ROOF AND OPERATING SYSTEMS, COMPLIANCE WITH THE AMERICANS WITH DISABILITIES ACT AND THE SUITABILITY OF THE PREMISES FOR LESSEE'S INTENDED USE.

WARNING: IF THE PREMISES ARE LOCATED IN A STATE OTHER THAN CALIFORNIA, CERTAIN PROVISIONS OF THE LEASE MAY NEED TO BE REVISED TO COMPLY WITH THE LAWS OF THE STATE IN WHICH THE PREMISES ARE LOCATED.

The parties hereto have executed this Lease at the place and on the dates specified above their respective signatures.

Executed at: Los Angeles
On: November 5, 2015

By LESSOR:

Daniel D. Lim

By: _____
Name Printed: Daniel D. Lim
Title: _____

By: _____
Name Printed: _____
Title: _____
Address: c/o Avirom Realty
5263 E. Beverly Blvd.
Los Angeles, CA 90022
Telephone: (323) 685-6666
Facsimile: (323) 887-0807
Email: Avirom Realty@gmail.com
Email: _____
Federal ID No. _____

BROKER:

Avirom Realty

Attn: Jay H. Avirom
Title: _____
Address: 5263 E. Beverly Blvd.
Los Angeles, CA 90022
Telephone: (323) 685-6666
Facsimile: (323) 887-0807
Email: _____
Federal ID No. _____
Broker/Agent DRE License #: 002265733

Executed at: Los Angeles
On: November _____, 2015

By LESSEE:

Global JJ Group, Inc.

By: _____
Name Printed: James Chae
Title: President

By: _____
Name Printed: Long Ji Lin
Title: Secretary
Address: _____
Telephone: (213) 389-4800 // (213) 675-1117
Facsimile: (___) _____
Email: _____
Email: _____
Federal ID No. _____

BROKER:

_____

Attn: _____
Title: _____
Address: _____
Telephone: (___) _____
Facsimile: (___) _____
Email: _____
Federal ID No. _____
Broker/Agent DRE License #: _____

NOTICE: These forms are often modified to meet changing requirements of law and industry needs. Always write or call to make sure you are utilizing the most current form: AIR Commercial Real Estate Association, 500 N Brand Blvd, Suite 900, Glendale, CA 91203. Telephone No. (213) 687-8777. Fax No.: (213) 687-8616.

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OPTION(S) TO EXTEND
STANDARD LEASE ADDENDUM

Dated November 1, 2015

By and Between (Lessor) Daniel D. Lim

By and Between (Lessee) Global JJ Group, Inc.

Address of Premises: 1891 Tustin Street
Orange, CA 92865

Paragraph 54

A. **OPTION(S) TO EXTEND:**
Lessor hereby grants to Lessee the option to extend the term of this Lease for one additional sixty (60) month period(s) commencing when the prior term expires upon each and all of the following terms and conditions:

(i) In order to exercise an option to extend, Lessee must give written notice of such election to Lessor and Lessor must receive the same at least 90 but not more than 150 months prior to the date that the option period would commence, time being of the essence. If proper notification of the exercise of an option is not given and/or received, such option shall automatically expire. Options (if there are more than one) may only be exercised consecutively.

(ii) The provisions of paragraph 39, including those relating to Lessee's Default set forth in paragraph 39.4 of this Lease, are conditions of this Option.

(iii) Except for the provisions of this Lease granting an option or options to extend the term, all of the terms and conditions of this Lease except where specifically modified by this option shall apply.

(iv) This Option is personal to the original Lessee, and cannot be assigned or exercised by anyone other than said original Lessee and only while the original Lessee is in full possession of the Premises and without the intention of thereafter assigning or subletting.

(v) The monthly rent for each month of the option period shall be calculated as follows, using the method(s) indicated below:
(Check Method(s) to be Used and Fill in Appropriately)

☑ I. **Cost of Living Adjustment(s) (COLA)**
a. On (Fill in COLA Dates): 01/01/2021, 01/01/2022, 01/01/2023, 01/01/2024, 01/01/2025
the Base Rent shall be adjusted by the change, if any, from the Base Month specified below, in the Consumer Price Index of the Bureau of Labor Statistics of the U.S. Department of Labor for (select one): ☐ CPI W (Urban Wage Earners and Clerical Workers) or ☑ CPI U (All Urban Consumers), for (Fill in Urban Area):
Los Angles-Riverside-Orange County
All Items (1982-1984 = 100), herein referred to as "CPI".

b. The monthly rent payable in accordance with paragraph A.I.a. of this Addendum shall be calculated as follows: the Base Rent set forth in paragraph 1.6 of the attached Lease, shall be multiplied by a fraction the numerator of which shall be the CPI of the calendar month 2 months prior to the month(s) specified in paragraph A.I.a. above during which the adjustment is to take effect, and the denominator of which shall be the CPI of the calendar month which is 2 months prior to (select one): ☑ the first month of the term of this Lease as set forth in paragraph 1.3 ("Base Month") or ☐

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(Fill in Other "Base Month"):

The sum so calculated shall constitute the new monthly rent hereunder, but in no event, shall any such new monthly rent be less than the rent payable for the month immediately preceding the rent adjustment.

c. In the event the compilation and/or publication of the CPI shall be transferred to any other governmental department or bureau or agency or shall be discontinued, then the index most nearly the same as the CPI shall be used to make such calculation. In the event that the Parties cannot agree on such alternative index, then the matter shall be submitted for decision to the American Arbitration Association in accordance with the then rules of said Association and the decision of the arbitrators shall be binding upon the parties. The cost of said Arbitration shall be paid equally by the Parties.

☐ II. **Market Rental Value Adjustment(s) (MRV)**

a. On (Fill in MRV Adjustment Date(s)) _____

the Base Rent shall be adjusted to the "Market Rental Value" of the property as follows:

1) Four months prior to each Market Rental Value Adjustment Date described above, the Parties shall attempt to agree upon what the new MRV will be on the adjustment date. If agreement cannot be reached, within thirty days, then:

(a) Lessor and Lessee shall immediately appoint a mutually acceptable appraiser or broker to establish the new MRV within the next 30 days. Any associated costs will be split equally between the Parties, or

(b) Both Lessor and Lessee shall each immediately make a reasonable determination of the MRV and submit such determination, in writing, to arbitration in accordance with the following provisions:

(i) Within 15 days thereafter, Lessor and Lessee shall each select an ☐ appraiser or ☐ broker (**"Consultant"** - check one) of their choice to act as an arbitrator. The two arbitrators so appointed shall immediately select a third mutually acceptable Consultant to act as a third arbitrator.

(ii) The 3 arbitrators shall within 30 days of the appointment of the third arbitrator reach a decision as to what the actual MRV for the Premises is, and whether Lessor's or Lessee's submitted MRV is the closest thereto. The decision of a majority of the arbitrators shall be binding on the Parties. The submitted MRV which is determined to be the closest to the actual MRV shall thereafter be used by the Parties.

(iii) If either of the Parties fails to appoint an arbitrator within the specified 15 days, the arbitrator timely appointed by one of them shall reach a decision on his or her own, and said decision shall be binding on the Parties.

(iv) The entire cost of such arbitration shall be paid by the party whose submitted MRV is not selected, ie. the one that is NOT the closest to the actual MRV.

2) Notwithstanding the foregoing, the new MRV shall not be less than the rent payable for the month immediately preceding the rent adjustment.

b. Upon the establishment of each New Market Rental Value:

1) the new MRV will become the new "Base Rent" for the purpose of calculating any further Adjustments, and

2) the first month of each Market Rental Value term shall become the new "Base Month" for the purpose of calculating any further Adjustments.

☐ III. **Fixed Rental Adjustment(s) (FRA)**

The Base Rent shall be increased to the following amounts on the dates set forth below:

On (Fill in FRA Adjustment Date(s)):	The New Base Rent shall be:

B. **NOTICE:**

Unless specified otherwise herein, notice of any rental adjustments, other than Fixed Rental Adjustments, shall be made as specified in paragraph 23 of the Lease.

C. **BROKER'S FEE:**

The Brokers shall be paid a Brokerage Fee for each adjustment specified above in accordance with paragraph 15 of the Lease or if

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applicable, paragraph 9 of the Sublease.

RENT ADJUSTMENT(S)
STANDARD LEASE ADDENDUM

Dated November 1, 2015

By and Between (Lessor) Daniel D. Lim

(Lessee) Global JJ Group, Inc.

Address of Premises: 1891 North Tustin
Orange, CA 92865

Paragraph 55

A. **RENT ADJUSTMENTS:**

The monthly rent for each month of the adjustment period(s) specified below shall be increased using the method(s) indicated below:

(Check Method(s) to be Used and Fill in Appropriately)

☐ 1. **Cost of Living Adjustment(s) (COLA)**

a. On (Fill in COLA Dates): _____

the Base Rent shall be adjusted by the change, if any, from the Base Month specified below, in the Consumer Price Index of the Bureau of Labor Statistics of the U.S. Department of Labor for (select one):☐ CPI W (Urban Wage Earners and Clerical Workers) or ☐ CPI U (All Urban Consumers), for (Fill in Urban Area):

_____, All Items

(1982-1984 = 100), herein referred to as "CPI".

b. The monthly Base Rent payable in accordance with paragraph A.1.a. of this Addendum shall be calculated as follows: the Base Rent set forth in paragraph 1.5 of the attached Lease, shall be multiplied by a fraction the numerator of which shall be the CPI of the calendar month 2 months prior to the month(s) specified in paragraph A.1.a. above during which the adjustment is to take effect, and the denominator of which shall be the CPI of the calendar month which is 2 months prior to (select one): the ☐ first month of the term of this Lease as set forth in paragraph 1.3 ("Base Month") or ☐ (Fill in Other "Base Month"): _____. The sum so calculated shall constitute the new monthly Base Rent hereunder, but in no event, shall any such new monthly Base Rent be less than the Base Rent payable for the month immediately preceding the Base Rent adjustment.

c. In the event the compilation and/or publication of the CPI shall be transferred to any other governmental department or bureau or agency or shall be discontinued, then the index most nearly the same as the CPI shall be used to make such calculation. In the event that the Parties cannot agree on such alternative index, then the matter shall be submitted for decision to the American Arbitration Association in accordance with the then rules of said Association and the decision of the arbitrators shall be binding upon the parties. The cost of said Arbitration shall be paid equally by the Parties.

INITIALS

INITIALS

☐ II. **Market Rental Value Adjustment(s) (MRV)**

a. On (Fill in MRV Adjustment Date(s): _____

the Base Rent shall be adjusted to the "Market Rental Value" of the property as follows:

1) Four months prior to each Market Rental Value Adjustment Date described above, the Parties shall attempt to agree upon what the new MRV will be on the adjustment date. If agreement cannot be reached within thirty days, then:

(a) Lessor and Lessee shall immediately appoint a mutually acceptable appraiser or broker to establish the new MRV within the next 30 days. Any associated costs will be split equally between the Parties, or

(b) Both Lessor and Lessee shall each immediately make a reasonable determination of the MRV and submit such determination, in writing, to arbitration in accordance with the following provisions:

(i) Within 15 days thereafter, Lessor and Lessee shall each select an ☐ appraiser or ☐ broker (**"Consultant"** - check one) of their choice to act as an arbitrator. The two arbitrators so appointed shall immediately select a third mutually acceptable Consultant to act as a third arbitrator.

(ii) The 3 arbitrators shall within 30 days of the appointment of the third arbitrator reach a decision as to what the actual MRV for the Premises is, and whether Lessor's or Lessee's submitted MRV is the closest thereto. The decision of a majority of the arbitrators shall be binding on the Parties. The submitted MRV which is determined to be the closest to the actual MRV shall thereafter be used by the Parties.

(iii) If either of the Parties fails to appoint an arbitrator within the specified 15 days, the arbitrator timely appointed by one of them shall reach a decision on his or her own, and said decision shall be binding on the Parties.

(iv) The entire cost of such arbitration shall be paid by the party whose submitted MRV is not selected, i.e., the one that is NOT the closest to the actual MRV.

2) When determining MRV, the Lessor, Lessee and Consultants shall consider the terms of comparable market transactions which shall include, but no limited to, rent, rental adjustments, abated rent, lease term and financial condition of tenants.

3) Notwithstanding the foregoing, the new Base Rent shall not be less than the rent payable for the month immediately preceding the rent adjustment.

b. Upon the establishment of each New Market Rental Value:

1) the new MRV will become the new "Base Rent" for the purpose of calculating any further Adjustments, and

2) the first month of each Market Rental Value term shall become the new 'Base Month' for the purpose of calculating any further Adjustments.

☑ III. **Fixed Rental Adjustment(s) (FRA)**

The Base Rent shall be increased to the following amounts on the dates set forth below:

On (Fill in FRA Adjustment Date(s)):	The New Base Rent shall be:
January 1, 2017	$1,500.00
January 1, 2018	$1,600.00

☐ IV. **Initial Term Adjustments.**

The formula used to calculate adjustments to the Base Rate during the original Term of the Lease shall continue to be used during the extended term.

B. **NOTICE:**

Unless specified otherwise herein, notice of any such adjustments, other than Fixed Rental Adjustments, shall be made as specified in paragraph 23 of the Lease.

C. **BROKER'S FEE:**

The Brokers shall be paid a Brokerage Fee for each adjustment specified above in accordance with paragraph 15 of the Lease or if applicable, paragraph 9 of the Sublease.

INITIALS INITIALS

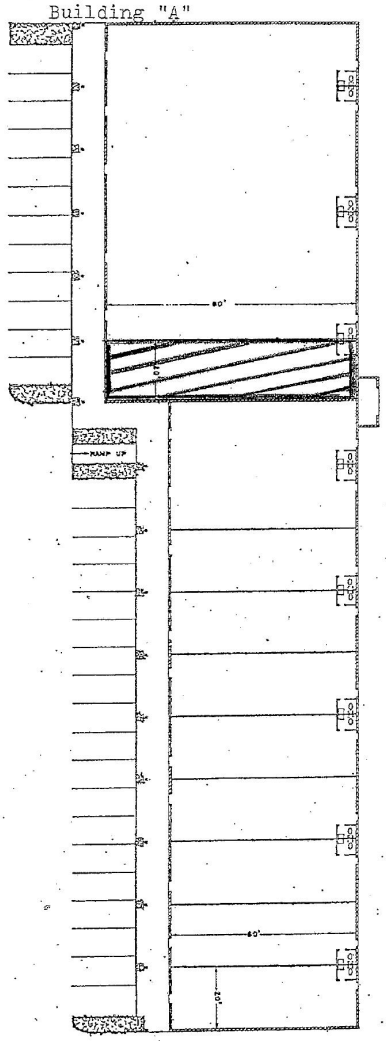
Telephone No. (213) 687-8777. Fax No.: (213) 687-8616.

INITIALS

INITIALS

EXHIBIT "A"

Building "A"



RETAIL CENTER LEASE AGREEMENT

BETWEEN

THE SOURCE AT BEACH, LLC,

a California limited liability company,

as Landlord

AND

GLOBAL JJ GROUP INC.,

a Incorporated in the state of CA

as Tenant

EXHIBITS:

SUMMARY OF BASIC LEASE PROVISIONS

Lease Date:	May 1, 2015, which shall be the effective date of this Lease (**"Lease Date"**)
Landlord:	The Source at Beach, LLC, a California limited liability company (**"Landlord"**)
Address of Landlord:	3100 E. Imperial Hwy, Lynwood, CA 90262
Tenant:	GLOBAL JJ GROUP INC., a Incorporated in the state of CA (**"Tenant"**)
Tenant's Trade Name:	Crazy Ramen
Address and other information of Tenant:	A. Tenant address for notices prior to Rent Commencement Date (as defined below in this Summary of Basic Lease Provisions) Address: 3435 Wilshire Blvd. Suite 930, Los Angeles, CA 90010 Telephone: 714-835-5240 213-389-4800 B. Tenant address for notices on or after Rent Commencement Date Address: 6940 Beach Blvd., # F206 Buena Park, CA 90620 Telephone: Premises Telephone(which will be provided by Tenant upon Delivery Date) Facsimile: Premises Facsimile (which will be provided by Tenant upon Delivery Date)
Designated Tenant Parties (See Section 13.02(f)) Contact Information:	Name: James Chae Office Address: 15476 Canon Ln., Chino Hills, CA 91709 Telephone: 714-646-9177 Cell: 213-272-1780 Name: Longji Jin Office Address: 12633 Chapman Ave., #3207 Garden Grove, CA 92840 Telephone: 714-835-5240 Cell: 213-675-1117
Shopping Center:	That certain shopping center located in the City of Buena Park, State of California depicted on the site plan attached hereto as Exhibit "A", as such shopping center may be expanded, modified or reduced from time to time by Landlord (**"Shopping Center"**).
Premises:	Subject to Section 1.01 and Section 18.05, the location of the demised premises is highlighted on the site plan of the Shopping Center attached hereto as Exhibit "A" (**"Premises"**), which is currently, as of the Lease Date, described as Building F, Level 2, and Space 206 of the Shopping Center. A postal address for the Premises shall be determined and provided to Tenant at a later

	date, if not specifically set forth below. 6940 Beach Blvd, F-206 Buena Park, California 90620.
Gross Floor Area of the Premises:	The Premises is approximately 1,100 square feet of Gross Floor Area. Gross Floor Area is defined in Section 14.07.
Delivery Date and Notice:	The date in which Landlord completes "Landlord's Work," as defined and described in Section 1.01 and Exhibit "B" of this Lease, thereby delivering possession of the Premises to Tenant in "grey shell" condition ("Delivery Date"). Upon Landlord completing "Landlord's Work," Tenant shall execute the Notice of Delivery and Tenant's Consent to Taking Possession of Premises ("Delivery Notice") attached to the Lease as Exhibit "C-1," thereby accepting delivery of the Premises. If Tenant fails or refuses to execute the Delivery Notice, Tenant shall be in default under the Lease and the Delivery Date shall remain the date upon which Landlord completes its "Landlord's Work."
Tenant's Work:	"Tenant's Work" shall be defined and described in Exhibit "B," and shall be performed by Tenant beginning on the Delivery Date, at Tenant's own cost and expense with no Tenant Improvement Allowance, and shall be completed within ninety(90) days from the Delivery Date, with Tenant being required to expeditiously pursue any and all required permits and approvals (including, without limitation, all liquor and other licenses and permits necessary to construct and operate its business on the Premises) to be completed within sixty (60) days of the Lease Date ("Contingency Period"). If Tenant fails to obtain all permits, approvals and licenses within the Contingency Period, as may be extended by agreement of both parties, while showing that it was diligent in pursuing such permits, approvals and licenses, either party may terminate the lease, with all parties being released from all further obligations under the Lease.
Rent Commencement Date:	The date which is ninety (90) days following the Delivery Date ("Rent Commencement Date").
Rent Abatement	Three (3) months of Rent Abatement, following Tenant's Rent Commencement Date.
Lease Term:	The "**Lease Term**" shall be the period commencing on Rent Commencement Date and expiring on the last day of the sixtieth (60th) full calendar month after the calendar month in which the Rent Commencement Date occurs ("**Expiration Date**"), unless sooner terminated or extended as provided in this Lease.
Option to Extend:	One (1) separate, successive option to extend the Lease Term ("**Option**") for a period of sixty (60) months ("**Option Term**"), which may only be exercised in compliance with Section 2.06 of the Lease and only upon Tenant providing written notice of its intent to exercise the Option, no more than two hundred and seventy (270) days, and no less than one hundred and eighty (180) days, before the initial Lease Term expires. (See Section 2.06.)
Required Opening Date:	The "**Required Opening Date**" is the date on which the Shopping Center first opens to the general public.
Approximate Delivery Date:	July 1, 2015 ("**Approximate Delivery Date**"), which may be subject to change at Landlord's sole and absolute discretion.
Minimum Monthly Rent:	$ 4,400.00 (based on $4.00 a square foot of the Gross Floor Area of the Premises, which shall not include the Gross Floor Area of the Patio Area), as adjusted from time to time in accordance with this Lease, ("**Minimum Monthly Rent**"), which shall be paid in accordance with Section 3.01 of the Lease; provided, however, Tenant shall not be required to pay any Minimum Monthly Rent for the first three (3) months of the Lease Term, as the Minimum Monthly Rent during that three (3) month time period shall be abated. Tenant shall pay to Landlord upon the execution of the Lease, the Minimum Monthly Rent payable for the first full month following the Rent

	Commencement Date and Rent Abatement. Minimum Monthly Rent shall be increased in accordance with the Minimum Monthly Rent Adjustment Schedule set forth in Exhibit "G".
Minimum Monthly Rent During Option Term:	Minimum Monthly Rent during the Option Term shall be set in accordance with the Minimum Monthly Rent Adjustment Schedule set forth in Exhibit "G," and pursuant to the terms set forth in Section 2.06, with the Minimum Monthly Rent at the beginning of the Option Term being the "Fair Market Rent," as determined under Section 2.06(b), but which shall be no less than one hundred and five percent (105%) of the Minimum Monthly Rent due at the end of the initial Lease Term. After the first year of the Option Term, the Minimum Monthly Rent shall increase annually by three percent (3.0%).
Monthly Estimated Charges for Tenant's Proportionate Share of Operating Expenses:	$1,419.00 (based on Monthly Estimated Charges of $1.29 per square foot, multiplied by Tenant's Gross Floor Area). Such estimate applies only to the first twelve (12) months of the Lease Term and shall be subject to adjustment at any time and from time to time in Landlord's sole and absolute judgment. Tenant shall pay Landlord, upon the execution of this Lease, the monthly estimated charges payable for the first full month following the Rent Commencement Date.
Advertising Contribution:	$2.00 per square foot of the Gross Floor Area of the Premises, per year, as provided in Section 18.18(b) ("**Advertising Contribution**"), which shall be charged to Tenant on a monthly basis, with the monthly payment being $183.33. Tenant shall pay Landlord at the time of execution of this Lease the Advertising Contribution payable for the first full month following the Rent Commencement Date.
One Time Grand Opening Marketing Assessment	Tenant shall contribute one dollar ($2.00) per square foot of Gross Floor Area, as a one-time contribution toward the Shopping Center's Grand Opening events, which shall be paid to Landlord upon the execution of this Lease.
Permitted Use:	Tenant may use the Premises only for the use described on Exhibit "E" attached hereto, and for no other purpose ("**Permitted Use**"). (See Section 6.01.)
Tenant's Insurance Amounts:	"**Single Limit Commercial General Liability Insurance Amount**" shall mean $5,000,000. "**Aggregate Limit Commercial General Liability Insurance Amount**" shall mean $5,000,000. "**Medical Expense Insurance Amount**" shall mean $5,000. "**Workers Compensation Insurance Amount**" shall mean $1,000,000. "**Comprehensive Automobile Liability Insurance Amount**" shall mean $5,000,000. "**Deductible Maximum Amount**" shall mean $5,000.
Security Deposit:	$11,638.00 payable upon Lease execution ("**Security Deposit**"). (See Section 18.08.)
Percentage of Transfer Premium Payable to Landlord upon consent to a Transfer:	One Hundred percent (100 %) of the Transfer Premium, as defined in Section 10.01(e) of this Lease, shall be payable to Landlord upon consent.
Guarantor(s):	James Chae("Guarantor"). Concurrently with the execution of this Lease, Tenant shall cause Guarantor(s) to execute and deliver to Landlord a Guaranty of Lease in the form attached hereto as Exhibit "F".
Address of Guarantor(s):	15476 Canon Ln., Chino Hills, CA 91709
Broker(s):	Remax Diamond Realty is representing Tenant (collectively, the "**Brokers**"). (See Section 18.15.)

Late Charge:	10% of overdue amounts pursuant to Section 18.09.
Total Monies Due Upon Lease Execution	1st month Minimum Monthly Rent: $4,400.00 1st month Estimated Charges for Tenant's Proportionate Share of Operating Expenses: $1,419.00 Security Deposit: $11,638.00 1st month Advertising Contribution: $183.33 Grand Opening Marketing Assessment: $2,200.00 --- TOTAL: $19,840.33
Exhibits:	Exhibit "A" Site Plan of Shopping Center Exhibit "B" Landlord's Work, Tenant's Work and Construction Procedures Exhibit "C-1" Notice of Delivery and Tenant's Consent to Taking Possession of Premises Exhibit "C-2" Tenant's Certificate Exhibit "D" Rules and Regulations Exhibit "E" Permitted Use Exhibit "F" Guaranty of Lease Exhibit "G" Minimum Monthly Rent Adjustment Schedule The foregoing exhibits are referred to collectively hereafter as the "**Exhibits**."

The foregoing Summary of Basic Lease Provisions ("Summary") is incorporated into and made a part of this Lease. All references in this Lease to any term defined in this Summary shall have the meaning set forth in this Summary for such term. Any initially capitalized terms used in this Summary which are not defined in this Summary shall have the meaning given to such terms in the Lease, unless otherwise indicated by the context. In the event of any material conflict between this Summary and the balance of this Lease, the Summary shall control.

RETAIL CENTER LEASE AGREEMENT

This RETAIL CENTER LEASE AGREEMENT, which includes the foregoing Summary and the Exhibits attached hereto and incorporated herein by this reference (collectively, this "**Lease**"), is made effective as of May 1, 2015, by and between The Source at Beach, LLC, a California limited liability company ("**Landlord**"), on the one hand, and Global JJ Group Inc., a Incorporated in the state of CA (collectively "**Tenant**"), on the other hand. Landlord and Tenant are hereinafter individually referred to as a "**Party**" and collectively as the "**Parties**" to this Lease.

ARTICLE I - PREMISES

Section 1.01 DEMISING CLAUSE

Landlord hereby leases and demises to Tenant, and Tenant hereby leases and accepts from Landlord, the Premises for the Lease Term, at the Rent (as defined herein), and upon all the terms, conditions and agreements set forth herein. The Premises are leased in their "as is" condition as of the Rent Commencement Date without any representations or warranties from Landlord or any agent of Landlord (unless and only to the extent expressly set forth in this Lease to the contrary), and Tenant shall accept the Premises and Shopping Center in their "as is" condition as of the Delivery Date, subject only to any representations and warranties expressly set forth in this Lease. Tenant acknowledges that neither Landlord nor any agent of Landlord has made any representation or warranty regarding the Premises or Shopping Center that is not expressly set forth in this Lease. Except for: (i) "**Landlord's Work**", if any, described in Exhibit "B" attached hereto; and (ii) delivering possession of the Premises to Tenant upon completing Landlord's Work, as determined by Landlord, in its sole and absolute discretion, which shall be evidenced by Tenant's execution of the Delivery Notice, attached hereto as Exhibit "C-1," on the Delivery Date, Landlord shall have no obligation to perform or pay for any work, addition, alterations, repair, refurbishment, remodeling or improvement to ready the Premises for occupancy or for any general or particular use. Landlord reserves the right to use the exterior walls, floor, roof and plenum in, above and below the Premises for the installation, maintenance, use and replacement of pipes, ducts, utility lines, systems and structural elements serving the Shopping Center and for such other purposes as Landlord deems necessary. Tenant acknowledges that the site plan of the Shopping Center and the Common Areas (as defined in Section 14.01) may be revised and changed from time to time, without need for the approval of Tenant, including without limitation in connection with any new or changed circumstances, such as the addition of real property thereto or the deletion of real property therefrom or the granting to Landlord or others of additional easement rights upon real property. Tenant agrees to accept any changes to the site plan of the Shopping Center, as set forth in Exhibit "A" (including changes to the Common Areas and Premises), so long as (i) the Premises are roughly comparable in size and location to the Premises as shown on the site plan of the Shopping Center attached hereto as Exhibit "A," and (ii) the changes do not otherwise materially adversely affect Tenant's business operations at the Shopping Center, in Landlord's sole and absolute discretion. In the event that Tenant believes that there will be a material adverse effect, Tenant shall have fifteen (15) days following receipt of the revised site plan to provide notice to Landlord explaining in reasonable detail why Tenant believes that the changes will materially adversely affect Tenant's business operations at the Shopping Center (the "**MAC Notice**"). Within forty-five (45) days following Landlord's receipt of the MAC Notice, Landlord shall provide a notice to Tenant that indicates (a) Landlord's determination as to whether the changes in the site plan will have a material adverse effect on Tenant's business operations at the Premises in Landlord's sole and absolute discretion (Landlord shall have no obligation to consider any possible effect other than what is asserted in the MAC Notice) and (b) if Landlord's determination is that the changes in the site plan will have such a material adverse effect, whether Landlord elects to revise the site plan (which Landlord shall have no obligation to do) to mitigate such effect so that the changes in the site plan do not, in Landlord's sole and absolute discretion, cause a material adverse effect on Tenant's business operations at the Premises (the "**Response to MAC Notice**"). If the Response to MAC Notice indicates that Landlord has determined that changes in the site plan will have a material adverse effect on Tenant's business operations at the Premises and that Landlord is electing not to further revise the site plan, Tenant shall have a right to terminate this Lease by providing written notice of termination to Landlord within fifteen (15) days following the date on which Landlord provides the Response to MAC Notice, in which event this Lease shall terminate (without liability on the part of either Party) and have no further force or effect unless the Parties agree otherwise in writing, and Landlord and Tenant shall have no further rights or obligations hereunder, except for those rights and obligations that this Lease expressly provides are to survive the termination of this Lease or which are to be performed or enjoyed in connection with the termination of this Lease.

Section 1.02 ENCUMBRANCES AND OVERALL PROJECT

Tenant acknowledges that the Shopping Center is or may hereafter be encumbered by, and that Tenant's rights under this Lease are subject and subordinate to the terms and conditions of, certain covenants, conditions, restrictions, easements, reciprocal easement agreements, and other agreements, whether now in existence or to be made hereafter, including, without limitation, the following (collectively "**Encumbrances**"): (i) all instruments and documents now or hereafter of record with respect to the Shopping Center or any portion thereof, (ii) that certain zone change approved on October 14, 2008 by Ordinance No. 1522 of the City Council of the City of Buena Park, (iii) that certain Beach - Orangethorpe Mixed Use Specific Plan approved on October 14, 2008 by Ordinance No. 1524 of the City Council of the City of Buena Park, (iv) that certain Development Agreement between Landlord and the City of Buena Park approved on October 14, 2008 by Ordinance No. 1525 of the City Council of the City of Buena Park, (v) that certain Disposition and Development Agreement between Landlord and the Redevelopment Agency of the City of Buena Park dated October 26, 2010, and (vi) such other agreements or instruments that may encumber Landlord's rights and/or title to the Shopping Center or Overall Project (as defined below), as such agreements, instruments and documents may hereafter be supplemented, implemented, modified, amended or superseded. This Lease is made subject to the Encumbrances, and all of Tenant's rights hereunder are subject and subordinate to

the Encumbrances. Tenant agrees that, as to its leasehold estate, Tenant and all persons in possession shall conform to and not contravene the provisions of the Encumbrances and, within ten (10) days after Landlord's written request therefor, shall execute and deliver to Landlord such documents in recordable form as Landlord may from time to time request to further evidence the subordination of this Lease to, or the non-contravention by Tenant and all persons in possession of, any one or more of the Encumbrances.

Tenant acknowledges that the Shopping Center may be a part of a larger project that extends beyond the boundaries of the Shopping Center and includes multiple buildings and structures (**"Overall Project"**). The Overall Project may include space used for other than retail purposes, including without limitation office, hotel, rental housing and residential condominiums (**"Non-Retail Portion"**). The Non-Retail Portion, if constructed, may be operated in part or in whole by Landlord and its affiliates or by third parties unaffiliated with Landlord. The Non-Retail Portion, including any common areas exclusively servicing the Non-Retail Portion, shall be operated separately from the Shopping Center and for purposes of this Lease shall be deemed not to be a part of the Shopping Center, and no expenses for the operation of the Non-Retail Portion shall be charged to Tenant except as provided in this Lease. However, Landlord may permit use of the Common Areas of the Shopping Center by residents and invitees of the Non-Retail Portion upon such terms and conditions as may be established by Landlord in its sole and absolute discretion. Other than Taxes for any residential condominiums (which shall be paid solely by the owners thereof), Landlord may allocate Taxes for all or portions of the Overall Project between the Non-Retail Portion and the Shopping Center based upon any applicable requirements of the Orange County Assessor, sound accounting and management principles as determined by Landlord in its sole and absolute discretion and any other factors deemed relevant by Landlord in its sole and absolute discretion. In addition, Landlord, in its sole and absolute discretion, may allocate certain Operating Expenses (as defined in Section 14.05) between the Non-Retail Portion and the Shopping Center, based on usage, burden and value and any other factors deemed relevant by Landlord, using sound accounting and management principles as determined by Landlord. However, except as otherwise provided in the Encumbrances: (i) Operating Expenses relating to the roofs of buildings in the Overall Project that are partially within the Shopping Center and partially within the Non-Retail Portion shall be allocated one hundred percent (100%) to the Shopping Center; and (ii) Operating Expenses relating to the Common Areas in any parking areas or structures and any easement areas shall be allocated one hundred percent (100%) to the Shopping Center. Notwithstanding any of the foregoing provisions, Landlord has no obligation to develop any part of the Overall Project other than the Shopping Center (and the development of the Shopping Center shall be subject to rights of Landlord as stated in this Lease), or to develop the Overall Project in an particular manner.

Section 1.03 TENANT'S WORK

Upon the execution of the Lease, Tenant shall diligently pursue all necessary permits and approvals to begin "Tenant's Work," as described and defined in Exhibit "B," attached hereto, with Tenant being required to expeditiously pursue any and all required permits and approvals (including, without limitation, all liquor and other licenses and permits necessary to construct and operate its business on the Premises) to be completed within sixty (60) days of the Lease Date ("Contingency Period"). If Tenant fails to obtain all permits, approvals and licenses within the Contingency Period, as may be extended by agreement of both parties, while showing that it was diligent in pursuing such permits, approvals and licenses, either party may terminate the lease, with all parties being released from all further obligations under the Lease. Tenant shall begin "Tenant's Work" upon Landlord delivering the Premises to Tenant on the Delivery Date (as may be evidenced by Tenant's execution of the Delivery Notice). Immediately after the Delivery Date, Tenant shall diligently pursue the substantial completion of "Tenant's Work," which shall be completed in ninety (90) days from the Delivery Date." As provided in Exhibit "B," "Tenant's Work" shall be performed at Tenant's sole cost and expense, pursuant to the plans and specifications received and approved by Landlord which shall include Tenant being responsible for (and paying for any and expenses related thereto) obtaining the Conditional Use Permit and Certificate of Occupancy for the Premises to allow Tenant to open the Premises for business to the public.

ARTICLE II - TERM

Section 2.01 LENGTH OF TERM

This Lease and its terms shall be in full force and effect as of the Lease Date, except as specifically set forth Section 2.02, but the "Lease Term," as defined in the Summary, shall commence on the Rent Commencement Date and shall expire on the Expiration Date, unless sooner terminated or extended, as provided in this Lease. Any reference to "Lease Term" in this Lease shall include an Option Term, if any, if and when such Option Term has actually commenced pursuant to this Lease.

Section 2.02 RENT COMMENCEMENT DATE

Except with respect to the payment of Utility Charges (as defined in Section 12.01) and except as otherwise set forth in this Lease, Tenant's obligation to pay Rent (as defined in Section 3.04) shall commence on the Rent Commencement Date; provided, however, that Tenant shall not be required to pay its Minimum Monthly Rent during the first three (3) months of the Lease Term, as Tenant's Minimum Monthly Rent during the first three (3) months of the Lease Term shall be abated. Within five (5) days after Tenant's receipt of Landlord's written request therefor, Tenant agrees to execute a tenant's certificate in the form attached hereto as Exhibit "C-2" (**"Tenant's Certificate"**), to become a part hereof, setting forth the Rent Commencement Date and such other information described therein. The failure of Tenant to execute and deliver such Tenant's Certificate on a timely basis shall constitute an express acknowledgment by Tenant that the statements contained therein are true and correct and, in addition, such failure shall constitute a default by Tenant under Section 13.01(i).

Section 2.03 FAILURE TO OPEN

If Tenant fails to open the Premises for business, fully licensed, permitted, fixturized, stocked and staffed on or before the Required Opening Date, and/or if "**Tenant's Work**", if any, described in Exhibit "B," is not completed on or before the Required Opening Date, then (a) Tenant shall pay to Landlord as Additional Rent (as defined in Section 3.04), in lieu of Minimum Monthly Rent, an amount equal to 200% of the Minimum Monthly Rent then due for each calendar month and fraction of a calendar month from the Required Opening Date to the date Tenant opens for and actually conducts business from the Premises as required in this Section 2.03, and such amount shall be payable 50% in advance on the first day of the month and 50% in arrears on the last day of the month for each month, or partial month, Tenant is not open for and actively conducting business in the Premises as required in this Section 2.03 following the Required Opening Date, and (b) Landlord shall have, in addition to any and all other remedies provided hereunder, the right to immediately cancel and terminate this Lease by written notice of termination to Tenant and upon such notice being deemed given, this Lease shall cease and terminate and all improvements which Tenant may have made to the Premises prior to the effective date of termination shall at Landlord's election either become the property of Landlord or be removed by Tenant and Tenant shall repair any damage caused by such removal which removal and/or repair shall be performed by Tenant at its sole cost and expense.

Section 2.04 DELAY IN POSSESSION

Tenant acknowledges and agrees that Landlord has made no representation, warranty or covenant as to when the Delivery Date shall occur. Landlord shall not be subject to any liability for any delay in Landlord's delivery of possession of the Premises to Tenant, nor shall such delay affect the validity of this Lease; provided, however, if Landlord does not deliver possession of the Premises to Tenant on or before the first anniversary of the Approximate Delivery Date, then this Lease shall terminate (without liability on the part of either Party) and have no further force or effect unless the Parties agree otherwise in writing, and Landlord and Tenant shall have no further rights or obligations hereunder except for those rights and obligations that are expressly made to survive the termination of this Lease.

Section 2.05 EARLY POSSESSION

Tenant shall not occupy or enter the Premises or any portion thereof prior to the Delivery Date without Landlord's prior written consent, which may be granted or withheld in Landlord's sole and absolute discretion. Notwithstanding this, any such early occupancy or entry into the Premises by Tenant, as well as Tenant's occupancy of the Premises upon Landlord delivering the Premises on the Delivery Date and up to the Rent Commencement Date, Tenant shall be subject to all of the terms and conditions of this Lease, including, but not limited to, the payment of Utility Charges, Tenant's obligation to obtain insurance, pursuant to Section 8.01, and Tenant's requirement to perform Tenant's Work in accordance with Exhibit "B;" provided, however, prior to the Rent Commencement Date, Tenant shall not be obligated to pay Minimum Monthly Rent, or any other Rent (as defined below in Section 3.04) during the period of such early occupancy prior to the Rent Commencement Date.

Section 2.06 OPTION TO EXTEND

(a) Subject to all of the terms and conditions of this Lease, including, without limitation, the restrictions on Tenant's right to exercise set forth hereafter in this Section 2.06, Landlord hereby grants to Tenant (1) Option with an Option Term of five (5) years, as set forth in the Summary. In order to exercise an Option, Tenant must give Landlord an irrevocable (except as expressly provided in Section 2.06(b) below) and unconditional written notice of Tenant's election to do so not later than one hundred eighty (180) days prior to the expiration of the initial term (or the then-current Option Term, as applicable) but not earlier than two hundred seventy (270) days prior to the expiration of the initial term (or the then-current Option Term, as applicable). The Lease Term as so extended shall be upon the same terms and conditions as set forth in this Lease, except for the length of the term, the number of available Options, and the Minimum Monthly Rent which shall be as set forth in Section 2.06(b). Should Tenant fail to give timely written notice of its election to exercise any Option, Tenant shall be deemed to have elected not to extend the Lease, and the Option in question, shall be automatically and immediately null and void, and this Lease shall expire in accordance with its terms. If Tenant fails to give timely notice of its election to exercise the Option and fails to surrender possession of the Premises on or before the expiration of the Lease Term as required under this Lease, Tenant shall be subject to all of the provisions of Section 18.04, in addition to other applicable terms of this Lease. Time is of the essence with respect to the requirement that Tenant give timely notice of its election to exercise the Option, and Tenant's failure to timely exercise an Option shall constitute a material, irredeemable and incurable failure to satisfy a condition precedent to the exercise of such right, and Tenant hereby expressly waives any right to claim relief from forfeiture, or any other equitable relief, from the consequences of an untimely exercise of its right to extend the Lease Term. Landlord shall have no obligation to notify Tenant in advance of the impending deadline for the exercise of the Option. Notwithstanding anything to the contrary set forth above, Tenant (i) shall not have the right to exercise the Option if Tenant is subject to a Late Charge (as defined in Section 18.09) more than two times during the Lease Term (irrespective of whether Tenant has been charged with such Late Charge) and, (ii) shall not have the right to exercise the Option from the date Landlord gives Tenant a written notice that Tenant is in breach of or in non-compliance under any provision of this Lease (including, without limitation, any provision requiring monetary payment), provided that if such breach or non-compliances is curable, this clause (ii) shall not prevent Tenant from having the right to exercise any Option if and from the date when such breach or non-compliance is fully and timely cured within the applicable cure period, if any, set forth in Section 13.01 as determined in the sole and absolute judgment of Landlord. In addition, the exercise of any Option shall be of no force or effect in the event a Default exists upon the expiration of the then-existing Lease Term of the Lease. The period of time within which the Option may be exercised shall not be extended or enlarged by reason of Tenant's inability to exercise the Option prior to satisfaction of the foregoing conditions precedent. The Option is personal to the original named Tenant in this Lease and may only be exercised by the original named Tenant while the original named Tenant is in sole possession of the entire Premises.

(b) Minimum Monthly Rent payable by Tenant during the Option Term shall be as set forth in Exhibit "G," with the Minimum Monthly Rent for the first year of the Option Term to be based on the **"Fair Market Rent."** The **"Fair Market Rent"** of the Premises means the amount of rent that the Premises would command if available for lease on the open market, based on the highest and best use of the Premises as determined by Landlord in its good faith judgment. If Tenant provides Landlord a valid notice of Tenant's intention to exercise its Option pursuant to Section 2.06(a), Landlord shall notify Tenant in writing (**"Landlord's Notice"**) of Landlord's determination of the Fair Market Rent of the Premises not later than ninety (90) days prior to the commencement of the Option Term. If Tenant objects to Landlord's determination of Fair Market Rent, Tenant shall notify Landlord in writing (**"Tenant's Notice"**) within fifteen (15) days of Landlord giving Landlord's Notice. In the event Landlord and Tenant are unable to agree on the Fair Market Rent of the Premises within fifteen (15) days of Landlord's receipt of Tenant's Notice, then Tenant shall have the right, by unconditional and irrevocable written notice received by Landlord within forty-five (45) days after Landlord gives Landlord's Notice, to revoke Tenant's election to extend the Lease Term (in which event this Lease will expire at the end of the then-existing initial term). If Tenant does not so revoke Tenant's election to extend the Lease Term, the Fair Market Rent set forth in Landlord's Notice shall be binding and conclusive.

Notwithstanding the foregoing, the Fair Market Rent for the first year of the term of the Option shall not be less than one hundred and five percent (105%) of the Minimum Monthly Rent payable for the month immediately preceding the first year of the term of the Option. Thereafter, the Minimum Monthly Rent during the term of the Option shall increase, annually, as set forth in Exhibit "G."

ARTICLE III - RENT

Section 3.01 MINIMUM MONTHLY RENT

Except as expressly set forth in the Summary and Section 2.02 (which provides that Tenant shall have the first three (3) months of Minimum Monthly Rent abated), from and after the Rent Commencement Date for each full calendar month during the Lease Term, Tenant shall pay to Landlord, on or before the first day of each calendar month without notice, demand, deduction, offset or counterclaim, whatsoever, the Minimum Monthly Rent set forth in the Summary. One full Minimum Monthly Rent payment shall be made by Tenant to Landlord at the time of execution of this Lease. The Minimum Monthly Rent for any fractional part of a calendar month at the beginning or end of the Lease Term shall be a prorated on the basis of the number of actual days in such month. If Tenant fails to pay Minimum Monthly Rent on or before the due date more than once in any twelve (12) month period, Landlord shall have the right to require Tenant to pay Minimum Monthly Rent for each calendar quarter on or before the first day of each calendar quarter for the remainder of the Lease Term, which requirement shall be effective upon Tenant's receipt of written notice from Landlord.

Section 3.02 INCREASE IN MINIMUM MONTHLY RENT

As set forth in the Summary, Minimum Monthly Rent shall be increased, but never decreased, in accordance with the Minimum Monthly Rent Adjustment Schedule set forth in Exhibit "G".

Section 3.03 PERCENTAGE RENT

(a) The Tenant shall not has to pay any Percentage Rent under the terms of this Lease.

(b) If Percentage Rent is not payable under this Lease, Tenant shall nevertheless comply with and be bound by all of Tenant's other obligations (including without limitation the submission of statements, reports and filings to Landlord) under this Section 3.03.

(c) The Tenant shall timely file and shall, within ten (10) days after actual filing or the due date for filing whichever occurs first, submit to Landlord true and correct photocopies of all federal, state and municipal tax returns(including, without limitation, all returns filed or required to be filed with the State of California Board of Equalization).

Section 3.04 ADDITIONAL RENT

All amounts and charges payable by Tenant to Landlord under this Lease other than Minimum Monthly Rent shall be considered **"Additional Rent"** due Landlord hereunder, whether or not expressly designated as additional rent, and Tenant's failure to pay such additional rent to Landlord when due shall entitle Landlord to exercise all rights and remedies provided in Article XIII. The word **"Rent"** in this Lease shall refer to Additional Rent as well as Minimum Monthly Rent.

Section 3.05 PAYMENT

All Rent shall be paid to Landlord without any demand (except where demand is specifically required under this Lease), deduction, offset or counterclaim, whatsoever, in lawful money of the United States, at the address set forth in the Summary or to such other person and/or at such other place as Landlord may hereafter designate in writing. Any statement of conditions or restrictions delivered to Landlord on or with any payment of Rent shall be void and of no effect even if the payment is accepted by Landlord without objection to that statement. If Tenant is late in the payment of Minimum Monthly Rent and/or Additional Rent or any payment of Minimum Monthly Rent and/or Additional Rent is returned for insufficient funds or otherwise dishonored due to no fault of Landlord more than two times during the Lease Term, Landlord shall have the right, in addition to all other rights and remedies set forth in this Lease or provided at law or in equity, to require that all future payments of Minimum Monthly Rent and/or Additional Rent be made by cashier's check. With respect to any payment by Tenant that is returned for insufficient funds or otherwise dishonored due to no fault of Landlord shall have the right, in addition to all other rights and remedies set forth in this Lease or provided at law or in equity, to charge Tenant One Hundred Dollars ($100) per each such returned or dishonored check. Rent payments will be applied first to

accrued late charges and attorney's fees, second to accrued interest, third to Minimum Monthly Rent, fourth to Tenant's Proportionate Share of insurance premiums, fifth to Tenant's Proportionate Share of Taxes, sixth to Tenant's Proportionate Share of Operating Expenses, and lastly to any other outstanding charges or costs.

ARTICLE IV - RECORDS

Section 4.01 RECORDS

Tenant shall keep and cause to be kept (and shall cause any subtenant, licensee, or concessionaire of the Premises having any Gross Sales to keep), complete and accurate books of account and records of all purchases and receipts of merchandise, all inventories and all sales and refunds, whether for cash or for credit, from which Gross Sales can be determined, and shall keep or cause to be kept for at least three years following the end of each calendar year all original sales books and records, which records shall include, but not be limited to, (a) daily dated detailed register tapes, (b) serially numbered sales slips, (c) mail orders, (d) telephone orders, (e) internet orders, (f) settlement report sheets of transactions with sublessees, concessionaires and licensees, (g) records showing that merchandise returned by customers was purchased by such customers at or from the Premises, (h) receipts or other records of merchandise leased, licensed or taken out on approval, (i) sales tax reports, and (j) other records as would normally be required to be kept in accordance with generally accepted accounting principles. Tenant shall keep or cause to be kept for at least three years following the filing thereof all federal, state and municipal tax returns which require reporting of Tenant's Gross Sales in, upon or from the Premises.

Section 4.02 AUDIT

(a) Tenant not having to pay Percentage rent shall not prejudice to Landlord's right to examine books and records relating to Gross Sales, federal, state and municipal tax returns, and inventories of merchandise on the Premises in order to verify the amount of Gross Sales. Moreover, Landlord's rights under this Section 4.02 shall apply whether or not Percentage Rent is payable under this Lease.

(b) At any reasonable time within three years after receipt of any yearly statement furnished to Landlord by Tenant and upon five days' prior written notice to Tenant, Landlord may examine, inspect or cause an audit to be made of Tenant's and any of its subtenant's or concessionaire's business affairs, books and records, including all books, records, reports and other documents described in Section 4.01 for the period covered by such statement, and Landlord may make copies of all such books and records. Any such inspection or audit performed by a qualified, independent accountant selected by Landlord, in its sole and absolute discretion, shall be binding upon the Parties. If Tenant has failed to submit to Landlord the monthly statement required under Section 3.03 upon written request by Landlord for a total of three months during the Lease Term, Tenant shall pay to Landlord the cost of the audit in addition to other rights of Landlord.

ARTICLE V - TAXES

Section 5.01 TAXES

Tenant shall pay to Landlord as Additional Rent Tenant's Proportionate Share of Taxes (as defined in Section 5.02). Landlord shall give written notice to Tenant of the amount of Tenant's Proportionate Share of Taxes, and Tenant shall pay to Landlord such amount prior to the due date thereof but no later than ten (10) days after receipt from Landlord of such notice. Landlord may, at its option, give Tenant a written estimate of Tenant's Proportionate Share of Taxes and Tenant shall pay same in the manner provided in Article XV.

Section 5.02 DEFINITIONS

(a) (i) The term "**Taxes**" shall mean all federal, state, county, local governmental, municipal, special district and special service area taxes, fees, levies, assessments, license fees, license taxes, business license fee, commercial rental tax, bonds, charges, penalties or other impositions of every kind and nature, whether general, special, ordinary, extraordinary, (including, without limitation, real estate taxes, general and special assessments, transit assessments, vehicle parking taxes or trip tax, fees and taxes, child care subsidies, fees and/or assessments, job training subsidies, fees and/or assessments, open space fees and/or assessments, leasehold taxes or taxes based upon the receipt of rent, Landlord's right to rent or against Landlord's business of leasing, and personal property taxes imposed upon the fixtures, machinery, equipment, apparatus, systems and equipment, appurtenances, furniture and other personal property used in connection with the Shopping Center) which Landlord shall pay or shall be obligated to pay arising out of the use, occupancy, ownership, leasing, management, repair, construction or replacement of the Shopping Center or any portion thereof, including, but not limited to, any increases in Taxes as a result of a, re-assessment, "change in ownership" or "new construction" (as those terms are defined in California Revenue and Taxation Code Sections 60-69.5 and 70-74.7, respectively, and any amended or successor statutes) of the Shopping Center or any portion thereof; provided, however, that the term "Taxes" shall not include any franchise, estate inheritance, succession, or net income taxes imposed upon Landlord. The term "Taxes" shall also include any and all assessments, taxes, fees, levies and charges imposed by governmental agencies for such services as (without limitation) fire protection, street, sidewalk and road maintenance, refuse removal and other governmental services. The term "Taxes" shall also include all expenses, including, but not limited to, attorneys' and other professional's fees, and expenses, incurred by Landlord in contesting, seeking reduction, validity or applicability of any Taxes.

(ii) Tenant acknowledges that pursuant to that certain Owner Participation Agreement dated as of October 26, 2010, Landlord will receive from the Redevelopment Agency of the City of Buena Park an amount equal to certain tax increment revenue and sales tax revenue generated by the Shopping Center project ("**OPA Payments**"). Tenant further acknowledges that the OPA Payments do not and will not reduce the amount of Taxes payable by Landlord or in any way affect the calculation of the amount of Taxes pursuant to this Lease or give rise to any right of deduction or offset.

(b) In the event and to the extent that any tenant in the Shopping Center pays Taxes on any basis other than its proportionate share calculated in the same manner as Tenant's Proportionate Share of Taxes, Landlord may, in such event and to such extent, exclude the Gross Floor Area leased by such tenant for purposes of calculating Tenant's Proportionate Share of Taxes provided that the actual amount paid by such tenant for Taxes is deducted from the Taxes being so allocated.

(c) Taxes which are levied on a fiscal year basis shall be deemed to apply 1/12th to each calendar month in such fiscal year and shall be charged to Tenant accordingly.

Section 5.03 OTHER TAXES

Tenant shall be responsible for and shall pay before delinquency all municipal, county or state taxes, levies and fees of every kind and nature, including, but not limited to, general or special assessments assessed during the Lease Term against any leasehold interest or personal property of any kind, owned by, in, upon or about the Premises of Tenant. If any or all of Tenant's fixtures or other personal property shall be assessed and taxed with Landlord's real property, Tenant shall pay to Landlord, as Additional Rent, Tenant's share of such taxes within ten (10) days after delivery to Tenant by Landlord of a statement in writing setting forth the amount of such taxes applicable to such property of Tenant. Additionally, Tenant shall pay prior to delinquency all applicable excise taxes and all special taxes and assessments or license fees levied, assessed or imposed by law or ordinance by reason of Tenant's use or occupancy of the Premises or any property at the Premises.

ARTICLE VI - CONDUCT OF BUSINESS BY TENANT

Section 6.01 USE OF PREMISES

(a) Tenant shall use the Premises solely for the Permitted Use described in Exhibit "E" attached hereto under the trade name specified in the Summary and for no other purposes or under any other name without the prior written consent of Landlord which Landlord may withhold or condition in Landlord's sole and absolute discretion. Tenant shall devote the entire Premises to such use except for areas reasonably required for restrooms, office, storage space for Tenant's operations at the Premises or space used for administration of Tenant's operations. Tenant shall open for business to the public fully staffed and merchandised no later than the Required Opening Date. Tenant represents and warrants that Tenant owns, or that Tenant controls sufficient rights in and to, all trade names, trademarks and service marks to permit Tenant to conduct its business. Tenant further represents and warrants that the operation of Tenant's business using its trade names, trademarks and service marks in no way infringes or violates the rights of any person. Landlord's failure to object to any use or trade name not authorized in the Summary shall not constitute Landlord's consent to such use or trade name.

(b) Tenant shall continuously and without interruption during the Lease Term conduct its business activity in the entirety of the Premises during those hours, if any, established by Landlord, in its sole and absolute discretion, for the operation of the Shopping Center ("**Operating Hours**") unless and only to the extent Tenant is prevented from doing so by natural disaster, fire or other cause without Tenant's fault and beyond Tenant's reasonable control (provided that Tenant gives notice to Landlord of such cause and its anticipated duration within fifteen (15) days after the commencement of the cause), and except during reasonable periods for repairing, cleaning and decorating the Premises. Landlord may, in its sole and absolute discretion, prescribe different business hours for different tenants based upon their permitted use or other factors. Tenant shall have its window displays, exterior signs and exterior advertising displays adequately illuminated continuously during those hours and days that the Premises are required to be open for business to the public and shall maintain its show windows, signs and storefront entrance door in neat, clean and orderly condition. Tenant acknowledges and agrees that, in addition to other reasons, Landlord is requiring Tenant to agree to the provisions of this Article for the following reasons: (i) Tenant being open for business generates Gross Sales, (ii) Tenant being open for business in turn helps increase the amount of business being done by other tenants in the Shopping Center, and (iii) a closed store has a detrimental effect on the Shopping Center and the business of other tenants in the Shopping Center.

(c) Should Tenant fail to operate its business as required by this Article, the Minimum Monthly Rent shall be increased during the time period that the Tenant shall fail to conduct its business as herein provided by an amount equal to ten percent (10%) of the Minimum Monthly Rent otherwise payable hereunder. The increase in the Minimum Monthly Rent shall in no way excuse Tenant from its breach or default under this Lease nor deprive Landlord of the remedies it may have under this Lease or at law or in equity for such breach or default.

(d) In the event that Tenant fails to perform any of Tenant's obligations set forth in Section 6.01(b), Tenant shall give Landlord immediate written notice specifying the hours of Tenant's business operations at the Premises and the reasons for varying from the prescribed days and/or times of operation. The giving of the foregoing notice shall not serve as a waiver by Landlord of the breach of the operating covenant. In addition, in the event that Tenant ceases to conduct full active business operations permitted hereunder at the Premises for ten (10) consecutive days or twenty (20) days in any three hundred sixty-five (365) day period, and the Premises is not under actual, substantial and continuous remodeling or reconstruction as permitted hereunder, such event shall

constitute a default by Tenant under this Lease and in addition to Landlord's other rights and remedies hereunder for a default of Tenant's obligations hereunder, Landlord shall have the right, at any time thereafter, to give Tenant written notice that Landlord has elected to recapture the Premises ("**Recapture Notice**"), in which event the Lease Term shall terminate on the date set forth in the Recapture Notice without prejudice to any other rights and remedies which Landlord may have under this Lease or under Applicable Laws.

(e) Tenant shall, at all times, carry a full and complete stock of merchandise offered for sale and shall maintain sufficient number of qualified staff to properly carry out the Permitted Use at the Premises at all business hours. Tenant shall employ its best judgment, efforts, and abilities to operate the business conducted by it in the Premises in such manner as to produce the maximum profitable volume of sales reasonably obtainable from the Premises and to enhance the reputation and attractiveness of the Shopping Center. Tenant shall not carry any merchandise or otherwise operate in a manner that would violate the exclusive use rights or other contractual or legal rights of any other tenant in the Shopping Center (regardless of whether such rights presently exist or are created hereafter), as determined by Landlord in its sole and absolute discretion. Any such determination by Landlord shall be binding on Tenant, and Landlord shall incur no liability to Tenant as a result of any determination made by Landlord hereunder.

(f) It is expressly understood and agreed by the Parties that, nothing contained in this Lease, or in any manner expressed or implied, is to be construed as in any way prohibiting, restricting or limiting Landlord's right to use, rent or lease any portion, or all, of the Shopping Center, or of any other property owned, managed or leased by Landlord or any affiliate, partner, director or employee thereof, for any purpose or use, whether or not such purpose or use be in competition, direct or otherwise, with the use for which the Premises herein are to be operated by Tenant. Landlord makes no warranties or representations as to the present occupants or occupancy level of the Shopping Center, or of future occupancy commitments. Tenant waives any duty or obligation, expressed or implied, on the part of Landlord to keep the Shopping Center leased or occupied, or partially leased or occupied, or to lease (or to not lease) portions of the Shopping Center for major stores, or to enforce any exclusivity, or for any other specific purpose, use or type of use.

Section 6.02 RESTRICTIONS ON USE

(a) At all times throughout the Lease Term, Tenant, at Tenant's sole cost and expense, shall promptly procure, maintain and hold available for Landlord's inspection any governmental licenses, permits and approvals required for the lawful conduct of Tenant's business and shall, at all times, comply with the requirements of each such license, permit or approval. Tenant shall not use or permit the use of the Premises in any manner that will tend to create a nuisance or tend to disturb other tenants or occupants of the Shopping Center or tend to injure the reputation of the Shopping Center. Tenant shall not sell, exhibit or display any immoral or pornographic materials, goods or services in or on the Premises. Landlord shall, in its sole and absolute discretion, determine whether such materials, goods or services are immoral or pornographic in nature. No auction, fire sale, bankruptcy sale, sidewalk sale, going out of business sale or continuous discount operation may be conducted in the Premises without the prior written consent of Landlord, which may be withheld or conditioned in Landlord's sole and absolute discretion. Tenant shall use its best efforts to complete, or cause to be completed, all deliveries, loading, unloading, rubbish removal and other services to the Premises prior to 10:00 a.m. of each day. Landlord reserves the right to further regulate the activities of Tenant in regard to deliveries at the Premises and servicing of the Premises, and Tenant agrees to abide by such further regulations of Landlord.

(b) Tenant shall not place or cause to be placed any signs, fences, walls, booths, stands, kiosks, racks, structures, divisions or rails outside the Premises in the Shopping Center without the prior written consent of Landlord, which consent may be withheld or conditioned in Landlord's sole and absolute discretion.

(c) Landlord may, without liability therefor or notice to Tenant and at Tenant's sole cost and expense, remove any item placed, constructed or maintained upon or outside of any roof, wall or window of the building within which the Premises are located, unless and only to the extent such item has been previously consented to in writing by Landlord.

(d) Tenant shall keep the display windows and signs on the Premises well lighted during the hours from sundown to 10:00 p.m. and/or during such other hours as may be prescribed by Landlord from time to time. If Landlord determines any display window to be out of harmony with the business character or architecture of the Premises, or with the balance of the Shopping Center, Tenant, at its sole cost and expense, shall promptly remove or modify such display as requested by Landlord.

(e) Tenant shall abide by and comply at all times with the Rules and Regulations set forth in Exhibit "D" attached hereto, and such amendments and modifications thereof and additions thereto as Landlord may from time to time adopt, in its sole and absolute discretion, for the safety, care, cleanliness and operation of the Shopping Center or the preservation of good order therein. Landlord shall not be liable to Tenant for the failure of any tenant or other person to comply with such Rules and Regulations or for Landlord's failure to enforce any such Rules and Regulations, or for Landlord's failure to adopt and implement additional or different Rules and Regulations.

(f) Tenant shall not use the Premises or any part thereof for any purpose or in any manner which will increase the existing rate of insurance upon the Premises or the Shopping Center or cause the cancellation of any insurance policy covering the Premises or the Shopping Center, nor shall Tenant sell or permit to be kept, used or sold in or about the Premises any article which may be prohibited by standard fire insurance policies.

(g) Tenant shall not place any coin or token-operated amusement or vending machines (including, without limitation, any machines dispensing gum, candy, beverages or toys), on, in or about the Premises without the prior written consent of Landlord, which may be withheld or conditioned in Landlord's sole and absolute discretion.

Section 6.03 COMPLIANCE WITH LAWS

Tenant shall, at Tenant's sole cost and expense, comply with all applicable local, municipal, regional, state and federal laws statutes, regulations, rules, codes (including, without limitation, building codes), ordinances, judgments, decree and other requirements of governmental or quasi-governmental authorities now or hereafter in effect ("**Applicable Laws**") pertaining to the use or condition of the Premises and/or the conduct of Tenant's business therein, including, but not limited to, complying with all trademark counterfeiting, trademark infringement, and/or unfair competition laws and statutes affecting the Premises. Tenant will give Landlord immediate written notice if Tenant becomes aware that the use or condition of the Premises is in violation of any Applicable Laws. During the Lease Term, Tenant will diligently monitor and regularly examine the Premises for potential violations of Applicable Laws. Tenant will make, at Tenant's sole cost and expense, any and all alterations, improvements and changes, whether structural or nonstructural, that are required by Applicable Laws by reason of or as a result of Tenant's use of the Premises, the condition of the Premises, or the conduct of Tenant's business in the Premises. If it is determined by a court or other competent tribunal that Tenant is not required to pay the cost (or any portion thereof) of such compliance, then, without prejudice to Landlord's right to appeal or undertake further proceedings in the matter, Landlord will have the option of terminating this Lease by giving Tenant written notice of termination, which termination shall be effective on the date set forth in the notice; provided, however, Tenant may nullify the termination by paying to Landlord the cost to comply within ten (10) days after Tenant's receipt of the such notice. Upon such termination, neither Party shall have any further right or obligation under this Lease or under Applicable Laws relating to any subject matter of this Lease except for (i) the rights and obligations which shall have accrued prior to the effective date of such termination and (ii) such rights and obligations under this Lease which survive the termination of this Lease, (e.g., Tenant's obligation to vacate and restore the Premises, and Landlord's obligation to return the Security Deposit as may be required under this Lease).

Section 6.04 SECURITY

Landlord may, but shall have no obligation to, from time to time, employ one or more persons or entities to patrol or provide security for the Common Areas (as defined in Section 14.01). Notwithstanding any such activity, Tenant shall have the sole responsibility of providing security within the Premises for the persons and property therein. Under no circumstances shall Landlord be liable to Tenant or to any other person by reason of any theft, burglary, robbery, assault, trespass, unauthorized entry, vandalism or any other act of any third person occurring in or about the Premises or other parts of the Shopping Center, and Tenant shall indemnify, defend (with counsel satisfactory to Landlord) and hold Landlord harmless from and against any and all losses, liabilities, judgments, costs and expenses (including, without limitation, reasonable attorneys' fees) which Landlord may suffer by reason of any claim asserted by any person arising out of, or related to, any of the foregoing. Nothing contained herein shall be deemed to create any liability upon Landlord for any damage to motor vehicles of customers or employees or for loss of property from within such motor vehicles. To the extent that, in Landlord's judgment, the conduct of Tenant's business causes the need for security services or measures at the Shopping Center which are in addition to those otherwise provided by Landlord, Landlord may bill Tenant for the cost of such additional services or measures and Tenant shall pay Landlord any amounts so billed within ten (10) days after Landlord provides Tenant written notice of the amount owed.

ARTICLE VII - MAINTENANCE, REPAIRS AND ALTERATIONS

Section 7.01 MAINTENANCE AND REPAIRS

(a) Subject to the provisions of Article IX and XI hereof, Tenant shall, at its sole cost and expense during the Lease Term, keep in first-class and sanitary order, condition and repair, the Premises and every part thereof, including, without limiting the generality of the foregoing, maintenance, repair and replacement of all plumbing, pipes, heating, ventilation and air conditioning ("**HVAC**"), electrical wiring and conduits, electrical panels, circuit breakers, lighting facilities and equipment, fixtures, walls, wall covering and paint, ceilings, floors and floor coverings, storefront, windows and window casement, doors, plate glass, showcases, sprinkler systems (if any), skylights, entrances, patio space and other facilities serving the Premises. Throughout the Lease Term, Tenant shall maintain in full force and effect a HVAC maintenance and service agreement with a reputable HVAC maintenance and repair company, whereby the HVAC unit and components in or at the Premises are regularly inspected and maintained, and promptly serviced and repaired at Tenant's sole cost and expense. Alternatively, Landlord may, at its sole and absolute discretion, contract for such maintenance and service, and Tenant shall reimburse Landlord for the cost of such maintenance and service together with an amount equal to fifteen percent (15%) of such costs to cover Landlord's administrative and overhead expenses. All glass, both exterior and interior, shall be maintained at Tenant's sole cost and expense, and any glass broken shall be promptly replaced by Tenant with glass of the same kind, size and quality. Tenant's failure to replace broken glass within seventy-two (72) hours following the occurrence of the breakage, or the failure of Tenant to replace same with glass of the same kind, size and quality shall constitute a material breach hereof which may, in addition to any other rights and remedies that Landlord may have, and at Landlord's sole and absolute discretion, entitle Landlord to terminate this Lease upon written notice to Tenant. Tenant, in all cases, shall have the obligation to repair all damage to the Shopping Center, including the Premises, arising out of or related to the acts, omissions, negligence or willful misconduct of Tenant, or its subtenant, employees, agents, licensees, invitees, or contractors or Tenant's failure to observe or perform any conditions or agreements in this Lease to be performed or observed by Tenant.

(b) Tenant shall not place any rubbish or other matter outside the Premises, except in such containers as are authorized from time to time by Landlord. Tenant shall promptly sweep and clean the sidewalk adjacent to the Premises as needed.

(c) If Tenant fails to perform any of its obligations under this Section 7.01, Landlord may, at its option, after five (5) days' written notice to Tenant, except in the event of an emergency in the judgment of Landlord, in which case no notice shall be required, enter upon the Premises and put the same in good order, condition and repair and the cost thereof together with an amount equal to fifteen percent (15%) of the total cost incurred by Landlord to perform said Tenant obligation to cover Landlord's administrative and overhead costs shall become due and payable as Additional Rent by Tenant to Landlord upon demand.

(d) Subject to the provisions of Section 7.01(a), Article IX and XI hereof and subject to Tenant's reimbursement under Section 7.01(f), during the Lease Term, Landlord shall, repair, maintain and replace, as necessary (i) the roof, exterior walls, and structural parts of the building in which the Premises are located (other than structural parts for which Tenant is obligated under Section 6.03) and (ii) the pipes and conduits outside the Premises used to furnish the Premises with various utilities (except to the extent that the same are the obligation of the appropriate public utility company). If any of the aforementioned portions of the Premises or any portion of the Shopping Center are in need of repair, maintenance, replacement or alteration because of the abuse, misuse, act, fault, neglect or omission of Tenant or its employees, agents, licensees, invitees, contractors or customers, default by Tenant of its obligations hereunder, or due to the breaking or entering into the Premises by third parties, then Tenant, at its sole cost and expense, and not Landlord, shall make the required repair, maintenance, replacement or alteration. Tenant shall have no remedy against Landlord for failure to make repairs as herein specifically required of it or otherwise required by Applicable Law, unless Tenant has previously notified Landlord in reasonable detail, in writing, of the need for such repairs and Landlord has failed to commence such repairs within ninety (90) days or, if longer, a reasonable period of time after receipt of Tenant's written notice, unless Tenant's written notice expressly and accurately states that the need for repair has created a material risk of imminent personal injury or imminent material damage to property and describes the nature of such threat in reasonable detail, in which event Landlord shall commence and complete the repair within a reasonable period of time after receipt of Tenant's written notice. Any remedy against Landlord shall be subject to all of the terms, conditions and limitations set forth in this Lease. Tenant expressly waives any right pursuant to any Applicable Law to make repairs at Landlord's expense or terminate this Lease, including, without limitation, the provisions of Sections 1932, 1933(4), 1941 and 1942 of the California Civil Code, and any provisions amendatory thereof or supplemental thereto or any similar law, ordinance or regulation which may now exist or hereafter be enacted or enforced which confers upon Tenant the right to make any repairs to the Premises of the type allocated to Landlord, whether or not for the account of Landlord, or to terminate this Lease because of Landlord's failure to keep the Premises, the Common Areas or any other portion of the Shopping Center in good order, condition and repair.

(e) Tenant shall periodically inspect (but not less often than once every three (3) months) the Premises to identify any conditions that are dangerous or in need of maintenance or repair and shall promptly provide Landlord with written notice of any such conditions.

(f) Within ten (10) days after written demand from Landlord, Tenant shall reimburse Landlord Tenant's pro rata share of the cost of maintenance, repairs, replacements and alterations made by Landlord pursuant to Section 7.01(d). Said pro rata share shall be based on the proportion that the Gross Floor Area of the Premises bears to the Gross Floor Area of the leasable premises in said building, and said reimbursement may be charged by Landlord pursuant to Section 15.01 of this Lease. Notwithstanding the foregoing provisions of this Section 7.01(f), Tenant shall perform and timely pay all of the cost of repairs, maintenance, replacements and alterations covered by the second sentence of Section 7.01(d).

Section 7.02 ALTERATIONS

(a) Tenant shall not, without the prior written consent of Landlord, which consent may be withheld or conditioned in Landlord's sole and absolute discretion, make any alterations, improvements, remodeling, additions or deletions ("**Alterations**") to either the interior or exterior of the Premises or to fixtures installed therein in accordance with approved fixture plans, or mark, paint, drill, or in any way deface any portion of the Premises. Landlord may require as a condition and in consideration for such approval that Tenant pay to Landlord a sum equal to Landlord's reasonable expenses incurred in evaluating and approving Tenant's proposed Alterations, including, but not limited to, attorneys, architectural and engineering fees.

(b) All Alterations to be made to the Premises which require a building permit or any other governmental or quasi-governmental approval shall be under the supervision of a competent architect or competent licensed structural engineer satisfactory to and approved in writing by Landlord and shall be made in accordance with plans and specifications with respect thereto, approved in writing by Landlord before the commencement of work. Upon completion of the Alterations, Tenant shall provide to Landlord a copy of the as-built plans and specifications. Tenant acknowledges that Landlord's review of the plans and specifications is for the sole benefit of Landlord, and Landlord's approval does not constitute any representation by Landlord as to the compliance of such plans with any law or fitness of such Alterations for a particular purpose or use. All work with respect to any Alterations must be done in a good and workmanlike manner and diligently prosecuted to completion to the end that the Premises shall at all times be a complete unit except during the period of work. Upon completion of the Alterations, Tenant agrees to cause a Notice of Completion to be recorded in the office of the Recorder of the County of Orange in accordance with Section 3093 of the Civil Code of the State of California or any successor statute. Such Alterations shall be considered as improvements and shall become an integral part of the Premises upon installation thereof and shall not be removed by Tenant unless so required by Landlord in which event Tenant, at its sole cost and expense, shall promptly remove such Alteration and repair any damage caused by such removal. Landlord may impose

whatever restrictions and conditions it deems appropriate on the construction of Alterations. All materials used in any Alterations to the Premises shall be new. Any Alterations shall be performed and done strictly in accordance with Applicable Laws. In performing the work of any such Alterations, Tenant shall have the work performed in such manner as not to obstruct access to the premises of any other occupant of the Shopping Center and to minimize interference with pedestrian and vehicular traffic, and other businesses in the Shopping Center. Not less than three (3) Business Days prior to the commencement of the work, Tenant shall furnish Landlord with a copy of all applicable construction permits and plans so that Landlord may hold in its file a complete and accurate set of permits and plans for all Alterations to the Premises and for all Tenant's work on the Premises.

(c) In the event that Tenant shall make any Alterations which require a building permit, Tenant shall prior to the commencement of the Alterations provide Landlord certificates evidencing "Builder's All Risk" insurance coverage in an amount determined by Landlord. All Alterations shall be insured by Tenant pursuant to Section 8.01 immediately upon completion thereof. In addition, Landlord may, in its sole and absolute discretion, require Tenant to obtain a lien and completion bond or some alternate form of security satisfactory to Landlord in an amount equal to one hundred fifty percent (150%) of the estimated cost of the Alterations to assure the lien free completion of such Alterations.

(d) Tenant shall pay, or caused to be paid all costs for work done by it or caused to be done by it on the Premises and shall keep the Premises and Shopping Center free and clear of all mechanics' liens and other liens for or arising from work done by or for Tenant or for persons claiming under Tenant. Tenant shall indemnify, defend (with counsel satisfactory to Landlord) and save Landlord free and harmless from and against any liability, loss, damage, costs, attorneys' fees, and all other expenses on account of claims of contractors, subcontractors, laborers or materialmen or others for work performed or materials or supplies furnished for Tenant or persons claiming under Tenant. If Tenant shall desire to contest any claim of lien, or if any such lien is actually filed against the Premises or Shopping Center, Tenant shall furnish Landlord adequate security for the greater of one hundred fifty percent (150%) of the value or one hundred fifty percent (150%) of the amount of the claim, plus estimated costs and interest or a bond from a responsible corporate surety in such amount conditioned on the discharge of the lien. If a final judgment establishing the validity or existence of a lien for any amount is entered, Tenant shall immediately pay and satisfy the same, together with any and all costs incurred by the lien claimant, and attorneys' fees, if so provided in the judgment. If Tenant shall be in breach in the payment of any charge for which a mechanics' lien claim and suit to foreclose the lien have been filed, and shall not have given the security to protect the Premises, Shopping Center and Landlord against such claims of lien as hereinabove provided, Landlord may, but shall not be required to, pay such claim and any costs, and the amount so paid together with reasonable attorneys' fees incurred in connection therewith shall be immediately due and owing from Tenant to Landlord, and Tenant agrees to pay the same upon demand, with interest at the lesser of ten percent (10%) per annum and the maximum lawful rate per annum from the date of payment thereof by Landlord. If Tenant receives any notice of any claim of lien filed against the Premises or Shopping Center, Tenant shall immediately notify Landlord of such claim and provide Landlord with any written notice thereof received by Tenant. Landlord or its representative shall have the right to go upon and inspect the Premises at all reasonable times, and shall have the right to post and keep posted thereon notices as permitted or provided by law or which Landlord may deem to be proper for the protection of Landlord's interest in the Premises and/or Shopping Center. Tenant shall promptly, but in any event, not less than ten (10) days before the commencement of any work which might result in any such lien, give to Landlord a written notice of its intention to do so to enable Landlord to file and record such notices.

Section 7.03 CLEANLINESS; WASTE AND NUISANCE

Tenant shall at all times keep the Premises in a neat, clean and sanitary condition. Tenant shall neither commit nor permit any waste or nuisance thereon or any other portion of the Shopping Center, and shall keep the walkways and the service and loading areas adjacent to the Premises free from waste and debris.

ARTICLE VIII - INSURANCE; WAIVER; INDEMNITY

Section 8.01 TENANT'S INSURANCE

From the Rent Commencement Date, and continuing thereafter until the expiration or sooner termination of the Lease Term, Tenant shall carry and maintain, at its sole cost and expense, all insurance coverage required by Applicable Laws (even if the specific requirements under this Lease are less stringent than what is required under Applicable Laws) and such additional insurance coverage as Landlord may require. As of the Lease Date, the minimum required types and amount of such coverage are set forth below. Tenant acknowledges and agrees that such types and amounts of coverage may be increased by Landlord from time to time. Should any such change in coverage be required, Landlord shall provide written notice to Tenant as to the extent and nature of such change, and Tenant shall provide to Landlord, within thirty (30) days of such notice, written evidence that it has obtained such coverage, as required by Section 8.03 below. As of the Lease Date, the following are the minimum required types and amounts of insurance (each of which shall afford primary coverage):

(a) Commercial general liability insurance with a broad form endorsement, including, without limitation, coverage on an occurrence basis for bodily injury (including wrongful death), personal injury, property damage, advertising injury and contractual liability (including Tenant's indemnification obligations under this Lease) insuring against all liability of Tenant with respect to the Premises or arising out of the maintenance, condition, use or occupancy thereof with a per occurrence combined single limit of not less than the Single Limit Commercial General Liability Insurance Amount and a general aggregate limit of not less than the Aggregate Limit Commercial General Liability Insurance Amount or in such other amounts or with such additional coverage as Landlord may from time to time require. The coverage shall include a per location aggregate, contractual liability coverage (including assumed liability for personal injury, advertising injury and bodily injury to Tenant's employees), broad form property damage

liability coverage, products and completed operations coverage (if applicable) and coverage for host liquor liability or liquor liability, if alcohol is sold, distributed, or consumed on the Premises. Medical expense (medical payments) coverage shall be provided at a minimum of the Medical Expense Insurance Amount for any one person. Defense costs shall apply in addition to the limit of liability. Coverage shall be provided on an occurrence form.

(b) Property damage insurance covering (i) all stock in trade, furniture, trade fixtures, equipment and all other items of Tenant's property located on the Premises, (ii) all initial improvements to the Premises made by or for Tenant pursuant to Tenant's Work (and Landlord's Work, if any), that constitutes improvement to the Premises beyond the providing of a grey shell of the Premises and any subsequent Alterations made by or for Tenant, and (iii) all plate glass on the Premises. Tenant's responsibility for maintenance of the plate glass includes its replacement in the event the repair of the glass would not restore the glass to its original condition at the time of installation. The property insurance required under this Section 8.01(b) shall be on an "all risk" or causes of loss-special form or other loss caused by fire or other casualty or cause, including, but not limited to, vandalism, mischief, theft, civil unrest, sprinkler leakage coverage, earthquake and flood (and such other coverage as Landlord may from time to time designate in writing) in an amount not less than 100% of the full replacement cost of the covered items without deduction for depreciation. The proceeds of such insurance, so long as this Lease remains in effect, shall be used to repair or replace the items insured. Except for the insurance required under Section 8.01(b)(i), Landlord shall be named as a loss payee under the property damage insurance required to be maintained by Tenant under this Section 8.01(b). No coinsurance shall apply.

(c) Workers' compensation insurance as required by Applicable Laws and employer liability insurance with limits of not less than the Workers Compensation Insurance Amount for each of bodily injury by accident and bodily injury by disease.

(d) Business interruption or loss of income insurance in amounts sufficient to cover Minimum Monthly Rent and all Additional Rent due under this Lease for twelve (12) months.

(e) Comprehensive automobile liability insurance having a combined single limit of not less than the Comprehensive Automobile Liability Insurance Amount per occurrence for bodily injury and property damage and insuring Tenant against liability for claims arising out of ownership, maintenance or use of any owned, hired or non-owned automobiles. Defense costs shall apply in addition to the limit of liability. Coverage shall include contractual liability and shall apply to owned, hired and non-owned automobiles.

(f) Such other insurance as Landlord may from time to time require.

In no event shall the minimum limits of policies of insurance required by Tenant hereunder limit the liability of Tenant under this Lease or under Applicable Laws. If Tenant fails to perform its obligations under this Section 8.01 or fails to provide evidence of insurance as set forth in Section 8.03, Landlord may, at its option, in addition to all of its other rights and remedies under this Lease, and without regard to any notice and cure periods set forth in Article XIII, obtain such insurance and the cost thereof together with fifteen percent (15%) of such cost to cover Landlord's administrative and overhead expenses shall become due and payable as Additional Rent by Tenant to Landlord upon demand.

In addition, Tenant acknowledges that any failure on its part to obtain or maintain the insurance required herein will expose Landlord to risks and potentially cause Landlord to incur costs not contemplated by this Lease. Accordingly, for any month or portion thereof that Tenant does not maintain the required insurance and/or does not provide Landlord with the required binders or certificates evidencing the existence of the required insurance, the Minimum Monthly Rent shall be automatically increased, without any requirement for notice to Tenant, by an amount equal to ten percent (10%) of the then existing Minimum Monthly Rent. Such increase shall in no event constitute a waiver of Tenant's default with respect to the failure to maintain the required insurance, prevent the exercise by Landlord of any of the other rights and remedies granted hereunder or under Applicable Laws, relieve Tenant of its obligation to maintain the insurance specified in this Lease, or in any way limit the damages that Landlord may recover as a result of such default by Tenant.

Section 8.02 LANDLORD'S INSURANCE

Landlord shall have no obligation under this Lease to maintain any insurance on the Premises, the Common Areas or any other portion of the Shopping Center. Landlord may, but shall have no obligation to, maintain in effect one or more of such policies of insurance, in such amounts and with such deductibles as Landlord determines are necessary or desirable in Landlord's sole and absolute discretion including, without limitation, property damage insurance (including a rental loss endorsement) providing coverage in the event of fire, vandalism, mischief, terrorism, theft, civil unrest, sprinkler leakage, all other risks normally covered under "special form" policies, earthquake and flood covering the Shopping Center (excluding, at Landlord's option, the property required to be insured by Tenant pursuant to Section 8.01(b)) in an amount not less than the full replacement value without deduction for depreciation (all such insurance maintained by Landlord hereinafter referred to as "**Landlord's Insurance**"). Landlord's Insurance, if maintained, shall contain a waiver by the insurer of any rights of subrogation it may have against Tenant. Tenant shall pay as Additional Rent Tenant's Proportionate Share of all insurance premiums for Landlord's Insurance whether or not Landlord's Insurance is duplicative of any insurance maintained by Tenant or any other tenants or other parties having an interest in the Shopping Center. If Tenant's specific use of the Premises increases the premiums for Landlord's Insurance over that charged for normal retail uses (e.g., Tenant operates a restaurant or such other use which shall increase the rate of fire insurance), then Tenant shall also be responsible for, as Additional Rent, the full amount of such increase in premiums as such amount shall be determined by Landlord's insurance broker. Tenant shall make, at its sole cost and expense, any improvements or modifications to the Premises, or any part thereof, required by Landlord's

insurance carrier as promptly as commercially reasonable but in no event later than thirty (30) days after notice of such improvements or modifications.

Section 8.03 INSURANCE POLICIES

All insurance policies required to be carried by Tenant hereunder shall: (i) name Landlord and its managers, members, officers, partner, directors and employees, Landlord's property manager, Landlord's mortgagee(s) of the Shopping Center (or any portion thereof) and any other party Landlord specifies in writing to Tenant which has an interest in the Shopping Center as an additional insured (except with respect to Tenant's worker's compensation insurance and employer liability insurance); (ii) with respect to Tenant's liability insurance set forth in Section 8.01(a), specifically cover the liability assumed by Tenant under this Lease, including, but not limited to Tenant's obligations under Sections 8.05 and 17.02 of this Lease; (iii) be with companies, on forms and with loss payable clauses satisfactory to Landlord; (iv) be primary insurance as to all claims thereunder and provide that any insurance carried by Landlord is excess and is non-contributing with any insurance requirement of Tenant; (v) provide that said insurance shall not be cancelled or, terminated or coverage changed unless thirty (30) days' prior written notice shall have been given to Landlord; (vi) contain a cross-liability clause or severability of interest clause acceptable to Landlord; (vii) have deductible amounts not exceeding Deductible Maximum Amount; (viii) contain a waiver by the insurer of any rights of subrogation it may have against Landlord. Tenant shall deliver all insurance policies required by Tenant hereunder or certificates thereof on or before the Rent Commencement Date or Tenant's occupancy of the Premises in the event Tenant occupies the Premises prior to the Rent Commencement Date and at least thirty (30) days before the expiration date of such policies; and (ix) be issued by insurance companies with general policy holder's rating of not less than A and a financial rating of not less than Class XI as rated in the most currently available Best's Insurance Reports and qualified to do business in the State of California.

Section 8.04 WAIVERS

Except for any claims proved by Tenant to have been proximately caused primarily by Landlord's gross negligence or willful misconduct, Tenant hereby waives any and all rights to recovery against Landlord, Landlord's management company, any subsidiary or other affiliate of Landlord or Landlord's management company, and their respective partners, managers, members, shareholders, officers, directors, employees, contractors, agents, representatives, attorneys, customers and invitees (collectively, "**Landlord Parties**"), for any loss or damage to Tenant, or any person claiming through Tenant or to its property or the property of others under its control, arising from any cause whatsoever. Landlord shall not be liable to Tenant for any unauthorized, tortious or criminal entry of third parties into the Premises or the Shopping Center, or for any damage to persons or property, or loss of property in or about the Premises or the Shopping Center, the parking lot and the approaches, loading docks, entrances, streets, sidewalks or corridors thereto, by or from any unauthorized, tortious or criminal acts of third parties, regardless of any breakdown, malfunction or insufficiency of any security measures, practices or equipment that may be provided by Landlord or any negligence on the part of Landlord. Tenant shall immediately notify Landlord in writing of any breakdown or malfunction of any security measures, practices or equipment provided by Landlord as to which Tenant has or should have knowledge. In no event shall Landlord be liable for consequential, incidental, indirect or punitive damages, including, but not limited to, damages for injury to Tenant's business or any loss of income, profit, goodwill or business advantages. In no event shall Landlord be liable to Tenant for any damages caused by the act or neglect of any other tenants or their subtenants, licensees, invitees, employees, agents, visitors or customers in the Shopping Center. The provisions of this Section shall survive the expiration or sooner termination of this Lease

Section 8.05 INDEMNITY

Except for Claims (as defined below in this Section) proved by Tenant to have been proximately caused primarily by Landlord's gross negligence or willful misconduct, Tenant shall indemnify, defend (with counsel satisfactory to Landlord) and hold harmless Landlord and Landlord Parties against and from any and all claims, damages, liabilities, losses, injuries, costs (including attorneys' fees and expenses), expenses, causes of action and proceedings (collectively, "**Claims**") arising from or in connection with (i) any damage, injury, accident or incident occurring in or about the Premises; (ii) the use or occupancy of the Premises or Common Areas by Tenant or any partner, affiliate, officer, agent, employee, contractor, guest, licensee or invitee of Tenant; (iii) the conduct by Tenant of its business or any activity, work or other thing done, permitted or suffered by Tenant in or about the Premises; (iv) any breach or default in the performance of any obligation on Tenant's part to be performed under the terms of this Lease; or (v) any act, fault omission or negligence of Tenant, or any partner, affiliate, officer, agent, employee, contractor, guest, licensee or invitee of Tenant. The provisions of this Section shall survive the expiration or sooner termination of this Lease.

Section 8.06 EXEMPTION FROM LIABILITY

Unless proximately caused primarily by Landlord's gross negligence or willful misconduct, as proved by Tenant, Landlord shall not be liable for injury or damage which may be sustained by the person, goods, wares, merchandise or property of Tenant, its employees, invitees or customers or any other person in or about the Premises, Common Areas, or Shopping Center caused by or resulting from any accident or occurrence in, on or about the Premises, Common Areas, or Shopping Center, including, but not limited to, injury or damage caused by or resulting from Landlord's failure to make repairs, or injury or damage from fire, steam, electricity, gas, water or rain which may leak or flow from or into any part of the Premises, or from the breakage, leakage, obstruction or other defects of the pipes, sprinklers, wires, appliances, plumbing, air conditioning or lighting fixtures of the same, whether said damage or injury results from conditions arising upon the Premises, Common Areas, Shopping Center, or from other sources. Landlord shall not be liable for any damage arising from any act or neglect of any other tenants, subtenants, or their licensees, invitees, employees, agents and contractors in or about the Premises, Common Areas, or the Shopping Center.

ARTICLE IX - REPAIRS AND RESTORATION

Section 9.01 MINOR INSURED DAMAGE

Subject to the provisions of Section 9.03, if at any time during the Lease Term the Premises are damaged and such damage is not a Substantial Premises Casualty (as defined below) and such damage was caused by any casualty fully insured by Landlord's Insurance, if any, then Landlord shall, upon receiving all of the insurance proceeds for such damage, or at such earlier time as Landlord may elect at its sole and absolute discretion, restore the base, shell and core of the Premises to substantially the same condition of the base, shell and core of the Premises prior to the casualty, except for modifications required by zoning and building codes and other laws or by the holder of a mortgage on the Shopping Center or the lessor of a ground or underlying lease, and this Lease shall continue in full force and effect. Upon the occurrence of any such damage to the Premises, Tenant shall assign to Landlord (or any person designated by Landlord) all insurance proceeds payable to Tenant under Tenant's insurance required under Section 8.01(b) (except for the insurance required under Section 8.01(b)(i)) and Landlord shall, upon receiving all of the insurance proceeds for such damage, or at such earlier time as Landlord may elect at its sole and absolute discretion, repair any damage to the improvements and alterations installed in the Premises by or for Tenant (including Landlord's Work, if any) and shall return such improvements and alterations to substantially the same condition thereof immediately prior to the casualty; provided that if the cost of such repair or restoration by Landlord exceeds the amount of insurance proceeds received by Landlord from Tenant's insurance carrier, as assigned by Tenant, the additional cost of such repair or restoration shall be paid by Tenant to Landlord prior to Landlord's repair or restoration of the damaged improvements and alterations within ten (10) days of written demand therefor by Landlord. Notwithstanding the foregoing, Landlord may request Tenant to perform such repair or restoration work to the improvements to the Premises made by or for Tenant, in which event Landlord shall make available to Tenant the insurance proceeds assigned by Tenant to Landlord. Tenant shall reimburse or, at Landlord's election, advance Landlord any insurance deductibles together with a fee of fifteen percent (15%) of the cost to repair the damage and restore the Premises to cover Landlord's administrative and overhead costs within ten (10) days after written demand therefor by Landlord. "**Substantial Premises Casualty**" shall be deemed to be damage to the Premises, wherein the cost of repair as estimated by Landlord exceeds twenty-five percent (25%) of the estimated replacement cost of the Premises. The determination in good faith by Landlord of the estimated cost of repair of any damage or of the estimated replacement cost of the Premises, any building or the Shopping Center shall be conclusive for the purpose of this Article IX.

Section 9.02 UNINSURED DAMAGE OR INSURED SUBSTANTIAL PREMISES CASUALTY

Subject to the provisions of Section 9.03, if at any time during the Lease Term, the Premises are damaged and (i) such damage is a Substantial Premises Casualty, and such damage was caused by a casualty fully insured under Landlord's Insurance, if any, or (ii) regardless of whether such damage is a Substantial Premises Casualty, such damage was caused by a casualty not insured against by Landlord or the available insurance proceeds are not sufficient in Landlord's sole opinion to pay the full cost of the repair or restoration, then Landlord may, at its option, either (a) upon receiving all of the insurance proceeds for such damage, or at such earlier time as Landlord may elect at its sole and absolute discretion to restore the base, shell and core of the Premises to substantially the same condition of the base, shell and core of the Premises prior to the casualty, except for modifications required by zoning and building codes and other laws or by the holder of a mortgage on the Shopping Center or the lessor of a ground or underlying lease, in which event this Lease shall continue in full force and effect, or (b) terminate this Lease by giving written notice to Tenant of its election to do so within sixty (60) days after the date of occurrence of such damage. Upon the occurrence of any such damage to the Premises, Tenant shall assign to Landlord (or any person designated by Landlord) all insurance proceeds payable to Tenant under Tenant's insurance required under Section 8.01(b) (except for the insurance required under Section 8.01(b)(i)) and if Landlord elects to continue this Lease in effect and to restore the base, shell and core of the Premises, Landlord shall, upon receiving all of the insurance proceeds for such damage, or at such earlier time as Landlord may elect at its sole and absolute discretion, repair any damage to the improvements installed in the Premises by or for Tenant (including Landlord's Work, if any) and shall return such improvements and alterations to substantially the same condition thereof immediately prior to the casualty; provided that if the cost of such repair or restoration by Landlord exceeds the amount of insurance proceeds received by Landlord from Tenant's insurance carrier, as assigned by Tenant, the additional cost of such repair or restoration shall be paid by Tenant to Landlord prior to Landlord's repair or restoration of the damaged improvements and alterations within ten (10) days after written demand therefor by Landlord. Notwithstanding the foregoing, Landlord may request Tenant to perform such repair or restoration work to the improvements to the Premises made by or for Tenant, in which event Landlord shall make available to Tenant the insurance proceeds assigned by Tenant to Landlord. Tenant shall advance or at Landlord's election, reimburse Landlord any insurance deductibles together with a fee of fifteen percent (15%) of the cost to repair the damage and restore the Premises to cover Landlord's administrative and overhead costs within ten (10) days after written demand therefor by Landlord.

Section 9.03 DAMAGE NEAR END OF TERM

Notwithstanding anything to the contrary contained in this Article IX, if the Premises are destroyed or damaged (regardless of whether such damage is a Substantial Premises Casualty and regardless of whether such damage is caused by an insured casualty) during the last two years of the Lease Term, including any extension of the Lease Term, Landlord may, at its sole and absolute discretion, terminate this Lease by giving written notice to Tenant within thirty (30) days after the date of occurrence of such damage of Landlord's election to terminate this Lease, in which event this Lease shall terminate as of the expiration of such thirty (30) day notice period.

Section 9.04 CONTINUED OPERATION BY TENANT

If the Premises are destroyed or damaged and Landlord repairs or restores them pursuant to the provisions of this Article IX, Tenant shall continue the operation of its business in the Premises to the extent reasonably practicable from the standpoint of prudent business management. There shall be no abatement of any Rent payable hereunder, and Tenant shall have no claim against Landlord for any damage suffered by Tenant by reason of any damage, destruction, repair or restoration of the Premises; provided, however, if fire or other casualty shall have damaged the Premises, and if such damage is not the result of the negligence or willful misconduct of Tenant or Tenant's subtenants, agents, employees, contractors, licensees or invitees, Minimum Monthly Rent and Tenant's Proportionate Share of Operating Expenses shall be proportionately abated in an amount equal to the proportion thereof which the number of square feet of Gross Floor Area in the Premises is rendered unfit for occupancy for the purposes permitted under this Lease and not occupied by Tenant as a result thereof bears to the total number of square feet of Gross Floor Area in the Premises but only to the extent Landlord is reimbursed from the proceeds of rental loss or rental interruption insurance. Upon completion of such repair or restoration, Tenant shall promptly, at its sole cost and expense, re-fixture and restock the Premises substantially to the condition prior to the casualty and shall reopen for business if closed by the casualty. Tenant acknowledges and agrees that Landlord has no obligation to carry insurance of any kind on the interior, non-structural improvements, signs, storefront, furniture, furnishings, trade fixtures, equipment, inventory, merchandise or other personal property located on or about the Premises, and that Landlord shall not be obligated to repair any damage thereto or replace the same.

Section 9.05 DAMAGE TO SHOPPING CENTER

Notwithstanding anything to the contrary herein contained, in the event of (i) a Substantial Shopping Center Casualty and such damage was caused by any casualty insured under Landlord's Insurance, or (ii) regardless whether such damage is substantial as so defined, such damage was caused by a casualty not insured against by Landlord or the available insurance proceeds are not sufficient in Landlord's sole opinion to pay the full cost of the repair or restoration, then Landlord may, at its option, either (a) restore the portion of the Shopping Center to a condition that does not materially adversely affect Tenant's use and enjoyment of the Premises, in which event this Lease shall continue in full force and effect, or (b) terminate this Lease by giving written notice to Tenant of its election to do so within one hundred twenty (120) days after the date of occurrence of such damage. Notwithstanding the foregoing, if any damage is caused to the Shopping Center (other than the Premises) by the negligent or willful act or omission of Tenant or Tenant's agents, subtenants, employees, contractors, licensees or invitees, Tenant shall within ten (10) days after written demand therefor by Landlord, advance or at Landlord's election, reimburse Landlord any insurance deductibles and the cost to repair the damage to the Shopping Center in excess of insurance proceeds together with a fee of fifteen percent (15%) of the cost to repair the damage and restore the Shopping Center to cover Landlord's administrative and overhead costs. The rights set forth in this Section are in addition to any other rights Landlord may have under this Article IX. "**Substantial Shopping Center Casualty**" shall be deemed to be damage to the Shopping Center, wherein the cost of repair as estimated by Landlord exceeds ten percent (10%) of the estimated replacement cost of the Shopping Center.

Section 9.06 WAIVER

The provisions of this Lease, including this Article IX, constitute an express agreement between Landlord and Tenant with respect to any and all damage to, or destruction of, all or any part of the Premises or Shopping Center, and any Applicable Law, including, without limitation, Sections 1932(2) and 1933(4) of the California Civil Code, with respect to any rights or obligations concerning damage or destruction in the absence of an express agreement between the Parties, now or hereafter in effect, shall have no application to this Lease or any damage or destruction to all or any part of the Premises or Shopping Center. Tenant waives any provision of Applicable Law, now existing or hereafter enacted, allowing Tenant to terminate this Lease because of any damage or destruction to the Premises or Shopping Center.

Section 9.07 RELEASE OF LIABILITY

In the event of any termination of this Lease by Landlord in accordance with this Article IX, the Parties shall be released thereby without further obligation to the other Party coincidental with the surrender of possession of the Premises to Landlord except for those obligations which have theretofore accrued or which survive termination of this Lease; provided, however, Tenant shall not be released from any obligation under this Lease if such termination is based on damage to the Premises or the Shopping Center caused by the negligent or willful act or omission of Tenant or Tenant's agents, subtenant, employees, contractors, licensees or invitees.

ARTICLE X - ASSIGNMENT AND SUBLETTING

Section 10.01 LANDLORD'S RIGHTS

(a) Landlord and Tenant agree that the Shopping Center includes (but is not necessarily limited to) an interdependent group of retail enterprises and that the realization of the benefits of this Lease, both to Landlord and Tenant, is dependent upon Tenant's creating and maintaining a successful and profitable retail operation in the Premises. Landlord and Tenant further agree that the "tenant mix" of the Shopping Center is also vital to the realization of the benefits of this Lease, by Landlord. Accordingly, Tenant shall not, either voluntarily or by operation of law, assign, sell, encumber, pledge, mortgage, hypothecate or otherwise transfer or convey all or any part of Tenant's leasehold estate hereunder, or enter into a transaction or series of transactions described in Section 10.01(k) below, or permit the Premises to be occupied by anyone other than Tenant or Tenant's employees, or sublet the Premises or any portion thereof, or enter into a license or concession agreement with respect to the Premises (hereinafter collectively a "**Transfer**" and any person to whom any Transfer is made or sought to be made is hereinafter sometimes referred to as a "**Transferee**"), without Landlord's prior written consent, which consent may be withheld or conditioned in Landlord's sole and absolute discretion, except as otherwise provided in Section 13.02(a)(i).

(b) If Tenant shall desire Landlord's consent, Tenant shall notify Landlord in writing, which notice ("**Transfer Notice**") shall include (i) the proposed effective date of the Transfer, which shall not be less than thirty (30) days nor more than one hundred twenty (120) days after the date of delivery of the Transfer Notice, (ii) a description of the portion of the Premises to be transferred ("**Subject Space**"), (iii) all of the terms of the proposed Transfer, the name and address of the proposed Transferee, and a copy of all existing and/or proposed documentation pertaining to the proposed Transfer, including, without limitation, all existing operative documents to be executed to evidence such Transfer or the agreements incidental or related to such Transfer, (iv) current financial statements of the proposed Transferee prepared in accordance with generally accepted accounting principles, including, but not limited to, a balance sheet, an income and expense statement, and a net worth statement, certified by an officer, partner or owner thereof as true and correct, and (v) such other information as Landlord may reasonably require.

(c) In the event of a Transfer, the Minimum Monthly Rent then payable under this Lease shall be automatically increased by fifteen percent (15%) effective on the effective date of the Transfer. The form and content of the documentation evidencing the Transfer shall be subject to Landlord's prior written approval as a condition precedent to the effectiveness of the Transfer. There are no intended third party beneficiaries of this Lease, and no prospective Transferee shall have any rights hereunder unless and until Landlord consents in writing to the proposed Transfer to such Transferee and the documentation evidencing the Transfer. Pursuant to Section 2.06, neither the Tenant nor any Transferee shall have the right to exercise an Option once a Transfer has occurred.

(d) Notwithstanding anything to the contrary contained in this Article X, Landlord shall have the option, by giving written notice to Tenant within thirty (30) days after receipt of any Transfer Notice, to recapture the Subject Space. Such recapture notice shall terminate this Lease with respect to the Subject Space as of the date stated in the Transfer Notice as the effective date of the proposed Transfer until the last day of the term of the Transfer as set forth in the Transfer Notice. If this Lease shall be terminated with respect to less than the entire Premises, the Rent reserved herein shall be adjusted on the basis of the number of square feet of Gross Floor Area retained by Tenant in proportion to the number of square feet of Gross Floor Area contained in the Premises, and this Lease, as so amended, shall continue thereafter in full force and effect, and upon request of either Party, the Parties shall execute written confirmation of the same.

(e) If Landlord consents to a Transfer, as a condition thereto which the Parties hereby agree is reasonable, Tenant shall pay to Landlord a percentage of the Transfer Premium as set forth in the Summary. "**Transfer Premium**" shall mean all Rent, Additional Rent or other consideration payable by such Transferee in excess of the Minimum Monthly Rent and Additional Rent payable by Tenant under this Lease (on a per rentable square foot basis if less than all of the Premises is transferred), after deducting the reasonable expenses actually paid by Tenant (and proved by evidence satisfactory to Landlord) for (i) any reasonable changes, alterations and improvements to the Premises in connection with the Transfer (but only to the extent approved by Landlord), and (ii) any reasonable brokerage commissions in connection with the Transfer. "Transfer Premium" shall also include, but not be limited to, key money and bonus money paid by Transferee to Tenant in connection with such Transfer, and any payment in excess of fair market value for services rendered by Tenant to Transferee or for assets, fixtures, inventory, equipment, or furniture transferred by Tenant to Transferee in connection with such Transfer. Notwithstanding the foregoing, "Transfer Premium" shall not include any consideration (not to exceed fair market value) received by Tenant in connection with the transfer of the entire Lease as an integral part of the sale of its business at the Premises so long as such sale is not a subterfuge to avoid the payment to Landlord of all or any portion of the Transfer Premium.

(f) Landlord may collect rent from the Transferee, and apply the amount so collected, first to the Minimum Monthly Rent due, then to any Additional Rent due and refund the balance (if any) to Tenant less Landlord's share of any Transfer Premium, but no such collection shall be deemed a waiver of Landlord's rights under this Section 10.01 or the acceptance of the Transferee, or a release of Tenant from the further performance of the covenants obligating Tenant under this Lease.

(g) Tenant shall not be in breach or otherwise in non-compliance under this Lease as of the effective date of the Transfer. Failure to be in compliance as of the effective date of the Transfer shall be deemed, at Landlord's option, an incurable material breach and default of Tenant's obligations hereunder, and Landlord may cancel the Transfer and/or pursue any and all of its rights and remedies under this Lease for such default.

(h) Consent by Landlord to one or more Transfer(s) of this Lease shall not be deemed to be a consent to any subsequent Transfer.

(i) Any Transfer without Landlord's consent shall be void ab initio unless it is subsequently approved in writing by Landlord (provided that Landlord shall have no obligation whatsoever to consider such a subsequent approval) and shall, at the option of Landlord, constitute an incurable material breach and default under the terms of this Lease.

(j) The voluntary or other surrender of this Lease by Tenant or a mutual cancellation hereof or the termination of this Lease by Landlord shall not work a merger but shall, at the option of Landlord, terminate all or any existing subleases or subtenancies or shall operate as an assignment to Landlord of such subleases or subtenancies.

(k) If Tenant is a corporation which, under the current laws, rules and guidelines promulgated by the governmental agency having jurisdiction or authority to promulgate the same, is not deemed a public corporation, or is an unincorporated association or partnership or limited liability company, the transfer, assignment or hypothecation of any stock or interest in such corporation,

association, partnership or limited liability company in the aggregate during the Lease Term in excess of twenty-five percent (25%) shall be deemed a Transfer within the meaning and provisions of this Article.

(l) Concurrently with the delivery of the Transfer Notice, Tenant shall pay to Landlord as Additional Rent a transfer application fee of $1,000.00 for Landlord's administrative, accounting and other costs incurred in conjunction with the processing and documentation of any such requested Transfer and Tenant shall also reimburse Landlord for any legal fees incurred by Landlord in connection with Tenant's proposed Transfer within ten (10) days of Landlord's written demand. Such payment and reimbursement shall be due and payable whether or not Landlord consents to the proposed Transfer.

(m) (i) Neither this Lease nor any interest in this Lease shall be assignable or transferable by operation of law, and if any proceeding under the Bankruptcy Code, 11 U.S.C. Section 101, et.seq. ("**Bankruptcy Code**"), or any amendment thereto or chapter thereunder, be commenced by or against Tenant (or should Tenant be a partnership or consist of more than one person, then any partner or such person) or if Tenant be adjudged insolvent, or make an assignment for the benefit of creditors, or if a writ of attachment or execution be levied on the leasehold estate created by this Lease, or if a receiver is appointed in any proceeding or action to which Tenant is a party, with authority to take possession or control of the Premises or the business conducted on the Premises by Tenant, this Lease, at the option of Landlord, shall immediately terminate and shall not be treated as an asset of Tenant after the exercise of Landlord's option, and Tenant shall have no further rights under this Lease, and Landlord shall have the right, after the exercise of its option to terminate this Lease, to forthwith re-enter and repossess itself of the Premises. The provisions of subsections (m)(ii) and (m)(iii) of this Section 10.01 shall apply only in the event that this Lease does not terminate pursuant to this subsection (m)(i) of Section 10.01.

(ii) (A) If this Lease is assigned to any person or entity pursuant to the provisions of the Bankruptcy Code, any and all monies or other consideration payable or otherwise to be delivered in connection with such assignment shall be paid or delivered to Landlord, shall be and remain the exclusive property of Landlord and shall not constitute property of Tenant or of the estate of Tenant within the meaning of the Bankruptcy Code. Any and all *monies* or other considerations constituting Landlord's property under this section not paid or delivered to Landlord shall be held in trust for the benefit of Landlord and be promptly paid or delivered to Landlord.

(B) Any person or entity to which this Lease is assigned pursuant to the provisions of the Bankruptcy Code shall be deemed without further act or deed to have assumed all of the obligations arising under this Lease on and after the date of such assignment, including the obligation to operate the business which Tenant is required to operate pursuant to Section 6.01 hereof.

(iii) The Parties agree that Landlord is entitled to adequate assurance of further performance of the terms and provisions of this Lease in the event of an assumption and assignment of this Lease under the provisions of the Bankruptcy Code. For purposes of any such assumption or assignment, the Parties agree that the term "adequate assurance" shall include at least the following without limitation:

(A) Any proposed assignee must have demonstrated to Landlord's satisfaction a net worth (as defined in accordance with generally accepted accounting principles consistently applied) of an amount sufficient to assure that the proposed assignee will have the resources with which to conduct the business to be operated in the Premises including the payment of all Rent and other charges hereunder for the balance of the Lease Term. The financial condition and resources of Tenant are material inducements to Landlord entering into this Lease.

(B) Any proposed assignee must have engaged in the Permitted Use described in the Summary for at least five (5) consecutive years prior to the proposed assignment.

(C) Any proposed assignee must have had average monthly sales for the eighteen (18) month period preceding initiation of a proceeding under the Bankruptcy Code at each location at which it operated such a business equal to at least ninety percent (90%) of Tenant's average monthly sales at the Premises for the eighteen (18) month period preceding initiation of a proceeding under the Bankruptcy Code.

(D) In entering into this Lease, Landlord considered extensively Tenant's Permitted Use and determined that such permitted business would substantially enhance the tenant mix in the Center, and were it not for the Tenant's agreement to operate only Tenant's permitted business on the Premises, Landlord would not have entered into this Lease. Landlord's operation of the Shopping Center will be materially impaired if a trustee in bankruptcy or any assignee of this Lease operates any business other than Tenant's Permitted Use.

(E) The provisions of Section 18.17 of this Lease regarding competing locations and Landlord's acceptance thereof, upon the terms and conditions specified therein, were a material inducement to Landlord to enter into this Lease. Any individual or entity proposed by a trustee in bankruptcy to be an assignee of this Lease shall comply with the provisions of Section 18.17 of this Lease. Any proposed assignee of this Lease must assume and agree to be personally bound by each term, provision and covenant of this Lease.

(F) Any assumption of this Lease by a proposed assignee must not adversely affect Landlord's relationship with any of the remaining tenants in the Center taking into consideration, any and all other "use" clauses and/or "exclusivity" clauses which may then exist under such tenants' leases with Landlord.

Should Landlord have reentered the Premises under any provision of this Lease, Landlord shall not be deemed to have terminated this Lease or the liability of Tenant to pay any rental or other charges thereafter accruing, or to have terminated Tenant's liability for damages under any of the provisions hereof by any action in unlawful detainer or otherwise, to obtain possession

of the Premises, unless Landlord shall have notified Tenant in writing that Landlord has so elected to terminate this Lease, and Tenant further covenants that the service by Landlord of any notice pursuant to the unlawful detainer statutes of the State of California and the surrender of possession pursuant to such notice shall not (unless Landlord elects to the contrary at the time of or at any time subsequent to the serving of such notice and such election is evidenced by a written notice to Tenant) be deemed to constitute or result in a termination of this Lease. In the event of any entry or taking possession of the Premises as aforesaid, Landlord shall have the right, but not the obligation, to remove therefrom all or any part of the personal property located therein and may place the same in storage at a public warehouse at the sole cost and expense and risk of Tenant.

(n) Tenant agrees to fully defend (with counsel satisfactory to Landlord) and indemnify and hold harmless Landlord with respect to all claims, costs, (including, without limitation, attorneys' fees expended by Landlord in connection with any such claim), and liability for compensation claimed by any broker, agent or finder employed by Tenant in connection with any Transfer.

Section 10.02 NO RELEASE OF TENANT

No Transfer shall relieve Tenant of its obligation to pay the Rent and to perform all of the other obligations to be performed by Tenant hereunder. The acceptance of Rent by Landlord from any person shall not be deemed to be a waiver by Landlord of any provision of this Lease or to be a consent to any Transfer. Notwithstanding any consent of Landlord to a Transfer of all or any part of the Premises, all then existing Guarantor(s) of this Lease shall remain liable under its respective guarantee of this Lease. As a condition precedent to any and all Transfers, Tenant shall cause such Guarantor(s) to execute and deliver to Landlord such additional documents in connection with any such Transfer as Landlord may require.

ARTICLE XI - EMINENT DOMAIN

Section 11.01 ENTIRE OR SUBSTANTIAL TAKING

If more than thirty percent (30%) of the Premises or more than thirty percent (30%) of the balance of the Shopping Center shall be taken under the power of eminent domain so as to render the Premises or Shopping Center not reasonably suitable for continuation by Tenant of its business, in the good faith discretion of Landlord, Landlord shall have the option, in Landlord's sole and absolute discretion, to terminate this Lease as of the date on which the condemning authority takes possession.

Section 11.02 PARTIAL TAKING

If any taking of the Premises under the power of eminent domain does not result in a termination of this Lease pursuant to Section 11.01, the Minimum Monthly Rent payable hereunder shall be reduced, effective as of the date on which the condemning authority takes possession, in the same proportion which the Gross Floor Area of the portion of the Premises taken bears to the Gross Floor Area of the entire Premises prior to the taking, and the Tenant's Proportionate Share shall be appropriately recalculated based on the Gross Floor Areas of the Premises and the leasable premises in the Shopping Center. Tenant hereby waives the provisions of California Code of Civil Procedure Section 1265.130, which allows Tenant to petition the Superior Court to terminate this Lease in the event of a partial taking of the Premises. In the event this Lease is not terminated, Landlord shall promptly restore the portion of the Premises not so taken to as near its former condition as is reasonably possible, and this Lease shall continue in full force and effect.

Section 11.03 AWARDS

Any award for a taking of all or any part of the Premises under the power of eminent domain shall be the property of Landlord, whether such award shall be made as compensation for diminution in value of the leasehold or for taking of the fee. Nothing contained herein, however, shall be deemed to preclude Tenant from filing any separate claim available to Tenant for any taking of Tenant's personal property and fixtures belonging to Tenant and removable by Tenant upon expiration of the Lease Term pursuant to the terms of this Lease, and for moving expenses, so long as such claim does not diminish the award available to Landlord.

Section 11.04 SALE UNDER THREAT OF CONDEMNATION

A sale by Landlord to an authority having the power of eminent domain, either under threat of condemnation or while condemnation proceedings are pending, shall be deemed a taking under the power of eminent domain for all purposes under this Article XI.

Section 11.05 TEMPORARY TAKING

Notwithstanding anything to the contrary contained in this Article XI, in the event of a temporary taking of all or any portion of the Premises for a period of one hundred and eighty (180) days or less, this Lease shall not terminate but the Minimum Monthly Rent payable hereunder shall be reduced, effective as of the date on which the condemning authority takes possession, in the same proportion which the Gross Floor Area of the portion of the Premises taken bears to the Gross Floor Area of the entire Premises prior to the taking. Landlord shall be entitled to receive the entire award made in connection with any such temporary taking.

ARTICLE XII - UTILITY SERVICE

Section 12.01 UTILITY CHARGES

Other than Landlord's Work, whereby Landlord shall stub the utilities to the Premises and Landlord supplying separate meters, Tenant shall, at Tenant's sole cost and expense, install, use and maintain the utilities in the Premises (including water, gas, electricity, sewer and telephone supplied to or servicing the Premises) and shall be responsible for all costs associated with any tap, impact, and sewer tap fees associated with Tenant's Permitted Use. Tenant, at Tenant's sole and absolute expense, shall pay directly, prior to delinquency, all charges, duties, and rates of every description ("**Utility Charges**") for gas, water, heat, sewer, electricity, telephone and any other utility services used in or about the Premises starting on the Delivery Date and continuing through the Lease Term. If

any such Utility Charges are not paid when due, Landlord may pay the same, and any amount so paid by Landlord shall thereupon become due to Landlord from Tenant as Additional Rent. All utility connection fees and permits or assessments required by Tenant's use or occupancy in, on or from the Premises shall be paid by Tenant at its sole cost and expense. Landlord shall have the right, at any time and at its sole and absolute discretion, to require Tenant to separately meter any or all of the utilities at the Premises at Tenant's sole cost and expense. If any utilities are not separately metered to Tenant, Tenant shall pay a reasonable proportion to be determined by Landlord in its good faith judgment of all Utility Charges jointly metered with other premises in the Shopping Center within ten (10) days of Tenant's receipt of a bill therefor. Landlord shall have the right to bill Tenant on a monthly estimated basis for all utility services that are not separately metered to Tenant or that are furnished by Landlord pursuant to Section 12.02 with such estimated charges to be reconciled within ninety (90) days after the end of each calendar year with the actual charges for such utilities. Tenant shall pay any deficiency in the payment of Utility Charges indicated by such annual reconciliation within ten (10) days of written demand therefor and shall receive a credit toward the ensuing payments of estimated Utility Charges in the amount of any excess payment indicated by the annual reconciliation. The obligations under this Section 12.01 relating to the reconciliation of estimated Utility Charges shall survive the expiration or earlier termination of this Lease.

Section 12.02 FURNISHING OF SERVICES

If Landlord shall elect to furnish any utility services to the Premises, Tenant shall purchase its requirements thereof from Landlord so long as the rates charged therefor by Landlord do not exceed those which Tenant would be required to pay if such services were furnished to Tenant directly by a public utility.

Section 12.03 INTERRUPTION OF SERVICE

Landlord shall not be liable for damages or otherwise for any failure, interruption or inadequacy of any utility service being furnished to the Premises and no such failure, interruption or inadequacy shall entitle Tenant to terminate this Lease or to any abatement of Rent.

ARTICLE XIII - DEFAULTS; REMEDIES

Section 13.01 DEFAULTS

The occurrence of any one or more of the following events shall constitute a "default" and material breach of this Lease by Tenant:

(a) The vacation or abandonment of the Premises by Tenant. Tenant shall be deemed to have vacated or abandoned the Premises if Tenant ceases to continuously operate its business in the Premises for a period of five (5) consecutive days except to the extent such cessation is permitted under this Lease.

(b) The failure by Tenant to make any payment of Rent, Additional Rent, Security Deposit or other payment required to be made by Tenant hereunder, as and when due, where such failure continues for a period of three (3) days following written notice to Tenant.

(c) (i) The making by Tenant of any assignment or arrangement for the benefit of creditors; (ii) the filing by or against Tenant of a petition to have Tenant adjudged a bankrupt or a petition for reorganization or arrangement under any law relating to bankruptcy (unless, in the case of a petition filed against Tenant, the same is dismissed within sixty (60) days); (iii) the appointment of a trustee or receiver to take possession of substantially all of Tenant's assets located at the Premises or of Tenant's interest in this Lease; (iv) the attachment, execution or other judicial seizure of at least fifty percent (50%) in value of Tenant's assets located at the Premises or of Tenant's interest in this Lease; (v) Tenant becoming a "debtor" as defined in 11 U.S.C. § 101 or any successor statute thereto (unless, in the case of a petition filed against Tenant, the same is dismissed within sixty (60) days); provided, however, in the event that any provision of this subsection is contrary to any Applicable Law, such provision shall be of no force or effect and shall not affect the validity of the remaining provisions.

(d) Any attempted or involuntary Transfer of Tenant's interest in this Lease without Landlord's prior written consent, as set forth more specifically in Section 10.01 of this Lease.

(e) If any lease (other than this Lease) made by Tenant for other space in the Shopping Center is terminated or terminable after the Rent Commencement Date due to any default by Tenant under such other lease.

(f) The discovery by Landlord that any warranty, representation, background information or financial statement given to Landlord by Tenant, any assignee of Tenant, any subtenant of Tenant, any successor in interest of Tenant, or any Guarantor, or any of them, was materially false or inaccurate in any material respect.

(g) The violation by Tenant of any restriction as to use of the Premises, including, without limitation, as set forth in Article VI of this Lease.

(h) Except as provided under Section 7.02(d), Tenant's failure to cause to be released any mechanics' liens filed against the Premises within ten (10) days after the date same shall have been filed.

(i) Tenant's failure to deliver to Landlord a duly executed (i) Tenant's Certificate in the form of Exhibit "C-2", (ii) estoppel certificate in the form required under Section 18.01, or (iii) subordination agreement in the form required under Section 1.02 or Section 18.19 within ten (10) days after written request therefor by Landlord.

(j) Tenant's failure to maintain the insurance required under this Lease.

(k) Any act, omission, occurrence or event which constitutes a "default" under the express terms of any provision of this Lease other than this Section 3.11.

(l) The failure by Tenant to observe or perform any of the other covenants or conditions of this Lease to be observed or performed by Tenant where such failure continues for a period of fifteen (15) days following written notice to Tenant; provided, however, that if any such failure is deemed an incurable breach under California Code of Civil Procedure Section 1161(4), such failure shall constitute a "default" and material breach of this Lease for which no notice and cure period shall be given and Landlord may automatically and immediately exercise all rights under Section 13.02.

Section 13.02 REMEDIES

(a) In the event of any default by Tenant (as defined in Section 13.01), Landlord may exercise the following remedies:

(i) Landlord shall have the option to continue this Lease in full force and not terminate Tenant's right to possession or such other rights as are provided for in this Lease and such rights as are permitted by law. Without limiting the foregoing, Landlord shall have the remedy described in California Civil Code Section 1951.4 (lessor may continue lease in effect after lessee's breach and abandonment and recover Rent as it becomes due, if lessee has right to sublet or assign, subject only to reasonable limitations) or any successor statute. In the event that Landlord gives notice to Tenant that Landlord has elected to invoke the remedy described in California Civil Code Section 1951.4, Landlord shall not unreasonably withhold its consent to a Transfer of the Premises, provided that Landlord shall retain all of its rights and remedies under Article X of this Lease except as expressly provided to the contrary in this sentence. If Landlord does not elect to terminate this Lease on account of any default by Tenant, Landlord may, from time to time, without terminating this Lease, enforce all of its rights and remedies under this Lease, including the right to recover all Rent as it becomes due.

(ii) Landlord may terminate this Lease by express written notice to Tenant of its election to do so, in which event Tenant shall immediately surrender the Premises. Landlord may, with or without terminating this lease and without prejudice to any other remedy which it may have, re-enter upon and take possession of the Premises and expel or remove Tenant and any other person who may be occupying the Premises or any part thereof and remove all property from the Premises. Tenant hereby waives all Claims arising from or in connection with Landlord's re-entering and taking possession of the Premises or removing or storing the property of Tenant or any other occupant. No re-entry or taking of possession by Landlord and no acceptance of surrender of the Premises or other action on Landlord's part shall be construed as an election to terminate this Lease unless Landlord gives written notice of such election to Tenant or unless the termination of this Lease is decreed by a court of competent jurisdiction. In the event this Lease is terminated, Landlord shall be entitled to recover from Tenant:

(1) The worth at the time of the award of the unpaid Rent which had been earned at the time of termination; plus

(2) The worth at the time of the award of the amount by which the unpaid Rent which would have been earned after termination until the time of award exceeds the amount of such rental loss that Tenant proves could have been reasonably avoided; plus

(3) The worth at the time of the award of the amount by which the unpaid Rent for the balance of the Lease Term after the time of award exceeds the amount of such rental loss that Tenant proves could be reasonably avoided; plus

(4) Any other amount necessary to compensate Landlord for all detriment proximately caused by Tenant's failure to perform its obligations under this Lease or which in the ordinary course of things would be likely to result therefrom, including, without limitation, any costs or expenses incurred by Landlord in (i) retaking possession of the Premises, including, without limitation, reasonable attorneys' fees and expenses, (ii) removing and storing (or disposing of) Tenant's personal property, equipment, furniture, trade fixtures and any Alterations made to the Premises by Tenant and repairing any damage caused by such removal, (iii) preparing the Premises for reletting to a new tenant, including repairs or alterations to the Premises for such reletting, and (iv) reletting the Premises, including, without limitation, leasing commissions and tenant improvement allowances.

(5) At Landlord's election, such other amounts in addition to or in lieu of the foregoing as may be permitted from time to time by Applicable Law.

(iii) As used in (ii)(1) and (ii)(2) above, the "worth at the time of award" is computed by allowing interest at the lower of 10% per annum or the highest rate permitted by law. As used in (ii)(3) above, the "worth at the time of award" is computed by discounting such amount at the discount rate of the Federal Reserve Bank of San Francisco at the time of award plus 1%.

(iv) Notwithstanding anything to the contrary in this Lease, all rights and remedies of Landlord set forth in this Lease shall be cumulative and no one of them shall be exclusive of the other, and Landlord shall have the right to pursue any one or all of such rights or remedies or any other right or remedy now or hereafter available to Landlord by law or in equity, including, without limitation, self-help, if and as permitted under state law.

(b) Landlord shall be under no obligation to observe or perform any covenant of this Lease on its part to be observed or performed which accrues after the date of any default by Tenant hereunder.

(c) In any unlawful detainer action or such similar proceeding commenced by Landlord against Tenant by reason of any default by Tenant hereunder, the reasonable rental value of the Premises for the period of the unlawful detainer shall be deemed to be the greater of the amount of Minimum Monthly Rent or the Fair Market Rent, plus Additional Rent and other charges reserved in this Lease for the comparable period of the preceding year.

(d) If termination of this Lease is obtained through the remedy of unlawful detainer or forcible detainer, Landlord shall have the right to recover in such proceeding any unpaid Rent and damages as are recoverable therein, or Landlord may reserve the right to recover all or any part thereof in a separate suit.

(e) If a notice and grace period required under Section 13.01 was not previously given, a notice to pay rent or quit, or to perform or quit, or 30-day notice given to Tenant under the unlawful detainer statute (California Code of Civil Procedure § 1161 et seq.), shall also constitute the notice required by Section 13.01. In such case, the applicable grace period required under Section 13.01 and the unlawful detainer statute shall run concurrently, and the failure of Tenant to cure the breach within the greater of the two such grace periods shall constitute both an unlawful detainer and a default and material breach of this Lease entitling Landlord to the remedies provided for in this Lease and/or by the unlawful detainer statute. Tenant hereby waives the notice requirements of California Code of Civil Procedure § 1161 and agrees that delivery of any notice in accordance with Section 18.14 of this Lease shall satisfy any notice requirements under California Code of Civil Procedure § 1161.

(f) Landlord shall have the right to deliver any notice under the unlawful detainer statute (including, without limitation, a notice to pay rent or quit, notice to perform or quit and 30-day notice) by any means authorized by the then prevailing Applicable Law including, without limitation, California Code of Civil Procedure § 1162. If Tenant is a business entity, Tenant hereby appoints and authorizes the individuals listed in the Summary as the "Designated Tenant Party" or, if more than one (1), the "**Designated Tenant Parties**"; provided, however, that any of the following individuals may receive delivery of any notice under the unlawful detainer statute on behalf of Tenant and delivery of said notice to any such individual shall be deemed delivery to Tenant: the Designated Tenant Party, any officer, director, manager, partner, shareholder or member of Tenant or any manager or employee with supervisory authority at the Premises. If Tenant is a business entity, Tenant shall inform Landlord of the identity and address of residence of each Designated Tenant Party and shall notify Landlord in writing of any change in the Designated Tenant Parties or in their place of residence within five (5) Business Days (as defined in Section 18.14) after the occurrence of any such change. If Tenant is a business entity and Tenant has identified one or more Designated Tenant Parties in the Summary, Tenant agrees that such identified persons are not intended to be the sole and exclusive Designated Tenant Parties. If Tenant is an individual, Tenant shall notify Landlord in writing of any change in Tenant's place of residence within five (5) Business Days after the occurrence of any such change. Without diminishing any affirmative obligations of Tenant, Landlord may periodically deliver to Tenant a written request to update the foregoing information. Tenant shall provide Landlord in writing the requested information not later than five (5) Business Days following delivery of the request.

(g) Tenant hereby waives any right of redemption or relief from forfeiture under the laws of the governing jurisdiction, or under any other present or future law, including, without limitation, all rights conferred by Section 3275 of the Civil Code of California and by Sections 1174(c) and 1179 of the Code of Civil Procedure of California, if Tenant is evicted or Landlord takes possession of the Premises by reason of any default by Tenant hereunder.

(h) One or more waivers by Landlord of any breach or default by Tenant hereunder shall not be a waiver of any other breach or default of the same or any other provision. Landlord's consent to or approval of any act by Tenant requiring Landlord's consent or approval shall not be deemed to waive or render unnecessary Landlord's consent to or approval of any subsequent similar act by Tenant.

(i) The receipt and acceptance by Landlord of any Rent or payment with or without knowledge of any default by Tenant hereunder shall not be deemed a waiver of any such default. No waiver by Landlord of any sum due hereunder or any provision hereof shall be deemed to have been made unless expressed in writing and signed by Landlord.

(j) No delay or omission in the exercise of any right or remedy accruing to Landlord upon any default by Tenant under this Lease shall impair such right or remedy or be construed as a waiver of any such default theretofore or thereafter occurring.

(k) In any action commenced by Landlord against Tenant by reason of any default hereunder, Tenant appoints each individual designated in subsection (f) above together with Tenant's registered agent for service of process, if any, as its agent, for purposes of service of process of any complaint or other moving or responding paper and service of process on any such person shall be deemed service of process on Tenant.

Section 13.03 DEFAULT BY LANDLORD

Landlord shall not be deemed to be in default in the performance of any obligation required to be performed by it hereunder unless and until it has failed to perform such obligation within thirty (30) days after receipt of written notice from Tenant specifying that Landlord has failed to perform such obligation; provided, however, that if the nature of Landlord's obligation is such that more than thirty (30) days are reasonably required for its performance, then Landlord shall not be deemed to be in default if it shall commence such performance within such 30-day period and thereafter diligently prosecute the same to completion. This Lease may not be cancelled or terminated for any default by Landlord. Tenant's sole remedy for any default by Landlord shall be such damages as may be afforded by law subject to any limitations set forth in this Lease. If Tenant is notified in writing of the identity and address of Landlord's mortgagee or ground lessor, Tenant shall give such mortgagee and ground lessor written notice of any default by Landlord

under the terms of this Lease by registered or certified mail, and such mortgagee and/or ground lessor shall be given a reasonable opportunity (which shall not be for a period less than 30 days after receipt by such mortgagees and ground lessors (if any) of the written notice of such default by Landlord) to cure such default prior to Tenant exercising any remedy available to Tenant.

Section 13.04 RECAPTURE OF COSTS AND BENEFITS

Any agreement for free or abated Rent, or for the giving or paying by Landlord to or for Tenant of any leasing commissions, finder's fee, tenant improvement allowance, rent abatement, cash, or other bonus, inducement or consideration for Tenant entering into this Lease or performing Tenant's Work or Landlord's Work, all of which concessions, costs and benefits are hereinafter referred to as "**Benefits**", shall be deemed conditioned upon Tenant's full and faithful performance of all of the terms, covenants and conditions of this Lease. Upon a default of this Lease by Tenant, any provisions regarding the payment of Benefits to Tenant shall automatically be deemed deleted from this Lease and of no further force or effect, and any Benefits theretofore abated, given or paid by Landlord, together with interest thereon, shall be immediately due and payable by Tenant to Landlord notwithstanding any subsequent cure of the breach constituting said default by Tenant. The acceptance by Landlord of Rent or the cure of the breach constituting default which initiated the operation of this Section shall not be deemed a waiver by Landlord of the provisions of this Section unless specifically so stated in writing by Landlord at the time of such acceptance.

ARTICLE XIV - COMMON AREAS

Section 14.01 DEFINITION

All areas (and improvements located thereon), whether now or later made available, within the exterior boundaries of the Shopping Center (but not including the Non-Retail Portion, if any) that are not from time to time designated by Landlord for the exclusive use of Landlord, a particular tenant or tenants, or any other person shall be deemed "**Common Areas**."

Section 14.02 USE OF COMMON AREAS

Unless specifically and explicitly set forth herein to the contrary, Tenant and its employees and invitees shall be entitled to the non-exclusive use of the Common Areas during the Lease Term, in common with (a) Landlord, (b) other tenants of Landlord and their employees and invitees, (c) the owners, tenants, employees and invitees of any Non-Retail Portion of the Shopping Center, and (d) other persons authorized by Landlord from time to time to use such areas, subject to the Encumbrances and to such rules and regulations relating to such use as Landlord may from time to time establish. The rights of Tenant and its employees and invitees in and to the Common Areas shall at all times be subject to the rights of Landlord, the other tenants of the Shopping Center, and the owners and tenants of any Non-Retail Portion of the Shopping Center, to use the same in common with Tenant. If in the opinion of Landlord, unauthorized persons are using any of said areas by reason of the presence of Tenant in the Shopping Center, Tenant, upon demand by Landlord, shall restrain such unauthorized use by appropriate proceedings. Nothing herein shall affect the right of Landlord at any time to remove any such unauthorized person from the Common Areas or to prohibit the use of any said areas by unauthorized persons.

Section 14.03 CONTROL BY LANDLORD

(a) Landlord shall have the sole and exclusive right to directly or by contract operate, manage, equip, light, repair, replace, clean and maintain the Common Areas in such manner as Landlord may in its sole and absolute discretion determine to be appropriate.

(b) Landlord shall at all times during the Lease Term have the sole and exclusive control of the Common Area, and the right to determine the nature, size and extent of the Common Areas and to make changes to the Common Areas. Landlord's rights shall include, but not be limited to, the right to (i) temporarily close or permit the closure of any Common Areas for repairs, improvements or alterations, to prevent a dedication thereof or the accrual of prescriptive rights therein, or for any other reason deemed sufficient by Landlord, (ii) restrain any use or occupancy of the Common Areas by unauthorized persons, (iii) make changes, improvements, additions, deletions and alterations to the Common Areas or Shopping Center, including, without limiting the generality of the foregoing, change the size, shape, location, number and extent of the Common Areas or any portion thereof, (iv) utilize any portion of the Common Areas for promotional, entertainment and related matters, (v) place permanent or temporary kiosks, displays, advertisements, carts and stands in and on the Common Areas and to lease and license same to tenants, (vi) renovate, upgrade or change the shape and size of the Common Areas or add, eliminate or change the location of improvements to the Common Areas including, but not limited to, parking areas, roadways and curb cuts, and to construct buildings on the Common Areas, and/or (vii) install and use any and all wall space throughout Common Area and Shopping Center (including the outer walls of the Shopping Center located on Beach Boulevard and/or Orangethorpe Avenue) for any reason, including, but not limited to, placing or installing banners, posters, large painted and printed wall advertisements, digital media signs and regular commercial advertisements.. Tenant acknowledges that such renovation, improvement, construction, modification, reduction or expansion of the Shopping Center or any part thereof (collectively, "**Renovations**") if and when it may occur, will involve barricading, materials storage, noise, dust, vibration, scaffolding, demolition, structural alterations, the presence of workmen and equipment, rearrangement of Common Areas and lighting facilities, redirection of vehicular and pedestrian traffic, and other inconveniences typically associated with construction. Tenant shall not be entitled to any damages or other compensation for interference or interruption of Tenant's business upon the Premises, and during the course of the Renovations, Tenant shall continue to pay Rent without any abatement. Tenant shall not have the right to terminate this Lease as a result of any such Renovations, and such Renovations shall not, in any event, constitute a breach by Landlord of any provision of this Lease, constitute or be construed as a constructive or other eviction of Tenant or constitute or be construed as

a breach of Tenant's quiet enjoyment. Tenant hereby waives any claim or defense it may have against Landlord and any right of offset against or deductions from Rent for any interruption of or interference with Tenant's conduct of business or for any purported breach of the covenant of quiet enjoyment or constructive eviction arising out of or in connection with such Renovations.

(c) No fence, rope, wall, structure, division, rail or any other obstruction shall be placed, kept, permitted or maintained upon the Common Areas or any part thereof by Tenant; provided, however, Landlord may do any of the foregoing and permit other tenants to do so in connection with the fulfillment of any of Landlord's rights or obligations hereunder or for reasons of public safety or promotional activities. No sale, display, advertising, promotion, or storage of merchandise or any item used in Tenant's business or any business activities of any kind shall be conducted in the Common Areas by Tenant without Landlord's prior written consent, which may be withheld or conditioned in Landlord's sole and absolute discretion.

(d) Landlord reserves the right to appoint a substitute operator, who may be an affiliate of Landlord, to carry out any or all of Landlord's rights and duties with respect to the Common Area as provided in this Lease; and Landlord may enter into a contract with such operator on such terms and conditions and for such period as Landlord shall deem proper; and if Landlord does so, the substitute operator shall be entitled to receive the administrative fee provided for in Section 14.05(a).

Section 14.04 PARKING

(a) Landlord and its agents have not made and do not make any representations or warranties of any nature whatsoever, now or in the future, with respect to the availability or adequacy of vehicle parking spaces at the Shopping Center or the demand by tenants of the Shopping Center and their customers and employees for parking spaces. Tenant has personally inspected the Shopping Center or has seen the parking plans for the Shopping Center and has satisfied itself that parking is adequate for Tenant's purposes. Landlord shall have the right at any time and from time to time to establish restricted or exclusive parking zones.

(b) At Landlord's written request, Tenant and its employees shall park their vehicles outside the Shopping Center or only in those areas, if any, within the Shopping Center from time to time designated by Landlord. Landlord may change such designated areas at any time upon written notice to Tenant. Tenant shall furnish Landlord with a list of its employees' vehicle license numbers within fifteen (15) days after taking possession of the Premises, and Tenant shall thereafter notify Landlord of any change in such list within five (5) days after each such change occurs. Tenant agrees to assume responsibility for compliance by its employees with the parking provisions contained herein. If Tenant or its employees park in areas designated for non-Shopping Center parking or in a parking area specifically designated for Tenant or for Shopping Center Parking, then Landlord may charge Tenant, as Additional Rent, $50.00 per vehicle per day for each day or partial day each such vehicle is parked in any part of the Common Areas other than that designated by Landlord. Tenant hereby authorizes Landlord to tow away from the Shopping Center any vehicle belonging to Tenant or its employees parked in violation of these provisions, and/or to attach violation stickers or notices to such vehicle. Tenant shall hold Landlord harmless from any liability relating thereto and within ten (10) days after demand for payment shall pay the cost of towing and storage if not paid by the employee.

(c) If Landlord elects to limit or control parking by customers or invitees of the Shopping Center, whether by validation or parking tickets or any other method of assessment, Tenant agrees to participate in such validation or assessment program under such rules and regulations as are from time to time established by Landlord.

(d) In the event that a parking surcharge or regulatory fee, however designated, is imposed upon or levied or assessed against the Shopping Center or on account of, the parking spaces thereon by any governmental agency or authority pursuant to the "Clean Air Act" or any plan implemented pursuant to such Act, or any enactment amendatory or in substitution thereof, Tenant agrees that Landlord may, at Landlord's option (but without obligation to do so), institute a system of pay parking, charging either the occupants of the Shopping Center or those persons parking in the Shopping Center as Landlord may, in its judgment, decide and as permitted by the governmental agency or authority, and, in such event, the proceeds of such system will be used to pay any such surcharge or fee and the cost of implementing and administering such system. Tenant shall comply with any rules and regulations established by Landlord relating thereto.

Section 14.05 OPERATING EXPENSES

(a) Tenant shall pay to Landlord, as Additional Rent, in the manner and at the time provided below, Tenant's Proportionate Share of all costs and expenses incurred by Landlord in connection with the ownership, insurance, operation, maintenance, management, administration, replacement, restoration, renovation, repair, resurfacing, painting, cleaning, sealing, alteration and improvement of the Shopping Center or any part or portion thereof (that are not paid or payable directly by, or separately metered or otherwise chargeable in their entirety to individual tenants) (all of such costs and expenses are hereinafter referred to collectively as "**Operating Expenses**"). Without limiting the generality of the foregoing, Operating Expenses include the costs and expenses of:

(i) gardening, landscaping, re-landscaping, sodding, and planting, tree maintenance and re-lamping;

(ii) maintenance, cleaning, sweeping, resurfacing, repaving, re-striping, painting, sealing, replacing, repairing and patching of parking lots, driveways, sidewalks, walk-ways, curbs and stairways;

(iii) all utilities and utility services, including, without limitation, electric, gas, water, sewer, electricity, lighting, canopy lighting, refuse collection, and recycling and all utility taxes, charges or similar impositions (Landlord may charge Tenant for these items as set forth in Section 12.01 and/or as set forth in this Section 14.05, provided that Tenant shall not inequitably be charged more than once for the same expense);

(iv) window cleaning, steam cleaning, sweeping, janitorial services, trash removal, trash bin rental, graffiti removal and pest control;

(v) installation, testing, maintenance, repair, replacement and restoration of Shopping Center signs, directories, bumpers, directional signs and other markers, public restrooms, windows, doors, locks, lock cylinders, any roof or roof membranes, exterior walls, floor and wall coverings, floor finishes, ceiling tiles and fixtures, HVAC equipment and systems, plumbing, backflow devices, fire protection systems and equipment, sprinkler systems and equipment, lighting fixtures and systems (including, without limitation, replacement of tubes and bulbs, as necessary), storm drainage systems, irrigation systems and any other utility systems and equipment, mechanical systems and equipment, including automatic door openers, elevators, escalators, trash compactors and other similar devices, and all security systems and equipment, including, without limitation, closed circuit television systems or devices;

(vi) the monitoring and testing of fire protection and security systems and personnel to implement such services, including, without limitation, the cost of security guards or devices;

(vii) property management, regardless of whether property management is performed by Landlord, one or more affiliates of Landlord and/or one or more unaffiliated third party property managers;

(viii) all capital repairs, replacements and improvements arising out of or in connection with (a) wear and tear, (b) Applicable Laws, (c) reducing labor costs or effecting other economies in the operation or maintenance of the Shopping Center, or (d) maintaining the character of the Shopping Center as a first class commercial project, provided that any of the items in this subsection (viii) may be depreciated or amortized in such manner as Landlord deems appropriate in its sole and absolute discretion;

(ix) periodic replacement and installation of personal property;

(x) rental paid for leased machinery, tools, equipment and motor vehicles;

(xi) programs instituted to comply with governmental transportation management requirements and all repairs, improvements and alterations required by any Applicable Law or necessary to ensure that the Shopping Center remains or to bring the Shopping Center in compliance with all Applicable Laws;

(xii) premiums and deductibles on Landlord's Insurance and any alterations, replacements or improvements (including, without limitation, capital improvements) in or to the Shopping Center required by Landlord's insurance carriers, or any of them, as a condition to the issuance or continuance of such insurance;

(xiii) Taxes;

(xiv) depreciation of machinery and equipment;

(xv) government-imposed parking charges or costs;

(xvi) the cost of licenses, certificates, permits and inspections;

(xvii) reasonable reserves for maintenance, repair, replacement and resurfacing of parking areas, painting and maintenance of the exterior of any building, awnings and other protrusions from such exterior walls, and roof maintenance, repair and replacement and such other reserves as Landlord may determine in its sole and absolute discretion;

(xviii) special events, decorations, holiday decorations and music systems;

(xix) all services and amenities provided to tenants of the Shopping Center on a non-exclusive basis;

(xx) marketing and advertising costs and expenses in excess of the Advertising Contribution and other advertising charges received by Landlord from tenants of the Shopping Center;

(xxi) legal, accounting and consulting services;

(xxii) the cost of contesting the validity or applicability of any governmental enactments which may affect Operating Expenses;

(xxiii) payments under any easement, license, operating agreement, declaration or restrictive covenant applicable to the Shopping Center;

(xxiv) all sums payable by Landlord under any service contracts;

(xxv) testing, inspecting, monitoring, remediation, removal and disposal of any Hazardous Substances (as defined in Section 17.04(a)) in, on, about or under the Shopping Center (other than Hazardous Substances in, on, about or under the Shopping Center as of the Rent Commencement Date) and the cost and expenses to restore the Shopping Center and surrounding environment to the condition existing prior to the contamination by such Hazardous Substances, unless Tenant proves that such Hazardous Substances were caused by Landlord;

(xxvi) the cost of materials, tools, supplies, utilities and personnel to implement or provide any of the foregoing services (personnel costs include, without limitation, the cost of compensation, employment taxes, workers' compensation premiums, and fringe benefits, whether or not such personnel are directly employed by Landlord);

(xxvii) any other costs, expenses or charges of whatsoever kind, whether or not hereinabove described, in connection with the ownership, insurance, operation, maintenance, management, administration, replacement, restoration, repair, resurfacing, painting, cleaning, alteration and improvement of the Shopping Center or any part or portion thereof except as specified above; and

(xxviii) an amount equal to fifteen percent (15%) of all such costs and expenses, to cover Landlord's administrative and overhead expense.

(b) The foregoing is intended to illustrate, without limitation, the costs and expenses of services, materials, tools, supplies, equipment and improvements that Landlord may charge Tenant as Operating Expenses but shall not be construed as imposing any obligation on Landlord whatsoever to provide any such services, materials, tools, supplies, equipment and improvements. Nothing in this Section 14.05 shall in any way limit Tenant's maintenance and repair obligations set forth in Section 7.01 or any other obligations of Tenant under this Lease.

(c) Tenant further agrees that, in addition to the foregoing, if Tenant requests, and Landlord consents to and provides lighting, HVAC or other utility service to the Common Areas or any portion thereof, beyond the normal and customary business hours of the Shopping Center or otherwise beyond the normal and customary service, Tenant shall pay to Landlord as further and Additional Rent, all costs incurred by Landlord with respect thereto plus an amount determined by Landlord to be sufficient to cover Landlord's administrative and overhead expense.

(d) This Lease is intended to be an absolute triple net lease. Tenant acknowledges and agrees that all Rent reserved or payable to Landlord hereunder shall be paid net to Landlord, without deduction or offset of any kind whatsoever.

(e) Tenant acknowledges and agrees that Landlord may exempt an Excluded Tenant (as defined in Section 14.07) from the payment of all or a portion of the Operating Expenses or impose alternative methods for determining an Excluded Tenant's share of all or a portion of Operating Expenses. Any amounts paid by the Excluded Tenants for Operating Expenses in any calendar year shall be deducted from the total amount of Operating Expenses for that calendar year. Notwithstanding anything to the contrary set forth in this Lease, all Rent or other payment received by Landlord from any tenant, licensee or other person for the operation of any cart or kiosk in and/or other use of any portion of the Common Areas or any other part of the Shopping Center shall be the sole property of Landlord, and Landlord shall have no obligation to apply any such amounts to reduce or pay Operating Expenses.

Section 14.06 PAYMENT OF OPERATING EXPENSES

Except as otherwise set forth in this Lease, Tenant shall during the Lease Term from and after the Rent Commencement Date pay Tenant's Proportionate Share of Operating Expenses within ten (10) days of receipt of an invoice therefor at such intervals as Landlord may elect to bill Tenant; provided, however, Landlord may, at its option, give Tenant a written estimate of Tenant's Proportionate Share of Operating Expenses and Tenant shall pay such estimated Operating Expenses as provided in Article XV. Notwithstanding anything to the contrary set forth in this Lease, Landlord shall have the right, but not the obligation, from time to time, to equitably allocate some or all of the Operating Expenses among the tenants or occupants of the Shopping Center and make appropriate adjustments to Tenant's Proportionate Share of such Operating Expenses, such that (for purposes of illustration and not limitation) tenants or occupants of the Shopping Center who exclusively benefit or benefit to a much greater extent than other tenants or occupants of the Shopping Center from certain services may pay all or a greater part of the cost thereof, or where certain costs or expenses are attributable solely to a particular building in the Shopping Center, the tenants of such building may pay for all or a greater part of such costs and expenses, and Landlord's decision regarding any such allocation and/or adjustment shall be conclusive.

Section 14.07 GROSS FLOOR AREA

(a) Landlord and Tenant agree that the Premises contain the Gross Floor Area (hereafter defined) set forth in the Summary. As used in this Lease, the term "**Gross Floor Area**" means, with respect to the Premises and with respect to each other leasable premises in the Shopping Center the number of square feet of floor space measured from the exterior faces of exterior walls (generally defined as any wall (i) that is not shared between tenants; (ii) enclosing any Common Area; or (iii) that makes up the envelope of any building that makes up the Overall Project) and the center line of party walls (generally defined as any wall that is shared between tenants). No deduction or exclusion from Gross Floor Area shall be made by reason of columns, stairs, elevators,

escalators or other interior construction or equipment. The Gross Floor Area of the Premises set forth in the Summary is an agreed approximation which is not subject to adjustment by Tenant; provided, however, Landlord reserves the right at any time to re-measure the Gross Floor Area of the Premises and/or the Gross Floor Area of all other leasable premises in the Shopping Center, or any portion thereof, and the results of such re-measurement, at Landlord's election, shall be binding and conclusive on Tenant and all monetary obligations of Tenant based on the square footage of the Premises and/or the Shopping Center, including, without limitation, Tenant's Proportionate Share, shall be adjusted accordingly. For purposes of calculating the "Gross Floor Area" of other leasable premises in the Shopping Center, Landlord may, in its sole and absolute discretion, exclude the Gross Floor Area of Landlord's administrative and/or management office, the management office of the property manager, "anchor" tenants (Landlord shall have the right to determine in its sole and absolute discretion whether a tenant is an "anchor" tenant), carts, and/or kiosks (each an "**Excluded Tenant**" and collectively, "**Excluded Tenants**").

(b) "**Tenant's Proportionate Share**" is a fraction, the numerator of which is the Gross Floor Area of the Premises, and the denominator of which is the Gross Floor Area of all leasable premises in the Shopping Center, which shall specifically exclude all outside selling areas used for the sale of merchandise by tenants, and any electrical rooms, trash rooms, conduit, ventilation shafts, mezzanines, trash enclosures, loading areas and the like. Tenant's Proportionate Share is subject to adjustment if the Shopping Center is expanded, reduced or otherwise modified, or as otherwise provided in this Lease.

ARTICLE XV - ESTIMATED CHARGES

Section 15.01 ELECTION TO ESTIMATE OPERATING EXPENSES

Landlord may, at its sole and absolute discretion, elect to estimate Tenant's Proportionate Share of Operating Expenses (hereinafter referred to as "**Estimated Charges**"). If Landlord so estimates Tenant's Proportionate Share of Operating Expenses, Landlord shall submit a written statement of Estimated Charges to Tenant for the ensuing year or portion thereof. Tenant shall pay as Additional Rent such Estimated Charges to Landlord in equal monthly installments, in advance, as part of the same check with which Tenant pays Minimum Monthly Rent. Tenant shall continue to make such payments until notified by Landlord of a change thereof. Landlord may adjust the Estimated Charges at any time and from time to time to more accurately reflect the actual charges to be paid by Tenant.

Section 15.02 STATEMENT OF ACTUAL CHARGES

Within one hundred twenty (120) days after the end of each calendar year, Landlord shall endeavor to furnish to Tenant a statement showing in reasonable detail the Operating Expenses and Tenant's share thereof for that calendar year (hereinafter referred to as "**Actual Charges**"). However, Landlord's failure to provide such statement by the date provided herein shall in no way excuse Tenant from its obligation to pay its share of such charges or constitute a waiver of Landlord's right to bill and collect such charges from Tenant in accordance with this Lease. If Tenant's share of Actual Charges for a calendar year exceeds the Estimated Charges previously paid by Tenant for that calendar year, Tenant shall pay the deficiency within ten (10) days after receipt of such statement. If the Estimated Charges exceed the Actual Charges, such excess shall be credited to Tenant's Estimated Charges for the ensuing year.

Section 15.03 ADJUSTMENT

Upon expiration or earlier termination of the Lease Term, Tenant shall pay on demand any and all sums due for Actual Charges and any sums due Tenant shall be promptly paid by Landlord. This Section 15.03 shall survive the expiration or earlier termination of the Lease Term until such time as Landlord has received from or paid to Tenant the difference between Actual Charges and Estimated Charges as provided in Section 15.02 of this Lease.

Section 15.04 NO WAIVER

Failure by Landlord to strictly adhere to the provisions stated hereinabove shall not be deemed a waiver of Tenant's obligations to pay any Estimated Charges or Actual Charges.

ARTICLE XVI - SIGNS

Section 16.01 SIGNAGE

Tenant shall not, without Landlord's prior written consent, which may be withheld or conditioned in Landlord's sole and absolute discretion, install or affix or suffer to be installed or affixed on the exterior of the Premises or any exterior door or wall or the exterior or interior of any window of the Premises or the Common Areas any signs, exterior lighting or plumbing fixtures, shades, awnings, canopy, marquee, advertising matter, lettering, decorations or other thing of any kind. All signs shall be installed, maintained and repaired at Tenant's sole cost and expense. Tenant shall not install any loudspeakers, mechanical or moving display devices, unusually bright, neon, or flashing lights and similar devices, the effect of which may be seen or heard outside the Premises. Except as otherwise herein provided, Tenant shall have the right, at its sole cost and expense, to erect and maintain within the interior of the Premises all signs and advertising matter customary or appropriate in the conduct of Tenant's business which cannot be seen from the exterior of the Premises; provided, however, that Tenant shall, upon demand of Landlord, immediately remove any sign, advertisement, decoration, lettering or notice which Tenant has placed or permitted to be placed in, upon or about the Premises and which Landlord in its sole and absolute judgment deems offensive or inappropriate. If Tenant fails or refuses to do so, Landlord may enter upon the Premises and remove the same, in which event Tenant shall, within ten (10) days of demand, reimburse to Landlord the costs of removing such materials and all of Landlord's expenses (including attorneys' fees and costs). Tenant acknowledges that the Premises are a part of a Shopping Center, and agrees that control of all signs by Landlord is essential to the maintenance of aesthetic and commercial values in or pertaining to the Shopping Center. Tenant shall comply with any sign criteria which may be adopted by

Landlord for the Shopping Center and/or for the Premises from time to time and any Applicable Laws regarding signage at the Premises and/or the Shopping Center. Landlord may at any time and from time to time require Tenant at Tenant's sole cost and expense to erect one or more store-front signs designated by Landlord, or modify or upgrade any of Tenant's existing signage, within thirty (30) days following notice from Landlord. Landlord may require Tenant to place one or more signs at any pole or monument sign structure, in which event Tenant shall pay for all costs of such signage. Upon expiration or sooner termination of the Lease Term, Tenant shall, at its sole cost and expense, remove all signs, installation and devices, and repair all damage caused by the installation, maintenance and removal thereof, except that, if Landlord so elects, Tenant's internally illuminated sign enclosure shall remain in place and become the property of Landlord.

ARTICLE XVII – HAZARDOUS SUBSTANCES

Section 17.01 COVENANTS OF TENANT REGARDING HAZARDOUS SUBSTANCES

Tenant represents and warrants to Landlord and covenants as follows:

(a) No Hazardous Substance (as defined in Section 17.04(a)) may be brought upon, used, kept or stored in, on, about or under the Premises or anywhere else in, on, about or under the Shopping Center by Tenant, its agents, representatives, employees, contractors or invitees, without the prior written consent of Landlord, which Landlord may withhold in its sole and absolute discretion, unless Tenant demonstrates to Landlord's satisfaction that (1) any Hazardous Substance that Tenant desires to bring upon, use, keep or store in, on or about the Premises or Shopping Center, is customarily used by Tenant at its other locations (if any) and by similar businesses in similar shopping centers, (2) that use of the Hazardous Substance will not adversely affect the Shopping Center, create a risk of injury or property damage, or increase insurance costs or other Operating Expenses, and (3) that the Hazardous Substance will be brought upon, used, kept and stored in a manner which complies with all Environmental, Health and Safety Requirements (as defined in Section 17.04(b)) regulating such Hazardous Substance and with the highest standards prevailing in the industry with respect to such Hazardous Substance. If Tenant demonstrates to Landlord's satisfaction all of the matters set forth in the preceding sentence, then Landlord's consent may be granted or withheld in Landlord's reasonable business judgment.

(b) If any Hazardous Substance is brought upon, used, kept or stored in, on, about or under the Premises or Shopping Center by Tenant, then Tenant shall do so in a manner which complies with all Environmental, Health and Safety Requirements regulating such Hazardous Substance and with the highest standards prevailing in the industry for such Hazardous Substance. Without limiting any of the other obligations of Tenant set forth in this Lease, Tenant shall, at its own cost and expense, procure, maintain in effect and comply with all conditions and requirements of any and all permits, licenses and other governmental and regulatory approvals or authorizations required under any Environmental, Health or Safety Requirement in connection with the bringing, use, keeping and storage of such Hazardous Substance in, on, about or under the Premises or Shopping Center. Tenant shall submit to Landlord copies of all such permits, licenses, or other governmental or regulatory approvals or authorizations within five (5) Business Days of its receipt thereof.

(c) Upon written demand by Landlord in any instance in which the presence of any Hazardous Substance in, on, about or under the Premises or Shopping Center was caused or permitted by Tenant without Landlord's prior written consent, Tenant shall promptly remove and dispose of the same at Tenant's sole cost and expense and in compliance with all applicable Environmental, Health and Safety Requirements. If the presence of any Hazardous Substance in, on, about or under the Premises or Shopping Center caused or permitted by Tenant results in any contamination of the Premises or Shopping Center or the surrounding environment, Tenant shall promptly take all actions at its sole cost and expense as are necessary to return the Premises or Shopping Center or the surrounding environment to the condition existing prior to such contamination ("**Remediation**"); provided, however, that Tenant shall not undertake any Remediation without first providing Landlord with written notice thereof and obtaining Landlord's approval therefor. Tenant shall carry out any Remediation in a manner which will minimize the impact on the businesses conducted by other tenants in the Shopping Center and in a manner which complies with all Environmental, Health and Safety Requirements. Further, Tenant shall not undertake any Remediation, nor enter into any settlement agreement, consent decree or other compromise with respect to any claims relating to any Hazardous Substance in any way connected with the Premises or Shopping Center without first notifying Landlord of Tenant's intention to do so and affording Landlord ample opportunity to appear, intervene or otherwise appropriately assert and protect Landlord's interest with respect thereto.

(d) Upon the expiration or earlier termination of the Lease Term, Tenant shall cause to be removed from the Premises or Shopping Center, as appropriate, all Hazardous Substances brought upon, used, kept or stored in, on, about or under the Premises or Shopping Center by Tenant, as well as all receptacles or containers therefor, and shall cause such Hazardous Substances and such receptacles or containers to be stored, treated, transported and/or disposed of in compliance with all applicable Environmental, Health and Safety Requirements. Any Hazardous Substances or receptacles or containers therefor which Tenant causes to be removed from the Premises or Shopping Center shall be removed solely by duly licensed haulers and transported to and disposed of at duly licensed facilities for the final disposal of such Hazardous Substances and receptacles or containers therefor. Tenant shall deliver to Landlord copies of any and all manifests and other documentation relating to the removal, storage, treatment, transportation and/or disposal of any Hazardous Substances or receptacles or containers therefor reflecting the legal and proper removal, storage, treatment, transportation and/or disposal thereof. Tenant shall, at its sole cost and expense, repair any damage to the Premises or Shopping Center resulting from Tenant's removal of such Hazardous Substances and receptacles or containers therefor. Tenant's obligation to pay Minimum Monthly Rent and all other Rent shall continue until such removal by Tenant has been completed to Landlord's satisfaction, notwithstanding the expiration or earlier termination of the Lease Term.

(e) Tenant shall, from time to time, execute such affidavits, certificates or other documents as may be requested by Landlord concerning Tenant's best knowledge and belief regarding the presence of Hazardous Substances in, on, about or under the Premises or Shopping Center. Further, each year throughout the Lease Term, within ten (10) business days after Landlord's written request, Tenant shall deliver to Landlord a letter stating that during the preceding year Tenant has complied with the provisions of this Article XVII or, if Tenant has not so complied, a letter setting forth the details concerning its noncompliance.

(f) Tenant shall notify Landlord in writing immediately upon becoming aware of: (i) any enforcement, cleanup, remediation or other action threatened, instituted or completed by any governmental or regulatory agency or private entity or person with respect to the Premises or Shopping Center relating to Hazardous Substances; (ii) any claim threatened or made by any person against Tenant or the Premises or Shopping Center for personal injury, property damage, other losses, contribution, cost recovery, compensation or any other matter with respect to the Premises or the Shopping Center relating to Hazardous Substances; (iii) any reports made by or to any governmental or regulatory agency with respect to the Premises or Shopping Center relating to Hazardous Substances, including, without limitation, any complaints, notices or asserted violations in connection therewith; and (iv) any other information with respect to the Premises or Shopping Center relating to Hazardous Substances. Further, Tenant shall also supply to Landlord as promptly as possible, and in any event within five (5) Business Days after Tenant first receives or sends the same, copies of all claims, reports, complaints, notices, warnings, asserted violations or other documents relating in any way to the foregoing.

(g) Landlord and its agents and representatives shall have the right to communicate, orally or in writing, with any governmental or regulatory agency or any environmental consultant on any matter with respect to the Premises or Shopping Center relating to Hazardous Substances. Landlord shall be entitled to copies of any and all notices, inspection reports or other documents issued by or to any such governmental or regulatory agency or consultant with respect to the Premises or Shopping Center relating to Hazardous Substances.

Section 17.02 INDEMNIFICATION

If Tenant breaches any of its representations, warranties, covenants or obligations in this Article XVII, or if the presence of Hazardous Substances in, on, about or under the Premises or Shopping Center caused or permitted by Tenant results in contamination of the Premises or Shopping Center or any other area, or if contamination of the Premises or Shopping Center or any other area by Hazardous Substances otherwise occurs for which Tenant is legally liable to Landlord or any third party for damage resulting therefrom, or if any lender or governmental agency requires an investigation to determine whether there has been any contamination of the Premises or Shopping Center, or any other area then Tenant shall indemnify, defend (with counsel satisfactory to Landlord) and hold harmless Landlord and Landlord Parties from any and all claims, damages, penalties, fines, costs, liabilities and losses (including, without limitation, diminution in value of the Premises or Shopping Center, damages for the loss or restriction on use of rental or useable space or of any other amenity of the Premises or Shopping Center, damages arising from any adverse impact on marketing of space in the Premises or Shopping Center, other damages, sums paid in settlement of claims, and fees and expenses of attorneys, consultants, and experts) which arise during or after the Lease Term as a result of such contamination. This indemnification by Tenant includes, without limitation, costs incurred in connection with any investigation of site conditions or any cleanup, remedial, removal or restoration work required by any governmental or regulatory agency or any private person due to the presence of Hazardous Substances in, on, about or under at the Premises or Shopping Center or in the soil or groundwater in, on, about or under the Premises or Shopping Center.

Section 17.03 INSPECTION

If Tenant breaches its covenants or obligations in this Article XVII, or if the presence of Hazardous Substances in, on, about or under on the Premises or Shopping Center caused or permitted by Tenant results in contamination of the Premises or Shopping Center or any other area, or if contamination of the Premises or Shopping Center or any other area by Hazardous Substances otherwise occurs for which Tenant is legally liable to Landlord or any third party for damage resulting therefrom, or if Landlord, any lender or governmental agency requires an investigation to determine whether there has been any violation of this Article XVII or any Environmental, Health and Safety Requirements, then Landlord and its agents and representatives shall have the right, at any reasonable time and from time to time during the Lease Term, to enter upon the Premises to perform monitoring, testing or other analyses, and to review any and all applicable documents, notices, correspondence or other materials which may be in the possession of Tenant. Further, Tenant shall be obligated to provide Landlord, within five (5) Business Days of Landlord's request therefor, with copies of all such applicable documents which may be in Tenant's possession but are not at the Premises. All costs and expenses reasonably incurred by Landlord in connection therewith shall become due and payable by Tenant upon Landlord's presentation to Tenant of an invoice therefor.

Section 17.04 DEFINITIONS

(a) As used herein, the term "**Hazardous Substance**" shall mean any hazardous, toxic or other substance, material, or waste which is or becomes regulated by any local governmental authority, the State of California or the United States Government. The term "**Hazardous Substance**" includes, without limitation, any material or substance which is (i) defined as "Hazardous Waste," "Extremely Hazardous Waste," or "Restricted Hazardous Waste" under Sections 25115, 25117 or 25122.7, or listed pursuant to Section 25140, of the California Health and Safety Code, Division 20, Chapter 6.5 (Hazardous Waste Control Law), (ii) defined as a "Hazardous Substance" under Section 25316 of the California Health and Safety Code, Division 20, Chapter 6.8 (Carpenter-Presley-Tanner Hazardous Substance Account Act), (iii) defined as a "Hazardous Material," "Hazardous Substance," or "Hazardous Waste" under Section 25501 of the California Health and Safety Code, Division 20, Chapter 6.95 (Hazardous Materials Release Response Plans and Inventory), (iv) defined as a "Hazardous Substance" under Section 25281 of the California Health and Safety Code,

Division 20, Chapter 6.7 (Underground Storage of Hazardous Substances), (v) regulated by Section 26100 et seq. of the California Health and Safety Code, Division 20, Chapter 18 (Toxic Mold Protection Act of 2001), (vi) petroleum, (vii) asbestos, (viii) listed under Article 9 or defined as "Hazardous" or "Extremely Hazardous" pursuant to Article 11 of Title 22 of the California Administrative Code, Division 4, Chapter 20, (ix) designated as a "Hazardous Substance" pursuant to Section 311 of the Federal Water Pollution Control Act (33 U.S.C. § 1317), (x) defined as a "Hazardous Waste" pursuant to Section 1004 of the Federal Resource Conservation and Recovery Act, 42 U.S.C. § 6901 et seq. (42 U.S.C. § 6903), or (xi) defined as a "Hazardous Substance" pursuant to Section 101 of the Comprehensive Environmental Response, Compensation and Liability Act, 42 U.S.C. § 9601 et seq. (42 U.S.C. § 9601).

(b) As used herein, the term "**Environmental, Health and Safety Requirement**" shall mean any law, statute, ordinance, rule, regulation, order, judgment or decree promulgated by any local, municipal, regional, state or federal governmental agency, court, judicial or quasi-judicial body or legislative or quasi-legislative body which relates to matters of the environment, health, industrial hygiene or safety.

Section 17.05 RESPONSIBILITY OF TENANT

ANY AND ALL LIABILITIES ARISING FROM THE MANUFACTURING, GENERATION, HANDLING, USE, STORAGE, TREATMENT, TRANSPORTATION OR DISPOSAL OF HAZARDOUS SUBSTANCES PERFORMED OR PERMITTED TO BE PERFORMED BY TENANT OR ITS SUBSIDIARIES OR OTHER AFFILIATES, AGENTS, REPRESENTATIVES, OFFICERS, EMPLOYEES, CONTRACTORS OR INVITEES, SHALL AT ALL TIMES REMAIN THE SOLE RESPONSIBILITY OF TENANT AND TENANT SHALL RETAIN ANY AND ALL LIABILITIES ARISING THEREFROM. NOTWITHSTANDING ANYTHING TO THE CONTRARY SET FORTH IN THIS ARTICLE XVII, ANY ACT BY LANDLORD OR ITS AGENTS OR REPRESENTATIVES HEREUNDER SHALL NOT CONSTITUTE AN ASSUMPTION BY LANDLORD OF ANY OBLIGATIONS, DUTIES, RESPONSIBILITIES OR LIABILITIES OF TENANT HEREUNDER, INCLUDING, WITHOUT LIMITATION, TENANT'S COMPLIANCE WITH ANY ENVIRONMENTAL, HEALTH OR SAFETY REQUIREMENT, WHICH TENANT SHALL RETAIN UNDER ALL CIRCUMSTANCES AND REGARDING WHICH TENANT SHALL INDEMNIFY, DEFEND AND HOLD HARMLESS LANDLORD AS PROVIDED HEREIN.

ARTICLE XVIII - MISCELLANEOUS

Section 18.01 ESTOPPEL CERTIFICATES

(a) Tenant shall, at any time and from time to time, within ten (10) days after receipt of written request therefor from Landlord, execute, acknowledge and deliver to Landlord a signed statement in writing in a form provided by Landlord (i) certifying that this Lease is unmodified and in full force and effect (or, if modified, stating the nature of such modification and certifying that this Lease, as so modified, is in full force and effect) and the dates to which the Minimum Monthly Rent, and other Additional Rent are paid in advance, if any, (ii) verifying the Rent Commencement Date, the Expiration Date of this Lease, and the date of Tenant's possession of the Premises, if such date precedes the Delivery Date, (iii) acknowledging that there are no uncured defaults on the part of Tenant hereunder or specifying such defaults, if any, and acknowledging that there are no uncured defaults on the part of Landlord hereunder or specifying such defaults, if any, as are claimed, (iv) affirming that Tenant has paid to Landlord the Security Deposit set forth in this Lease, and (v) certifying such other matters as Landlord may reasonably request. Any such statement may be relied upon by Landlord and any prospective purchaser or encumbrance of the Premises or of all or any portion of the Shopping Center or any other person designated by Landlord and their successors and assigns.

(b) Tenant's failure to deliver such statement within such time shall constitute a default and, in addition to all other remedies which Landlord may have hereunder, shall be conclusive upon Tenant (i) that this Lease is in full force and effect, without modification except as may be represented by Landlord, (ii) that not more than one month's Minimum Monthly Rent has been paid in advance, (iii) that the Rent Commencement Date and Expiration Date of this Lease are as represented by Landlord, (iv) that there are no uncured defaults in Landlord's and Tenant's performance hereunder except as may be specified by Landlord, and (v) that Tenant has paid to Landlord the Security Deposit set forth in this Lease.

Section 18.02 FINANCIAL STATEMENTS

Tenant has submitted its current financial statements, and Tenant certifies the same to be true and correct. Tenant shall, at any time and from time to time submit to Landlord upon written request current financial statements.

Section 18.03 LANDLORD'S RIGHT OF ENTRY

(a) Landlord and its agents, employees and contractors shall have the right to enter the Premises for the purpose of: (i) protecting Landlord's interest therein, (ii) examining the same to ascertain if they are in good repair, (iii) verifying compliance by Tenant with the provisions of this Lease, (iv) posting notices of non-responsibility, (v) making repairs, installations, renovations or improvements to or expansion of the Premises or Shopping Center and performing any work therein which Landlord may elect or be required to make hereunder, or which may be necessary to comply with any Applicable Laws, or which Landlord may deem necessary or appropriate to prevent waste, loss damage of or deterioration to the Premises, or for the purpose of installations within or maintenance of Common Areas which are readily accessible from within the Premises, (vi) exhibiting the Premises to prospective purchasers, lenders or tenants, and (vii) for any other reasonable purpose. Landlord may enter the Premises at any time, without

notice to Tenant, in emergency situations. Any entries by Landlord shall be without the abatement of Rent and shall include the right to take such reasonable steps as are required to accomplish the purpose of the entry. Landlord shall have no liability to Tenant for any exercise of its right of entry hereunder or under any other provision of this Lease. Tenant hereby waives any claims for damages or for any injuries or inconvenience to or interference with Tenant's business, lost profits, any loss of occupancy or quiet enjoyment of the Premises and any other loss occasioned by the exercise of any right of entry by Landlord.

(b) If Landlord and Tenant have not executed a new lease or an extension of this Lease prior to six months before the expiration of the Lease Term, Landlord shall be permitted to enter the Premises for the purpose of posting "For Lease" signs on or in the Premises. Once said signs are posted by Landlord, Tenant shall not remove or limit the visibility of same.

Section 18.04 HOLDING OVER

If Tenant remains in possession of the Premises or any part thereof after the expiration or earlier termination of the Lease Term without the express written consent of Landlord, such occupancy shall in no event be deemed a renewal or extension of this Lease for any term whatsoever nor shall such occupancy be deemed to create a month-to-month tenancy notwithstanding any acceptance of Rent by Landlord but Tenant shall be deemed a tenant at sufferance subject to all of the terms and conditions of this Lease except that Tenant shall pay one hundred fifty percent (150%) of the Minimum Monthly Rent in effect immediately prior to the termination or expiration of the Lease Term. Nothing contained in this Section 18.04 shall be construed as Landlord's consent to any such occupancy nor shall the provisions of this Section 18.04 be deemed to limit or constitute a waiver of any other right or remedies Landlord may have under this Lease or at law or in equity. If Tenant fails to surrender the Premises upon the expiration or sooner termination of this Lease, Tenant shall indemnify, defend (with counsel satisfactory to Landlord) and hold harmless Landlord from any and all loss, costs and expenses (including attorneys' fees and expenses) and liability arising from such failure, including, without limiting the generality of the foregoing, any claims made by any succeeding tenant arising out of such failure to surrender the Premises and any lost profits and other consequential damages to Landlord resulting therefrom.

Section 18.05 RELOCATION OF PREMISES

Tenant agrees that at any time before or during the Lease Term, Landlord shall have the right to require Tenant to relocate from the Premises described herein (**"Existing Premises"**) to other space (**"New Premises"**) within the Shopping Center in accordance with the following terms: (a) the size and decor of the New Premises shall be roughly comparable as the size and decor of the Existing Premises provided, however that an increase or decrease of approximately twenty percent (20%) from the size of the Existing Premises shall be deemed comparable unless Landlord and Tenant agree otherwise in writing; (b) moving costs and the cost of installing permanent improvements (as distinguished from trade fixtures, equipment, furniture, furnishings and other personal property belonging to Tenant) in the New Premises, so that the permanent improvements therein are comparable as (or, in Landlord's sole and absolute discretion, better than) those in the Existing Premises, shall be borne entirely by Landlord; (c) Minimum Monthly Rent shall abate in full during the period, if any, that Tenant is unable notwithstanding commercially reasonable efforts by Tenant to conduct business in either the Existing Premises or the New Premises; (d) indirect costs reasonably incurred by Tenant as a result of the relocation, including costs incurred in changing addresses on stationery, business cards and advertising, shall be reimbursed to Tenant by Landlord in an aggregate amount not to exceed $500 upon presentation to Landlord of paid bills for said reasonably incurred indirect costs; (e) Minimum Monthly Rent payable pursuant to Section 3.01 of this Lease shall be adjusted in proportion to the percentage increase or decrease in the Gross Floor Area of the New Premises compared to the Existing Premises; and (f) Landlord and Tenant shall promptly execute an amendment to this Lease reciting the relocation of the Premises and any change in the Gross Floor Area of the Premises, Tenant's Proportionate Share and the Minimum Monthly Rent payable hereunder and shall reaffirm the continuing liability of Guarantor. Should Tenant be required to relocate within the Shopping Center, Tenant shall diligently and expeditiously perform all such work and obligations necessary to open for business the New Premises to the general public, including, but not limited to, obtaining the requisite insurance certificates, licenses and permits. Tenant may be relocated more than once during the Lease Term.

Section 18.06 TRANSFER OF LANDLORD'S INTEREST

In the event of any transfer of Landlord's interest in the Premises (other than a transfer for security purposes only), Landlord shall be automatically relieved of any and all obligations and liabilities on the part of Landlord accruing under this Lease from and after the date of such transfer. In the event of such a transfer, Landlord shall assign the Security Deposit (or any portion thereof remaining after any deductions made pursuant to Section 18.08) to Landlord's successor in interest, and thereafter notify Tenant of such transfer, of any claims made against the Security Deposit, and of the transferee's name and address. Upon performance of the matters specified in the immediately preceding sentence, Landlord shall be relieved of any further liability with respect to the Security Deposit. Tenant shall attorn to any successor in interest of Landlord as if such party had been named as landlord under this Lease.

Section 18.07 SEVERABILITY

Any provision of this Lease which shall prove to be invalid, void or illegal shall in no way affect, impair or invalidate any other provision hereof, and such remaining provisions shall remain in full force and effect. In lieu of any invalid, void, illegal or unenforceable provision, there shall be added automatically as a part of this Lease, a valid, legal and enforceable provision as similar in terms to such invalid, void, illegal or unenforceable provision as may be possible and the parties shall agree to have the court or arbiter to whom disputes relating to this Lease are submitted to reform the otherwise unenforceable provision in accordance with this Section 18.07.

Section 18.08 SECURITY DEPOSIT

Concurrently with Tenant's execution of this Lease, Tenant shall deposit with Landlord the Security Deposit in the amount specified in the Summary, as security for the full and faithful performance of every provision of this Lease to be performed by Tenant. In each instance when Minimum Monthly Rent increases and at Landlord's request, in its sole and absolute discretion, Tenant shall, within ten (10) days after written demand therefor, deposit with Landlord an additional sum so that the amount of the Security Deposit held by Landlord shall at all times bear the same proportion to the current Minimum Monthly Rent as the Security Deposit set forth in the Summary bears to the initial rate of Minimum Monthly Rent. If Tenant defaults with respect to any provisions of this Lease, Landlord may use, apply or retain all or any part of the Security Deposit for the payment of any Rent or other sum in default, or for the payment of any other amount which Landlord may spend or become obligated to spend by reason of Tenant's default or all costs incurred by Landlord in the enforcement of its remedies under this Lease, including, without limitation, attorneys' fees and expenses or to compensate Landlord for any other loss or damage which Landlord may suffer by reason of Tenant's default, including, without limitation, Tenant's failure to comply with its obligations set forth in Section 18.27. The Security Deposit shall not constitute advance rent or liquidated damages, nor shall Landlord's application of the Security Deposit in any way limit or restrict the remedies which would otherwise be available to Landlord. Notwithstanding anything to the contrary set forth in this Lease, Tenant hereby waives the provisions of Section 1950.7 of the California Civil Code and all other provisions of law, now or hereafter in effect, which require the return of the Security Deposit to Tenant within any particular period of time and that Landlord may claim from a security deposit only those sums necessary to remedy defaults in the payment of Rent, to repair damage caused by Tenant or to clean the Premises, it being agreed that Landlord may, in addition, claim the sums specified in this Section 18.08 and other sums reasonably necessary to compensate Landlord for any other loss or damage, foreseeable or unforeseeable, caused by the acts or omissions of Tenant or any officer, employee, agent, contractor or invitee of Tenant. In the event of bankruptcy of Tenant or other debtor/creditor proceeding against Tenant, the Security Deposit shall be deemed to be applied first to the payment of Rent and other charges due Landlord for the earliest period prior to the filing of such proceedings. If any portion of the Security Deposit is so used or applied, Tenant shall, within five (5) days after written demand therefor, deposit cash with Landlord in an amount sufficient to restore the Security Deposit to its original amount, and Tenant's failure to do so shall be a material breach of this Lease. Landlord shall not be required to keep the Security Deposit separate from its general funds, and Tenant shall not be entitled to interest on the Security Deposit. If Tenant shall fully and faithfully perform every provision of this Lease to be performed by it, the Security Deposit or any balance thereof shall be returned to Tenant (or, at Landlords' option, to the last assignee of Tenant's interest hereunder) within thirty (30) days after the expiration or sooner termination of the Lease Term or surrender of the Premises by Tenant, whichever event occurs later. Nothing contained in this Section 18.08 shall in any way diminish or be construed as waiving any other rights or remedies of Landlord set forth in this Lease or available at law or in equity.

Section 18.09 LATE CHARGE; SERVICE CHARGE; FORM OF PAYMENT

(a) Tenant hereby acknowledges that late payment by Tenant to Landlord of Rent or other sums due hereunder shall cause Landlord to incur costs not contemplated by this Lease, the exact amount of which will be extremely difficult to ascertain. Such costs include, but are not limited to, processing and accounting charges and late charges which may be imposed upon Landlord by the terms of any mortgage or trust deed covering the Premises. Accordingly, if any installment of Rent or any sum due from Tenant shall not be received by Landlord within five (5) days after said amount is due, then Tenant shall pay to Landlord a late charge equal to ten percent (10%) of such overdue amount ("**Late Charge**"), plus any attorneys' fees and expenses incurred by Landlord by reason of Tenant's failure to pay Rent and/or other charges when due hereunder. The Parties hereby agree that such Late Charge represents a fair and reasonable estimate of the cost that Landlord will incur by reason of the late payment by Tenant. Acceptance of such Late Charge by Landlord shall in no event constitute a waiver of Tenant's default with respect to such overdue amount, nor prevent Landlord from exercising any of the other rights and remedies granted hereunder.

(b) In addition, in the event Tenant fails to submit any required document, statement, report, insurance policy or certificate as and when required in this Lease, Tenant shall pay to Landlord, in addition to any other amounts set forth in this Lease, a "**Service Charge**" in the amount of One Hundred Dollars ($100.00) for each week or portion thereof that said failure continues. Tenant agrees that such Service Charge shall not constitute liquidated damages, and that neither Tenant's payment of such Service Charge, nor Landlord's acceptance of such payment shall result in a cure of any default under this Lease, or waiver by Landlord of any default under this Lease.

(c) All amounts payable under this Lease shall be paid in lawful money of the United States of America.

Section 18.10 INTEREST

Unless otherwise specifically provided in this Lease, any sum accruing to Landlord under the terms and provisions of this Lease which shall not be paid when due shall bear interest at the lower of ten percent (10%) per annum or the highest lawful rate from the date the same becomes due and payable by the terms and provisions of this Lease until paid by Tenant.

Section 18.11 TIME OF ESSENCE

Time is of the essence with respect to the performance of each and every provision of this Lease to be performed by Tenant.

Section 18.12 HEADINGS

The article and section captions and the placement of particular provisions under certain Articles or Sections contained in this Lease are for convenience only and shall not be considered in the construction or interpretation of any provision hereof.

Section 18.13 INTEGRATION; AMENDMENTS

This Lease along with any Exhibits attached hereto constitute the entire and exclusive agreement between Landlord and Tenant relative to this Lease and the Premises and contains all of the agreements of Landlord and Tenant with respect to any matter covered or mentioned in this Lease. No prior or contemporaneous agreement or understanding pertaining to any such matter shall be effective for any purpose. This Lease may not be amended except by an agreement in writing signed by the Parties hereto or their respective successors in interest, and this Lease may not be modified by an oral agreement whether or not supported by new consideration. Tenant acknowledges that in executing this Lease, Tenant is not relying on any representations, oral or written, unless such representations are specifically stated in this Lease.

Section 18.14 NOTICES

Any notice, approval, consent or demand required or permitted to be given hereunder must be in writing and may be given by personal delivery (including delivery by nationally recognized overnight courier or express mailing service) or by registered or certified mail, postage prepaid, return receipt requested addressed to each Party at the address indicated for such Party in the Summary or such other address as each Party may from time to time designate in writing to the other Party or with respect to Tenant, at the address of the Premises, and shall be deemed given when actually received or refused by the Party to whom sent if delivered by a courier or personally served or if mailed, on the day of actual delivery or refusal as shown by the certified mail return receipt or the expiration of three (3) Business Days after the day of mailing, whichever first occurs and shall be deemed given on the day delivery by the foregoing methods is attempted if delivery is made during Operating Hours and the Premises are closed. A "Business Day" shall be any day from Monday through Friday, excluding holidays observed by the United States Postal Service.

Section 18.15 BROKERS

Tenant warrants that it has had no dealings with any real estate broker or agent in connection with the negotiations of this Lease other than Broker(s), if any, specified in the Summary. Tenant shall indemnify, defend (with counsel satisfactory to Landlord) and hold harmless Landlord from any and all claims, demands, losses, liabilities, judgments, costs and expenses (including attorneys' fees and expenses) with respect to any leasing commission, finder's fee, or such other compensation alleged to be owing on account of Tenant's dealings with any real estate broker or agent other than Broker(s).

Section 18.16 WAIVERS

No waiver by Landlord of any provision of this Lease shall be effective unless in writing or shall be deemed to be a waiver of any other provision hereof or of any subsequent breach by Tenant of the same or any other provision. Landlord's consent to or approval of any act by Tenant requiring Landlord's consent or approval shall not be deemed to render unnecessary the obtaining of Landlord's consent to or approval of any subsequent act by Tenant, whether or not similar to the act so consented to or approved.

Section 18.17 OTHER LOCATIONS

Neither Tenant, nor any affiliate or subsidiary of Tenant, directly or indirectly, shall operate, manage or have any interest in any other competing entity or similar store or business, including, without limitation, a department or concession in another store, within a five-mile radius outward from the Shopping Center, measured from the nearest outside boundary of the Shopping Center. However, any such store existing as of the Lease Date (and disclosed to Landlord in writing prior to the execution of this Lease) may continue to be operated, managed, conducted and owned in the same manner as on the Lease Date.

Section 18.18 MERCHANTS' ASSOCIATION; ADVERTISING CONTRIBUTION

(a) At any time during the Lease Term, Landlord shall have the right, but not the obligation, to establish an association ("**Association**") of merchants in the Shopping Center or any portion thereof in which event Tenant shall, upon Landlord's request, join and maintain membership in the Association and shall abide by the bylaws of and all rules and regulations promulgated by such Association. Tenant agrees to pay such fees, dues, and assessments as the Association may establish from time to time.

(b) If an Association as set forth in Section 18.18(a) has not been established, Tenant shall pay to Landlord upon demand, the amount per square foot specified in the Summary per annum ("**Advertising Contribution**"), which Landlord may require to be paid in one lump sum or in equal monthly payments. The Advertising Contribution shall be used by Landlord, in its sole and absolute discretion, for sponsored promotional programs, advertising, or special events at the Shopping Center. Tenant's failure to comply with the provisions of this Section 18.18 shall constitute a breach of this Lease and shall entitle Landlord to pursue the remedies provided in Section 13.02.

(c) In addition to the Advertising Contribution, Landlord may require Tenant to spend each calendar year an amount equal to not less than two percent (2%) of Gross Sales for such calendar year on advertising in magazines, newspapers, radio, television, direct mail advertising or other media its location and business operations at the Shopping Center. Tenant shall furnish to Landlord, within sixty (60) days after the expiration of each calendar year, a statement showing the amounts spent by Tenant on advertising its business at the Premises during such calendar year. Tenant shall not use the name of the Shopping Center for any purpose other than as the address of the business to be conducted by Tenant in the Premises, and Tenant shall not acquire any property in or to any name which contains the words comprising the name of the Shopping Center. Any permitted use by Tenant of the name of the Shopping Center during the Lease Term shall not permit Tenant to use, and Tenant shall not use, the words comprising the name of the Shopping Center either after the termination of this Lease or at any other locations.

Section 18.19 SUBORDINATION

This Lease shall be and remain subordinate to any mortgage, ground lease, or deed of trust that may now exist or hereafter be placed upon the Shopping Center or any part thereof and to any and all advances to be made thereunder and to the interest thereon and to all

renewals, replacements and extensions thereof. Tenant shall, within ten (10) days after written request therefor by Landlord and without cost to Landlord, execute such instruments as may be required by Landlord at any time and from time to time to evidence the subordination of the rights and interest of Tenant under this Lease to the lien of any such ground lease, mortgage or deed of trust; provided, however, that Tenant shall, if any proceedings are brought for default under such ground lease or for the foreclosure of any such mortgage or deed of trust, attorn to the purchaser upon foreclosure sale or sale under power of sale, if requested by such purchaser or to the ground lessor terminating Landlord's rights as ground lessee if requested by such ground lessor, and shall recognize such purchaser or ground lessor as Landlord under this Lease.

Section 18.20 SUCCESSORS IN INTEREST

Each and all of the provisions of this Lease shall be binding upon and inure to the benefit of the Parties hereto, and except as otherwise specifically provided in this Lease, their respective heirs, successors, executors, administrators, personal representatives and assigns; provided, however, no rights shall inure to any Transferee of Tenant unless the Transfer is made in compliance with the provisions of Article X.

Section 18.21 CALIFORNIA LAW

This Lease shall be construed and enforced in accordance with the laws of the State of California without regard to its conflict of law principles. It is expressly agreed between Landlord and Tenant that venue for any litigation hereunder shall be exclusively with any state or federal court in the County of Orange, State of California.

Section 18.22 ZONING

Tenant hereby accepts the Premises subject to all applicable zoning, municipal, county and state laws, ordinances, regulations, covenants, conditions and restrictions and any changes thereto, governing and regulating the use and occupancy of the Premises or Shopping Center.

Section 18.23 DELAYS

Whenever a period of time is provided in this Lease or in any Exhibit for Landlord to do or perform any act or thing, Landlord shall not be liable or responsible for, nor shall Tenant be excused from performing any obligation hereunder as a result of, any delay due to strikes, lockouts, casualties, acts of God, or governmental regulations or control, or other causes beyond the reasonable control of Landlord, and the time for performance specified herein shall be extended for the amount of time Landlord is so delayed. The provisions of this Section 18.243shall not operate to excuse Tenant from the prompt payment of Minimum Monthly Rent, Additional Rent or other payments required by the terms of this Lease or from the timely performance of Tenant's other obligations under this Lease.

Section 18.24 FINANCING

Tenant understands and acknowledges that Landlord may, from time to time, finance the construction of and improvements within the Shopping Center, and that a "lender or lenders" (as defined below in this Section), may have to approve this Lease. In order to receive such approval, this Lease may have to be amended or modified. Provided that neither the Lease Term, nor the size and location of the Premises is altered and that the amendment does not by its terms increase any amount payable by Tenant hereunder, Tenant agrees to immediately execute any such amendment or modification of this Lease as may be requested by said lender or lenders. If Tenant fails to consent to any such amendment or modification, Landlord, at its option, may cancel and terminate this Lease on thirty (30) days' prior written notice to Tenant, and Landlord shall not be liable for any damages or losses incurred by Tenant as a result of such cancellation or termination. For purposes of this Section 18.24, "lender or lenders" shall include any financial institution, insurance company, pension fund or other lender holding a mortgage, deed of trust or ground lease.

Section 18.25 LIMITATION OF LANDLORD'S LIABILITY

Anything in this Lease to the contrary notwithstanding, Tenant agrees that it shall look solely and exclusively to Landlord's estate and equity interest in the Shopping Center, subject to any senior prior rights of the holder of any mortgage or deed of trust on the Shopping Center or any other person, for the collection and satisfaction of any judgment (or other judicial process) requiring the payment of money by Landlord for claims made by Tenant arising out of this Lease, including, without limitation, any default or breach by Landlord with respect to any of the terms, covenants and conditions of this Lease to be observed and/or performed by Landlord, and no other assets of Landlord shall be subject to levy, execution or any procedures for the satisfaction of Tenant's judgment. In no event shall Landlord be liable to Tenant under this Lease for any consequential, indirect or punitive damages, including, without limitation, any damages for loss of business advantage or profit. The obligations of Landlord under this Lease do not constitute personal obligations of Landlord's agents, affiliates, managers, members, partners, directors, officers or shareholders, and Tenant shall not seek recourse against such parties or their personal assets for satisfaction of any liability with respect to this Lease.

Section 18.26 JUDICIAL REFERENCE

THE PARTIES DESIRE TO AGREE ON A MECHANISM AND PROCEDURE TO RESOLVE ANY CLAIMS, CONTROVERSIES OR DISPUTES ("***CLAIM***") ARISING OUT OF OR IN ANY WAY CONNECTED WITH THIS LEASE, THE PREMISES OR THE SHOPPING CENTER, TENANT'S USE OR OCCUPANCY OF THE PREMISES OR SHOPPING CENTER, AND/OR ANY CLAIM OF INJURY OR DAMAGE ("***MATTERS***"). ACCORDINGLY, EXCEPT WITH RESPECT TO ANY ACTION FOR UNLAWFUL OR FORCIBLE DETAINER OR WITH RESPECT TO THE PREJUDGMENT REMEDY OF ATTACHMENT OR ANY OTHER PROVISIONAL REMEDY, ANY CLAIM BROUGHT BY EITHER PARTY AGAINST THE OTHER (AND/OR AGAINST ITS OFFICERS, DIRECTORS, EMPLOYEES, AGENTS OR SUBSIDIARIES OR AFFILIATED ENTITIES) SHALL BE HEARD AND RESOLVED BY A REFEREE UNDER THE PROVISIONS OF THE CALIFORNIA CODE OF CIVIL PROCEDURE, SECTIONS 638-645.1, INCLUSIVE, AS SAME MAY BE AMENDED FROM TIME TO TIME (OR

ANY SUCCESSOR OR SIMILAR STATUTE(S)) (***"REFEREE STATUTES"***). THE REFEREE'S DETERMINATION SHALL BE BINDING ON THE PARTIES AS IF TRIED BEFORE THE COURT OR JURY. THE FOLLOWING SHALL AS A SUPPLEMENT TO THE REFEREE STATUTES APPLY IN ANY JUDICIAL REFERENCE PROCEEDING REQUESTED BY EITHER PARTY PURSUANT TO THIS SECTION 18.26 AND IN THE EVENT OF A CONFLICT BETWEEN THE PROVISIONS SET FORTH BELOW AND THE REFERREE STATUTES THE PROVISIONS SET FORTH BELOW SHALL, TO THE EXTENT PERMITTED BY LAW, GOVERN:

(i) WITHIN FIVE (5) BUSINESS DAYS AFTER SERVICE OF A DEMAND FOR REFERENCE, LANDLORD AND TENANT SHALL AGREE UPON A SINGLE REFERREE WHO SHALL THEN TRY ALL ISSUES IN DISPUTE, WHETHER OF FACT OR LAW, AND THEN REPORT HIS/HER FINDINGS AND JUDGMENT THEREON. IF LANDLORD AND TENANT ARE UNABLE TO AGREE UPON A REFEREE, EITHER LANDLORD OR TENANT MAY SEEK TO HAVE ONE APPOINTED BY THE PRESIDING JUDGE OF THE SUPERIOR COURT HAVING JURISDICTION OVER THE CLAIM;

(ii) THE COMPENSATION OF THE REFEREE SHALL BE SUCH AS IS CUSTOMARILY CHARGED BY REFEREES FOR LIKE SERVICES. THE COST OF SUCH PROCEEDINGS SHALL INITIALLY BE BORNE EQUALLY BY LANDLORD AND TENANT; HOWEVER, THE "PREVAILING PARTY" (AS THAT TERM IS DEFINED IN SECTION 18.42) IN SUCH PROCEEDINGS SHALL BE ENTITLED, IN ADDITION TO ALL OTHER COSTS, INCLUDING, WITHOUT LIMITATION, REASONABLE ATTORNEYS' FEES AND EXPENSES, TO RECOVER ITS CONTRIBUTION FOR THE COST OF THE REFEREE;

(iii) IF A COURT REPORTER IS REQUIRED BY ANY PARTY, THEN A COURT REPORTER SHALL BE PRESENT AT ALL PROCEEDINGS AND THE FEES OF SUCH COURT REPORTER SHALL INITIALLY BE BORNE BY THE PARTY REQUESTING THE COURT REPORTER, OR EQUALLY, IF BOTH PARTIES REQUEST A COURT REPORTER. SUCH FEES SHALL BE AN ITEM OF RECOVERABLE COSTS TO THE PREVAILING PARTY;

(iv) THE REFEREE SHALL APPLY ALL CALIFORNIA RULES OF PROCEDURE AND EVIDENCE AND SHALL APPLY THE SUBSTANTIVE LAW OF CALIFORNIA IN DECIDING THE ISSUES TO BE HEARD. VENUE FOR ALL HEARINGS SHALL BE SELECTED BY THE REFEREE AT A PLACE IN ORANGE COUNTY, CALIFORNIA;

(v) THE REFEREE'S DECISION SHALL STAND AS THE JUDGMENT OF THE COURT, SUBJECT TO APPELLATE REVIEW AS PROVIDED BY CALIFORNIA LAWS;

(vi) LANDLORD AND TENANT AGREE THAN ANY CLAIM SHALL BE DECIDED AS SOON AS PRACTICABLE AFTER SELECTION OF THE REFEREE. THE DATE OF HEARING FOR ANY PROCEEDING SHALL BE DETERMINED BY AGREEMENT OF THE PARTIES AND THE REFEREE, OR IF THE PARTIES CANNOT AGREE, THEN BY THE REFEREE;

(vii) WITHOUT LIMITING THE JURISDICTION OF THE REFEREE, LANDLORD AND TENANT SPECIFICALLY ACKNOWLEDGE THAT THE REFEREE SHALL HAVE JURISDICTION TO ISSUE ALL LEGAL AND EQUITABLE RELIEF, INCLUDING AN AWARD OF DAMAGES, THE ISSUANCE OF INJUNCTIONS AND REQUIRING SPECIFIC PERFORMANCE OF ANY PROVISIONS OF THIS LEASE; AND

(viii) IN ADDITION TO ANY OTHER RELIEF AWARDED BY THE REFEREE, THE REFEREE SHALL AWARD ATTORNEYS' FEES AND COSTS TO THE PREVAILING PARTY PURSUANT TO SECTION 18.42.

BY INITIALLING IN THE SPACE BELOW, THE PARTIES ACKNOWLEDGE THAT THEY HAVE READ AND UNDERSTAND THE FOREGOING AND ACCEPT THAT THEY ARE WAIVING THEIR RIGHT TO A JURY TRIAL.

Tenant's Initials

Landlord's Initials

Section 18.27 SURRENDER OF PREMISES; REMOVAL OF PROPERTY

(a) Upon the expiration or sooner termination of this Lease, Tenant shall, at its sole cost and expense, (i) deliver to Landlord all keys to the Premises, the combination of all locks and safes, if any, on the Premises, and surrender the Premises in good condition and repair, broom clean, and debris free, (ii) at Landlord's request, remove any or all trade fixtures, equipment, furniture, merchandise and other personal property (collectively, "**Personal Property**") which were installed by Tenant or any subtenant, concessionaire or licensee, in or on the Premises and repair any damage caused by such removal, and (iii) at Landlord's request remove any or all Alterations to the Premises by or for Tenant and repair any damage caused by such removal.

(b) To the extent permitted by law, if Tenant fails to remove any of its Personal Property upon the expiration or earlier termination of this Lease, such failure shall constitute a holdover under the provisions of Section 18.04 and such property shall conclusively be deemed abandoned. In such event, Landlord may, without further notice to Tenant and in addition to all other remedies Landlord may have, in Landlord's sole and absolute discretion (i) retain all or any portion of such property and title thereto shall thereupon immediately vest in Landlord without the execution of documents of sale or conveyance by Tenant, (ii) take exclusive

possession of such property and use it rent or charge free; or (iii) remove all or any portion of such property from the Premises and dispose of it in any manner Landlord sees fit in which event Tenant shall pay to Landlord, upon demand, the actual expense of such removal and disposal (including, without limitation, any moving and storage expenses) and the repair of any damage to the Premises caused by such removal, together with interest thereon at the lesser of ten percent (10%) per annum or the highest lawful rate from the date of payment by Landlord for such expense until repayment. To the extent waivable, Tenant waives California Civil Code Sections 1980 through 1991 and 2080 et seq. and any similar laws or statutes that impose any requirements on Landlord regarding the disposition of Tenant's Personal Property that remains on the Premises after the expiration or earlier termination of this Lease. Landlord shall have the right, in addition to all other rights and remedies that Landlord may have under this Lease, at law or in equity, to recover from Tenant any consequential damages which may be suffered by Landlord (including, but not limited to, loss of revenue from the Premises) as the result of Tenant's failure to comply with its obligations under this Section 18.27.

Section 18.28 SECURITY INTEREST

Subordination of Landlord's Security Interests. Without limiting or altering the validity or effectiveness of the provisions in Section 18.28 herein pertaining to the Landlord's security interests in Personal Property of Tenant (the "Collateral"), Landlord hereby subordinates its security interest in the Collateral to the security interest of Hana Small Business Lending, Inc. ("HSBL"), and landlord agrees that its security interest, whenever granted and/or perfected in the Collateral, will be inferior, junior and secondary to the security interests held by HSBL in the Collateral.

Tenant hereby grants Landlord a security interest in all of Tenant's Personal Property located at the Premises and the proceeds and products therefrom, including, but not limited to, insurance proceeds to secure full performance by Tenant of all its obligations under this Lease. However, while Tenant is not in default in the payment of Rent or any of its obligations under this Lease, it may sell, trade or replace any of said items free of this security interest and the security interest shall then apply to the newly acquired items. Upon Tenant's default in the performance of any of its obligations under this Lease, Landlord shall immediately have the remedies of a secured party under the California Uniform Commercial Code, in addition to any remedy which Landlord may have under the terms and provisions of this Lease independently of said security interest. Tenant hereby authorizes and consents to Landlord filing a financing statement on Form UCC-1 to perfect the security interest granted to Landlord, and any removal or modification of such financing statement as Landlord may deem appropriate.

Section 18.29 NO WARRANTIES

Tenant acknowledges that neither Landlord nor Landlord's agents, representatives, managers, officers, directors or employees have made any representation or warranty as to the suitability of the Premises for the conduct of Tenant's business or any other representation or warranty concerning the Premises or Shopping Center and Tenant has not relied on any representation in executing and delivering this Lease.

Section 18.30 RECORDING

Tenant shall not record this Lease or any memorandum or short form thereof without the prior written consent of Landlord which Landlord may withhold or condition in its sole and absolute discretion. Promptly following the expiration or earlier termination of this Lease, if requested by Landlord, Tenant shall execute, acknowledge and deliver to Landlord a recordable written instrument releasing and quitclaiming to Landlord all right, title and interest in the Premises and/or the Shopping Center by reason of this Lease or otherwise.

Section 18.31 AUTHORITY OF TENANT

If Tenant is a corporation or limited liability company, each individual executing this Lease on behalf of said corporation or limited liability company represents and warrants that he or she is duly authorized to execute and deliver this Lease on behalf of said corporation or limited liability company, in accord with the bylaws of said corporation or the operating agreement of said limited liability company, and that this Lease is binding upon said corporation or limited liability company. If Tenant executes this Lease as a partnership, each individual executing this Lease on behalf of said partnership represents that he or she is a general partner of said partnership, and that this Lease is binding upon said partnership in accordance with its terms. If Tenant is a corporation, Tenant shall promptly furnish to Landlord certified corporate resolutions attesting to the authority of the undersigned officers to execute this Lease on behalf of the corporation.

Section 18.32 LEASE NOT EFFECTIVE UNTIL MUTUAL EXECUTION AND DELIVERY

The submission by Landlord of this Lease to Tenant for examination, negotiation or execution does not constitute a reservation of or option to lease the Premises, and this Lease shall become effective only upon mutual execution and delivery by Tenant and Landlord.

Section 18.33 EXECUTIVE ORDER 13224 (OFAC Certification)

In compliance with United States Executive Order 13224, "Blocking Property and Prohibiting Transactions with Persons Who Commit, Threaten to Commit, or Support Terrorism," Tenant certifies that it is not acting, directly or indirectly, for or on behalf of any person, group, entity, or nation that is named as a terrorist or listed on the Specially Designated Nationals and Blocked Person List maintained by the Office of Foreign Assets Control, Department of the Treasury, or that it is banned, prohibited or blocked by any law, order, rule or regulation of the U.S. Treasury Department's Office of Foreign Assets Control. Tenant agrees to indemnify, defend (with counsel satisfactory to Landlord), and hold Landlord and its assigns and agents harmless from any claims, damages, and other costs that may be incurred by Landlord should Tenant violate this Section 18.33.

Section 18.34 NON-DISCRIMINATION

Section 18.35 NO REPRESENTATIONS
Landlord and Tenant acknowledge and agree that, except as expressly set forth in this Lease, there are no oral or written agreements or representations between the Parties hereto affecting this Lease, and this Lease supersedes and cancels any and all previous negotiations, arrangements, representations, brochures, agreements and understandings, if any, between Landlord and Tenant or displayed by Landlord to Tenant.

Section 18.36 SURVIVAL
All liabilities of Tenant which may have accrued hereunder, all representations and warranties, and all indemnity and defense obligations of Tenant shall survive and be enforceable by Landlord following the expiration or sooner termination of this Lease. In the event of any action or proceeding to enforce any such representations or warranties or indemnities or liabilities of Tenant, the provisions of Section 18.26 shall be applicable thereto.

Section 18.37 NO PARTNERSHIP OR JOINT VENTURE
Nothing contained in this Lease shall be deemed or construed to create a relationship of principal and agent or of partnership or of joint venture or of any other association between Landlord and Tenant other than that of landlord and tenant.

Section 18.38 JOINT AND SEVERAL OBLIGATIONS
If Tenant consists of more than one person or entity, each shall be jointly and severally liable for the faithful performance of all of Tenant's obligations under this Lease, and each provision of this Lease shall apply to each such person or entity individually and any and all such persons or entities collectively. Landlord may seek to enforce this Lease against any one or more of such persons or entities without impairing the rights of Landlord against any other such person or entity. Landlord may compromise with any such person or entity for such sums as it deems fit and release any such person or entity from a portion of or all further liability hereunder without impairing the right of Landlord to demand and collect the balance thereof from any person or entity not so released.

Section 18.39 COUNTERPARTS
This Lease may be executed in multiple counterparts, each of which shall be deemed an original, and all of which, together, shall constitute but one and the same instrument.

Section 18.40 CONFIDENTIALITY
Tenant acknowledges that the content of this Lease and any related documents are confidential information. Tenant shall keep such confidential information strictly confidential and shall not disclose such confidential information to any person other than Tenant's financial, legal and space planning consultants.

Section 18.41 ADA DISCLOSURE
Tenant is advised that a tenant of real property may be subject to the Americans with Disabilities Act ("**ADA**"), a federal law codified at 42 USC Section 12101 *et seq*. Landlord recommends that Tenant and Tenant's attorney review the ADA and applicable regulations and the provisions of this Lease to determine if the ADA would impose any requirements on Tenant and/or the Premises and the nature of the requirements. Tenant is responsible for conducting its own independent investigation of these legal issues prior to executing this Lease. Pursuant to California Civil Code Section 1938, Landlord discloses that an inspection of the Shopping Center has been, or will be, performed by a Certified Access Specialist by the Rent Commencement Date.

Section 18.42 COSTS AND ATTORNEYS' FEES
In the event of any action or proceeding instituted by either Party arising under or in connection with this Lease or the Premises, whether founded in tort, contract or equity or to declare rights hereunder, the Party prevailing in such action, proceeding or appeal shall be entitled to recover all of its costs and expenses, including, without limitation, the fees and expenses of attorneys, referees, and court reporters, incurred in connection with such action, proceeding or appeal, which shall be payable whether or not such action or proceeding is prosecuted to judgment. The prevailing party ("**Prevailing Party**") shall be the party who substantially obtains or defeats the relief sought, as the case may be, whether by compromise, settlement, judgment or the abandonment by the other party of its claim or defense; provided, however, that if the written agreement or instrument for such compromise or settlement address the issue of the parties rights and/or obligations regarding the payment of such costs and expenses, the provisions of such written agreement or instrument shall control such issue regardless of which party is deemed to be a prevailing party under this sentence. The attorneys' fees award shall not be computed in accordance with any court fee schedule, but shall be such as to fully reimburse all attorneys' fees reasonably incurred. In addition, should it become necessary for Landlord to utilize legal counsel to enforce any of the provisions herein contained, Tenant agrees to pay all legal fees and other costs incurred, including, without limitation, legal fees incurred in the preparation and service of notices of default and consultation in connection therewith, whether or not a suit is instituted or prosecuted to final judgment.

Section 18.43 WAIVER OF INCONSISTENT STATUTES
LANDLORD AND TENANT AGREE THAT THE TERMS OF THIS LEASE SHALL GOVERN WITH REGARD TO ALL MATTERS RELATED THERETO AND HEREBY WAIVE THE PROVISIONS OF ANY PRESENT OR FUTURE STATUTE OR RULE OF LAW OR EQUITY TO THE EXTENT THAT SUCH STATUTE OR RULE OF LAW OR EQUITY IS INCONSISTENT WITH THIS LEASE AND TO THE EXTENT THIS WAIVER IS PERMITTED THEREBY.

Section 18.44 REQUIREMENTS OF THE EB-5 PROGRAM

The financial crisis that began in 2008 made traditional sources of capital scarce. As a result, Landlord, as with many other developers, was forced to seek out unconventional sources of financing in order to complete the development of the Shopping Center. Landlord secured loans from lenders who raised capital pursuant to the EB-5 Immigrant Investor Program ("**EB-5 Program**") administered by the U.S. Citizenship and Immigration Services ("**USCIS**"). The purpose of the EB-5 Program is to stimulate job creation in the U.S. by encouraging foreigners to invest in the U.S. In exchange for their investments, foreigners are given an opportunity to obtain permanent resident status in the U.S. In order to participate in the EB-5 Program, evidence regarding the creation of direct jobs (*i.e.*, jobs created by Landlord) and indirect jobs (*e.g.*, jobs created by tenants of the Shopping Center) using the EB-5 Program funds must be provided to the USCIS. In furtherance of the foregoing, Tenant shall, at any time and from time to time, within ten (10) days after receipt of written request therefor from Landlord, provide such information and documentation regarding Tenant's employees or business at the Premises requested by Landlord's lenders for purposes of satisfying any requirements of the EB-5 Program or any request by the USCIS in connection with the EB-5 Program applicable or directed to Landlord's lender or its members, managers or affiliates, including, without limitation, executing and delivering a written statement in a form provided by Landlord's lenders certifying the number of employees employed by Tenant at the Premises and such other matters as Landlord's lenders may reasonably request in connection with the EB-5 Program. Tenant's failure to deliver such information or documentation within such time shall, subject to any right to cure, constitute a default under Section 13.01 of this Lease.

[*signatures follow on next page*]

IN WITNESS WHEREOF, the Parties hereto have executed this Lease as of the date first written above.

LANDLORD:

THE SOURCE AT BEACH, LLC,
a California limited liability company

By: _____
Name: _____
Title: _____

TENANT:

GLOBAL JJ GROUP INC.,
a Incorporated in the state of CA

By: _____
Name: James Chae
Title: President

EXHIBIT "A"

SITE PLAN OF SHOPPING CENTER

[SEE ATTACHED]

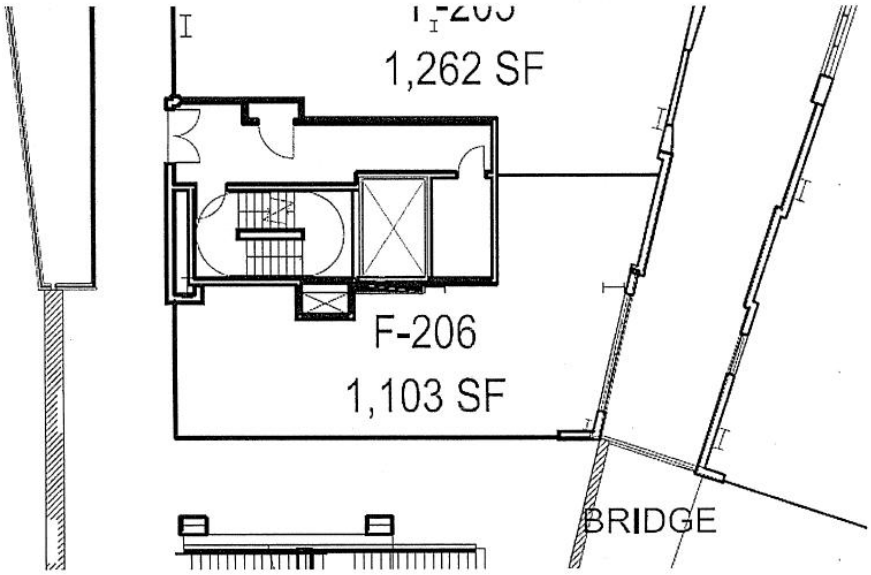


EXHIBIT "B"

LANDLORD'S WORK, TENANT'S WORK AND CONSTRUCTION PROCEDURES

LANDLORD RESERVES THE RIGHT TO MODIFY, ADD TO, AND/OR SUPPLEMENT THIS EXHIBIT B

Refer to Exhibit "B" attached herein

EXHIBIT "C-2"

TENANT'S CERTIFICATE

THIS TENANT'S CERTIFICATE (this "**Agreement**") is made as of the 21st day of May, 2015, by Global JJ Group Inc., a Incorporated in the state of CA , hereinafter referred to collectively as "**Tenant.**" **Any capitalized terms used in this Agreement which are not defined in the Agreement shall have the meaning given to such terms in the Lease (as defined below).** Tenant hereby certifies to THE SOURCE AT BEACH, LLC, a California limited liability company, hereinafter referred to as "**Landlord,**" and [n/a] the following:

1. Landlord and Tenant are parties to that certain Lease dated May 1, 2015 ("**Original Lease**"). The Original Lease has not been amended, modified or supplemented, except as follows: **Section 18.28** (if left blank, there shall be deemed to be none). The Original Lease, together with the above-referenced amendments, modifications and/or supplements, if any, is referred to hereafter as the "**Lease.**" Pursuant to the Lease, Tenant leases from Landlord approximately **1,100** square feet of Gross Floor Area ("**Premises**") in the shopping center known as the "The Source" ("**Shopping Center**"). The Lease is in full force and effect, and represents the entire agreement between Tenant and Landlord for the Premises. A true and correct copy of the Lease is attached hereto as Exhibit "A."

2. The term of the Lease began on the Delivery Date, **TBD**, and shall end on the Expiration Date, **TBD**, unless sooner terminated or extended, as provided in the Lease.

3. Tenant accepted possession of the Premises, pursuant to the terms of the Lease, and Tenant now occupies the Premises, which occupancy commenced on the Delivery Date, **TBD**, as set forth in Exhibit "C-1".

4. Pursuant to the terms of the Lease, Tenant shall be obligated to pay Rent to Landlord beginning on the Rent Commencement Date, **TBD**, as set forth in Exhibit "C-1".

5. Landlord's "Pre-Delivery Work," and "Post-Delivery Work," if any, as defined and described in Exhibit "B" to the Lease, has been completed to Tenant's satisfaction, and Landlord's "Post-Delivery Work" has not materially interfered with the concurrent construction of Tenant's Work, as defined and described in Exhibit "B".

6. All conditions of the Lease to be performed by Landlord have been satisfied including any payment by Landlord to Tenant required under the Lease, if any, as Landlord's contribution to the cost of tenant improvements made by Tenant.

7. There are no credits, concessions, bonuses, free rental periods, rebates, advance rental payments, or other matters affecting the rental payable by Tenant under the Lease, except as described in the Lease. No Rent has been paid more than one (1) month in advance.

8. The Lease is in full force and effect and has not been modified, altered or amended except as provided in Paragraph 1 above

9. As of the date hereof, there are no defenses, counterclaims or offsets to Tenant's obligation to pay Rent or to the enforcement of the Lease in all respects by Landlord.

10. Neither party is in breach or default under the Lease, and there exist no facts that would constitute a basis for any such default upon the lapse of time or the giving of notice or both.

11. No security deposit has been paid except as follows: **$11,638.00** (if left blank, there shall be deemed to be none).

12. Tenant is currently paying Minimum Monthly Rent for the Premises under the Lease in the amount of **$4,400.00**. Tenant's most recent payment of minimum monthly rent was made on **TBD**, 20__ for the period ending on **TBD**, 20__. Tenant has not made any advance payment beyond the current month's rent.

13. Tenant is currently paying estimated Operating Expenses under the Lease in the amount of **$_TBD** per month. Operating Expenses have been reconciled as of December 31, 20__, and Tenant is not owed any amount in connection with any overpayment of Operating Expenses prior to such date.

14. Tenant does not have any right or option to renew or extend the term of the Lease, to lease other space at the Shopping Center, nor any preferential right to purchase all or any part of the Premises or the Shopping Center, except as follows: **Section 2.06** (if left blank, there shall be deemed to be none).

15. Except as set forth below, Tenant has not sublet any portion of the Premises or assigned any interest in the Lease, and no person or firm other than Tenant and its employees is in possession of any portion of the Premises (if left blank, there shall be deemed to be none): _____.

16. The person signing this certificate on behalf of Tenant is duly authorized to execute and deliver this certificate for and on behalf of Tenant.

17. Tenant acknowledges and agrees that this Tenant's Certificate may be delivered to Landlord's lender, mortgagee or prospective purchaser who may rely upon the statements contained herein in making a loan to Landlord, acquiring an interest in the Shopping Center, or for any other purpose.

IN WITNESS WHEREOF, Tenant has executed this Tenant's Certificate as of the day and year first written above.

TENANT:

Global JJ Group Inc.,
a Incorporated in the state of CA

By: _____
Name: James Chae
Title: President of Global JJ Group, Inc.

EXHIBIT "D"

RULES AND REGULATIONS

Tenant agrees and acknowledges that the following provisions ("**Rules and Regulations**") are material covenants and failure to comply with any of such covenants shall constitute a default under Section 13.01 of the Lease:

1. Tenant and Tenant's agents, representatives, officers, directors, managers, partners, affiliates, employees, contractors, guests, visitors, customers, subtenants, licensees, invitees and concessionaires (together with Tenant, collectively, "**Tenant Parties**") shall not loiter in the entrances or corridors, nor in any way obstruct the sidewalks, entry passages, halls, stairways and other Common Areas, and shall use the same only as passageways and means of passage within the Shopping Center.

2. Tenant Parties shall not engage in any unprofessional or improper conduct which would adversely affect the shopping environment of the Shopping Center.

3. All trash, refuse and waste material shall be regularly removed from the Premises and until removal, shall be stored (i) in adequate containers, which containers shall be located so as not to be visible to the general public shopping in the Shopping Center and (ii) so as not to constitute any health or fire hazard or nuisance to any occupant of the Shopping Center. Tenant shall deposit all recyclables only within receptacles approved or designated by Landlord if Landlord is required or does participate in a recycling program.

4. No portion of the Premises or Shopping Center shall be used for lodging purposes.

5. Except with Landlord's prior written consent, which may be withheld or conditioned in Landlord's sole and absolute discretion, no sidewalks, walkways or other Common Areas shall be used to display, store or place any merchandise, equipment or devices.

6. No advertising medium, device, instrument or apparatus shall be utilized which can be heard or experienced outside the Premises, including, without limiting the generality of the foregoing, flashing lights, searchlights, phonographs, organs, radios or television.

7. Tenant Parties shall not display, paint, or place, or cause to be displayed, painted, or placed, any handbills, bumper stickers, or other advertising devices in the Shopping Center or on any vehicle parked in the parking area of the Shopping Center, including, without limitation, those belonging to Tenant Parties; nor shall Tenant Parties distribute or cause to be distributed in the Shopping Center any handbills or other advertising devices or materials.

8. No auction, fire, bankruptcy, or going-out-of-business sale shall be conducted in, at, or about the Shopping Center except pursuant to court order.

9. Tenant Parties shall not use or permit the Shopping Center or any portion or portions thereof to be used in any manner which would (i) violate any law, ordinance or regulation, (ii) constitute a nuisance, (iii) constitute a hazardous use, or (iv) violate, suspend, or void any policy or policies of insurance.

10. Electric wiring of every kind shall be introduced and connected by Landlord and no boring or cutting for wires will be allowed, except with the prior written consent of Landlord, which may be withheld or conditioned in Landlord's sole and absolute discretion. The location of the telephones, call boxes, etc., shall be prescribed by Landlord.

11. Landlord shall have the right to prescribe the weight, size and position of all safes and other property brought into the Shopping Center and also the times of moving the same in and out of the Shopping Center; and all such moving must be done under the supervision of Landlord. Landlord will not be responsible for any loss of or damage to any such safe or property from any cause; but all damages done to the Shopping Center by moving or maintaining any such safes or property shall be repaired at the expense of Tenant. All safes shall stand on timbers of such size as shall be designated by Landlord.

12. No additional lock or locks shall be placed by Tenant on the Premises without Landlord's prior written consent which may be withheld or conditioned in Landlord's sole and absolute discretion.

13. Tenant Parties shall not make or permit any improper noises or play musical instruments or radios in the Shopping Center or Premises and shall not interfere in any way with other tenants or those having business with them. Tenant Parties shall not bring into or keep within the Shopping Center any animal or bicycle, motorcycle, other vehicle or any other material which is offensive or inappropriate in Landlord's sole and absolute discretion.

14. All freight must be moved into, within and out of the Shopping Center under the supervision of Landlord, and according to such regulations as may be posted in Landlord's management office in the Shopping Center, but Landlord shall not be responsible for loss of or damage to such freight from any cause.

15. No awnings or signs are allowed without Landlord's prior written consent which may be withheld or conditioned in Landlord's sole and absolute discretion.;

16. Tenant shall, at Tenant's own cost and expense, keep and maintain within the Premises a minimum of one (1) fire extinguisher which is of at least 8-1/2 lb. capacity.

17. Tenant Parties shall observe and respect any and all parking regulations now or hereafter in effect for the Shopping Center.

18. Tenant shall not use any portion of the Shopping Center other than the Premises for storage, without the prior written consent of Landlord which may be withheld or conditioned in Landlord's sole and absolute discretion. In no event and under no circumstances may Tenant store inflammable fluids anywhere within the Shopping Center.

19. Tenant shall at all times be open for business during the business hours for the Shopping Center prescribed by Landlord from time to time, in Landlord's sole and absolute discretion, and shall cause the Premises to be accessible to the public throughout such business hours. Landlord may, in its sole and absolute discretion, prescribe different business hours for different tenants of the Shopping Center.

20. Tenant and its contractors, agents and employees shall not use any area in the Shopping Center for motor vehicle parking, except the area or areas specifically designated by Landlord for employee parking and for the particular period of time such use is permitted.

21. Tenant Parties shall not in or on any part of the Common Areas:

(i) Vend, peddle or solicit orders for sales or distribution of any merchandise, device, service, periodical, book, pamphlet or other matter whatsoever.

(ii) Except as permitted by law, exhibit any sign, placard, banner, notice or other written material; distribute any circular, booklet, handbill, placard, or other material; solicit signatures or registration for membership in any organization, group or association or contribution for any purpose; parade, rally, patrol, picket, demonstrate, or engage in any conduct that might tend to interfere with or impede the use of any of the Common Areas by any person entitled to use the same, create a disturbance, attract attention or harass, annoy, disparage or be detrimental to the interest of any of the retail establishments within the Shopping Center.

(iii) Except for ingress and egress to and from the Premises, use any Common Areas for any purpose when no retail establishment within the Shopping Center is open for business or employment.

(iv) Throw, discard, or deposit any paper, glass or extraneous matter of any kind, except in designated receptacles, or create litter or hazards of any kind.

(v) Use any sound-making device or any kind or create or produce in any manner noise or sound that is annoying, unpleasant, or distasteful to occupants or invitees of the Shopping Center.

(vi) Deface, damage or demolish any sign, light, fixture, landscaping material or other improvements within the Shopping Center, or the property of customers, business invitees or employees situated within the Shopping Center.

The foregoing listing of specific items as being prohibited is not intended to be exclusive, but is intended to indicate in general the manner in which the right to use the Common Areas solely as a means of access and convenience in shopping at the establishments in the Shopping Center is limited and controlled.

22. Tenant shall, at all times during the Lease Term, procure, maintain, and display at a conspicuous place within the Premises, (i) a valid business license issued by the City of Buena Park, (ii) the Board of Equalization permit issued by the State of California, and (iii) any other permit, special use permit or fire permit which may be required by the City of Buena Park, the County of Orange or the State of California for the operation of Tenant's business at the Premises. At no time shall Tenant have more than one (1) business license issued for the Premises.

23. Tenant shall, at all times during the Lease Term, maintain an operable cash register within the Premises and record each sales transaction. Tenant shall sell at retail only and issue to its customers a sales receipt for every transaction conducted. Additionally, Tenant shall at all times maintain the record of sales transactions with numerical sequence of receipts for a period of at least three (3) years. Tenant shall permit inspection of such register records by Landlord or its authorized agents and any other person entitled to such an inspection.

24. Tenant shall, in accordance with the commercial laws of the State of California, accept for return defective merchandise from customers for either a credit or cash refund, giving the customer the sole and absolute option.

25. Tenant shall not sell or offer to sell any of the following items of personal property within the Premises:

(i) Used property, other than items which may be sold at an "antique store."

(ii) Firearms, ammunition, explosives, fireworks, or other weaponry.

(iii) Any item of personal property from which the serial number or identifying number has been removed.

(iv) Any items of personal property which require a special permit from the City of Buena Park, County of Orange, State of California, or other government body when such permit has not been obtained and displayed within the Premises.

(v) Any item of personal property whose sale is prohibited by law or is not a Permitted Use within the Premises.

(vi) Alcoholic beverages except for on-site consumption within bona-fide restaurants, bars, lounges or nightclubs and with the appropriate license.

(vii) Auto parts, oil or similar fluids, hubcaps, wheels, batteries, or tires.

26. Tenant Parties shall not smoke cigarettes or any other form of tobacco within the Shopping Center except as permitted in designated areas.

Landlord reserves the right to modify the Rules and Regulations or make other and further rules and regulations as it deems necessary or desirable from time to time for the safety, cleanliness and preservation of good order in the Shopping Center or the construction, development or redevelopment of the Shopping Center.

EXHIBIT "E"

PERMITTED USE

Tenant shall use the Premises for the following purposes only:

Tenant shall operate the Premises as a "Crazy Ramen" restaurant, which shall serve ramen, Japanese style appetizers, yakisoba, rolls, teriyaki bowls and beverages, materially similar to the food/beverage items and courses set forth in the example menu attached hereto. The Premises shall be used solely for the use stated above on a non-exclusive bases. Tenant shall not sell any item not within the scope of such permitted use and shall not use the Premises for any other purpose whatsoever.

As provided in the Lease, Tenant shall open for business to the public fully staffed and merchandised upon the required Opening Date for the Premises and thereafter, subject to the terms of the Lease shall operate continuously during the required operating hours of the Premises.

EXHIBIT "F"

GUARANTY OF LEASE

This Guaranty of Lease ("**Guaranty**") is entered into this [May 1st, 2015] by James Chae ("**Guarantor**") in favor of THE SOURCE AT BEACH, LLC, a California limited liability company ("**Landlord**"), with respect to certain obligations of GLOBAL JJ GROUP INC., a Incorporated in the state of CA ("**Tenant**").

Guarantor is financially interested in Tenant and in order to induce Landlord to enter into that certain Lease, dated [Lease Date] by and between Landlord and Tenant ("**Lease**") for "Premises" more particularly described in the Lease, Guarantor is willing to enter into this Guaranty.

1. Guaranty. In order to induce Landlord to enter into the Lease, Guarantor unconditionally, absolutely, and irrevocably guarantees and promises to Landlord full and complete payment and performance by Tenant of all covenants, terms and conditions of the Lease, as the same may hereafter be modified, amended, extended or renewed, including, but not limited to, payment when due of rent and other sums due under the Lease and all damages to which Landlord is or may be entitled whether under California Civil Code § 1951.2 upon a termination of the Lease or otherwise, indemnification payments and payment of any and all legal fees, court costs and litigation expenses incurred by Landlord in endeavoring to collect or enforce any of the foregoing against Tenant, Guarantor, or any other person liable thereon (whether or not suit be brought), or in connection with any property securing any or all of the foregoing or this Guaranty. All sums due under this Guaranty shall bear interest from the date due until the date paid at the maximum rate permitted by law. This is a continuing guaranty of payment and performance and not of collectability, which shall remain in full force and effect during the term of the Lease, as renewed or extended, and thereafter until Tenant's obligations are fully satisfied, and Guarantor waives any right under California Civil Code §2815 to revoke this Guaranty based upon a failure of continuing consideration or otherwise. If all or any portion of the obligations guaranteed are paid or performed, this Guaranty shall continue in full force and effect in the event that all or any part of such payment or performance is avoided or recovered directly or indirectly from Landlord as a preference, fraudulent transfer or otherwise. Guarantor's liability is not conditioned or contingent upon the genuineness, validity, regularity or enforceability of the Lease, and Guarantor waives any and all benefits and defenses under California Civil Code § 2810 and agrees that by doing so Guarantor is liable even if Tenant had no liability at the time of execution of the Lease or thereafter ceases to be liable. Guarantor waives any and all benefits and defenses under California Civil Code § 2809 and agrees that by doing so its liability may be larger in amount and more burdensome than that of Tenant.

2. Changes Do Not Affect Liability. Guarantor consents and agrees that Landlord may, without notice or demand and in its sole and absolute discretion and without affecting Guarantor's liability under this Guaranty, from time to time (a) renew, compromise or settle, extend, accelerate, grant extensions of time or otherwise change or amend the Lease or any of Tenant's obligations under the Lease; (b) take, hold, release, waive, exchange, modify or enforce any security for the payment and performance of this Guaranty or the payment and performance of the Lease and make elections under the federal bankruptcy laws concerning any such security; (c) apply such security and direct the order or manner of sale thereof as Landlord in its discretion may determine; (d) release or substitute any one or more of the persons liable for Tenant's obligations under the Lease or guarantors of the Lease, including, but not limited to any other person signing this Guaranty; (e) accept or make compositions or other arrangements or file or refrain from filing a claim in any bankruptcy proceeding of Tenant or any other guarantor or pledgor; and (f) otherwise deal with Tenant or any other guarantor or pledgor or party related to the Lease or any security or collateral in such manner as Landlord may determine in its sole and absolute discretion. Without limiting the generality of the foregoing, Guarantor waives the rights and benefits under California Civil Code § 2819 and agrees that by doing so its liability shall continue even if Landlord alters any obligations under the Lease in any respect or Landlord's rights or remedies against Tenant are in any way impaired or suspended without Guarantor's consent. Landlord may without notice assign this Guaranty in whole or in part. The Lease may be assigned either by Landlord or Tenant or the Premises sublet in whole or in part without Guarantor's consent or notice to Guarantor and without affecting the liability of Guarantor under this Guaranty.

3. Waivers by Guarantor of Certain Rights and Defenses. Guarantor waives and relinquishes any rights and defenses it may have under California Civil Code §§ 2845, 2849, 2850, and 2856(a) or otherwise to require Landlord to (a) proceed against Tenant or any other guarantor, pledgor or person liable under the Lease; (b) proceed against or exhaust any security for the Lease or this Guaranty; or (c) pursue any other remedy in Landlord's power whatsoever. In other words, Landlord may proceed against Guarantor for the obligations guaranteed without first taking any action against Tenant or any other guarantor, pledgor or person liable under the Lease and without proceeding against any security. Guarantor shall not have, and hereby waives (a) any right of subrogation, contribution, indemnity and any similar right that Guarantor may otherwise have, (b) any right to any remedy which Landlord now has or may hereafter have against Tenant, and (c) any benefit of any security now or hereafter held by Landlord. Guarantor waives (a) all presentments, demands for performance, notices of non-performance, protests, notices of protests and notices of dishonor; (b) all other notices and demands to which Guarantor might be entitled, including without limitation notice of all of the following: the acceptance hereof; any adverse change in Tenant's financial position; any other fact which might increase Guarantor's risk; any default, partial payment or non-payment under the Lease; any and all agreements and arrangements between Landlord and Tenant and any changes, modifications, or extensions thereof; and any revocation, modification or release of any guaranty of any or all of the Lease by any person (including, without limitation, any other person signing this Guaranty); (c) any defense arising by

reason of any failure of Landlord to obtain, perfect, maintain or keep in force any security interest in any property of Tenant or any other person; (d) any defense based upon or arising out of any bankruptcy, insolvency, reorganization, arrangement, readjustment of debt, liquidation or dissolution proceeding commenced by or against Tenant or any other guarantor or any person liable under the Lease, including, without limitation, any discharge of, or bar against collecting, any of the obligations guaranteed hereby in or as a result of any such proceeding, any rejection of the Lease and any limitation on Landlord's claim for rejection damages under 11 U.S.C. § 502(b)(6) (which contains a limitation equal to the greater of one (1) year's rent or fifteen percent (15%) of the rent for the remaining term of the Lease (not to exceed three (3) years)) or otherwise; (e) any defense arising by reason of any disability or other defense of Tenant or any other guarantor or any other person or by reason of the cessation from any cause whatsoever of the liability of Tenant or any other guarantor or any other person; (f) the right to a jury trial in any action under this Guaranty or relating to this Guaranty; and (g) the benefit of any and all statutes of limitation with respect to any action based upon, arising out of or related to this Guaranty. Without limiting the generality of the foregoing or any other provision of this Guaranty, Guarantor expressly waives any and all benefits which might otherwise be available to Guarantor under California Civil Code §§ 2822 (which provides in part that if a surety is liable upon only a portion of an obligation and the principal provides partial satisfaction of the obligation, the principal may designate the portion of the obligation that is to be satisfied), 2839 (which provides that a surety is exonerated by the performance or the offer of performance of the principal obligation), 2899 (which provides for the order of resort to different funds held by the creditor) and 3433 (which provides for the right of a creditor to require that another creditor entitled to resort to several sources of payments first resort to sources not available to the first creditor).

4. Independent Liability; Joint and Several Liability. Guarantor agrees that one or more successive or concurrent actions may be brought on this Guaranty against Guarantor, in the same action in which Tenant may be sued or in separate actions, as often as deemed advisable by Landlord. The obligations under this Guaranty are joint and several, and independent of the obligations of Tenant. If Guarantor is a married person, Guarantor agrees that recourse may be had against his separate property and/or community property for all of his obligations under this Guaranty.

5. Remedies Cumulative; No Waiver. Landlord shall have the right to seek recourse against Guarantor to the full extent provided for in this Guaranty and in any other instrument or agreement evidencing obligations of Guarantor to Landlord, and against Tenant to the full extent of the obligations guaranteed hereby. No election in one form of action or proceeding, or against any party, or on any obligation, shall constitute a waiver of Landlord's right to proceed in any other form of action or proceeding or against any other party. The failure of Landlord to enforce any of the provisions of this Guaranty at any time or for a period of time shall not be construed to be a waiver of any such provision or the right thereafter to enforce the same. All remedies under this Guaranty shall be cumulative and shall be in addition to all rights, powers and remedies given to Landlord by law or under any other instrument or agreement.

6. Financial Condition of Tenant. Guarantor acknowledges that certain facts concerning Tenant and Tenant's financial condition may be known or become known to Landlord. Guarantor waives any right to require Landlord to furnish such information to Guarantor and agrees not to assert any defense Guarantor may have based upon Landlord's failure to furnish such information. Guarantor acknowledges that, in executing this Guaranty and at all times hereafter, Guarantor relies and will continue to rely upon its own investigation and sources other than Landlord for all information and facts relating to Tenant and Tenant's financial condition.

7. Subordination. Any indebtedness of Tenant now or hereafter held by Guarantor is hereby subordinated to Tenant's obligations under the Lease, and such indebtedness of Tenant to Guarantor, if Landlord so requests, shall be collected, enforced and received by Guarantor as trustee for Landlord and be paid over to Landlord on account of the obligations owed by Tenant to Landlord but without reducing or affecting in any manner the liability of Guarantor under the other provisions of this Guaranty.

8. Bankruptcy of Tenant. Guarantor shall not commence or join with any other person in commencing any bankruptcy, reorganization or insolvency proceedings against Tenant or any person liable for Tenant's obligations under the Lease. Guarantor shall file in any bankruptcy or other proceeding in which the filing of claims is required or permitted by law all claims which Guarantor may have against Tenant relating to any indebtedness of Tenant to Guarantor and will assign to Landlord all rights of Guarantor thereunder. Landlord shall have the sole right to accept or reject any plan proposed in such proceedings and to take any other action which a party filing a claim is entitled to do. In all such cases, whether in administration, bankruptcy, or otherwise, the person or persons authorized to pay such claim shall pay to Landlord the amount payable on such claim and, to the full extent necessary for that purpose, Guarantor hereby assigns to Landlord all of Guarantor's right to any such payments or distributions to which Guarantor would otherwise be entitled; provided, however, that Guarantor's obligations hereunder shall not be satisfied except to the extent that Landlord receives cash by reason of any such payments or distribution. If Landlord receives anything hereunder other than cash, the same shall be held as collateral for amounts due under this Guaranty. If the Lease is rejected in any bankruptcy proceeding, it shall not affect Guarantor's liability under this Guaranty for all of the obligations of Tenant under the Lease due or to become due thereunder, and in addition thereto, at the option of Landlord, Guarantor shall either assume the Lease and pay and perform all of the obligations of the Tenant thereunder or enter into a new lease with Landlord on substantially all of the terms and conditions of the Lease for the remaining term of the Lease.

9. Successors and Assigns; Amendment. All rights, benefits and privileges under this Guaranty shall inure to the benefit of and be enforceable by Landlord and its successors and assigns and shall be binding upon Guarantor and his heirs, representatives, successors and assigns. Neither the death of Guarantor nor notice thereof to Landlord shall terminate this Guaranty as to his estate, and, notwithstanding the death of Guarantor or notice thereof to Landlord, this Guaranty shall continue in full force and

effect. The provisions of this Guaranty may not be waived or amended except in a writing executed by Guarantor and a duly authorized representative of Landlord.

10. Reports and Financial Statements of Guarantor. Guarantor shall, at its sole cost and expense, at any time and from time to time, but not more often than once annually, deliver to Landlord upon Landlord's request (i) such financial statements and reports concerning Guarantor for such periods of time as Landlord may designate and (ii) copies of any and all foreign, federal, state and local tax returns and reports of or relating to Guarantor as Landlord may from time to time request. Guarantor shall immediately deliver written notice to Landlord of any adverse change in Guarantor's financial condition and of any condition or event which constitutes a default of Guarantor's obligations under this Guaranty. Whenever requested, Guarantor shall deliver to Landlord a certificate signed by Guarantor (and, if Guarantor is a corporation, by the president and chief financial officer of Guarantor in their individual capacities; and, if Guarantor is a partnership, by all general partners of Guarantor, in their individual capacities; and, if Gurantor is a limited liability company, by all of the managers, in their individual capacities) warranting and representing that all reports, financial statements and other documents and information delivered or caused to be delivered to Landlord under this Guaranty, are complete, correct and thoroughly and accurately present the financial condition of Guarantor, and that there exists on the delivery date of the certificate to Landlord no condition or event which constitutes a default of Guarantor's obligations under this Guaranty. Guarantor shall also be required to deliver estoppel certificates in the form and at the times when Tenant shall be required to deliver estoppel certificates under the Lease, which may include a statement to the effect that this Guaranty remains in effect and that Guarantor has no rights of offset or defenses to enforcement of this Guaranty.

11. Representations and Warranties. Guarantor represents and warrants that (i) if Guarantor is a corporation, partnership, or limited liability company it is duly organized, validly existing, and in good standing under the laws of the state of its organization, (ii) it is in Guarantor's direct interest to assist Tenant in procuring the Lease, because Tenant has a direct or indirect corporate or business relationship with Guarantor, (iii) this Guaranty has been duly and validly authorized, executed and delivered and constitutes the binding obligation of Guarantor, enforceable in accordance with its terms, and (iv) the execution and delivery of this Guaranty does not violate (with or without the giving of notice, the passage of time, or both) any order, judgment, decree, instrument or agreement to which Guarantor is a party or by which it or its assets are affected or bound.

12. Authority of Tenant's Representatives. If Tenant is a corporation, partnership or other entity, Landlord shall have no obligation to inquire into the power or authority of Tenant or any of its officers, directors, partners, or agents acting or purporting to act on its behalf.

13. Construction; Severability; Integration. When this Guaranty is executed by more than one Guarantor, the word "**Guarantor**" shall mean all and any one or more of them. Words used in this Guaranty in the masculine or neuter gender shall include the masculine, neuter and feminine gender, and words used in this Guaranty in the singular shall include the plural and vice versa, wherever the context so reasonably requires. If any provision of this Guaranty or the application thereof to any party or circumstance is held invalid, void, inoperative, or unenforceable, the remainder of this Guaranty and the application of such provision to other parties or circumstances shall not be affected thereby, the provisions of this Guaranty being severable in any such instance. This Guaranty is the entire and only agreement between Guarantor and Landlord respecting the guaranty of the Lease, and all representations, warranties, agreements, or undertakings heretofore or contemporaneously made, which are not set forth in this Guaranty, are superseded.

14. Governing Law; Jurisdiction. This Guaranty is governed by and construed according to the laws of the State of California applicable to contracts made and to be performed in such state without regard to the conflict of laws principles thereof. In order to induce Landlord to accept this Guaranty, and as a material part of the consideration therefor, Guarantor (i) agrees that all actions or proceedings relating directly or indirectly to this Guaranty shall, at the option of Landlord, be litigated in courts located within the State of California, and (ii) consents to the jurisdiction of any such court and consents to the service of process in any such action or proceeding by personal delivery or any other method permitted by law.

15. Paragraph Headings. Paragraph headings are used in this Guaranty for convenience only and shall not be used in any manner to construe, limit, define or interpret any provision of this Guaranty.

16. Time of Essence. Time is of the essence in the performance by Guarantor of each and every obligation under this Guaranty.

17. Notices. Any notice which a party shall be required or shall desire to give to the other under this Guaranty shall be given by personal delivery or by depositing the same in the United States mail, first class postage pre-paid, addressed to Landlord at its address set forth in the Lease and to Guarantor at its address set forth below, and such notices shall be deemed duly given on the date of personal delivery or three (3) days after the date of mailing as aforesaid. Landlord and Guarantor may change their address for purposes of receiving notices under this Guaranty by giving written notice thereof to the other party in accordance with this Paragraph. Guarantor shall give Landlord immediate written notice of any change in its address.

18. Advice of Counsel. Guarantor has had the opportunity to review this Guaranty with its counsel, who is a member of the State Bar of California, and such counsel has explained to it the meaning and significance of the provisions of this Guaranty,

including, but not limited, to the waivers and consents contained in this Guaranty, and answered any questions that it had regarding the meaning, significance and effect of the provisions of this Guaranty.

IN WITNESS WHEREOF, Guarantor has executed this Guaranty as of the day and year first written above.

GUARANTOR:

James Chae

Social Security No.: 557-65-3840
Address: 15476 Canon Ln.
Chino Hills, CA 91709

LongJi Jin

Social Security No.: 602-45-1428.
Address: 12688 Chapman Ave #33207.
Garden Grove CA 92840.

EXHIBIT "G"

MINIMUM MONTHLY RENT ADJUSTMENT SCHEDULE

The Minimum Monthly Rent shall be increased to the following amount on the dates ("Adjustment Date") set forth below.

ADJUSTMENT DATE	THE NEW MINIMUM MONTHLY RENT SHALL BE (per square foot)	THE NEW MINIMUM MONTHLY RENT SHALL BE (total)
INITIAL TERM		
1st anniversary of the Rent Commencement Date	$ 4.12	$ 4,532.00
2nd anniversary of the Rent Commencement Date	$ 4.24	$ 4,664.00
3rd anniversary of the Rent Commencement Date	$ 4.37	$ 4,807.00
4th anniversary of the Rent Commencement Date	$ 4.50	$ 4,950.00
OPTION TERM		
1st day of 1st year of Option	Fair Market Rent *	Fair Market Rent*
1st day of 2nd year of Option	3% increase from preceding month	3% increase from preceding month
1st day of 3rd year of Option	3% increase from preceding month	3% increase from preceding month
1st day of 4th year of Option	3% increase from preceding month	3% increase from preceding month
1st day of 5th year of Option	3% increase from preceding month	3% increase from preceding month

*Fair Market Rent is defined in Section 2.06(b) of the Lease.

1st payment Feb 15, 2018
Lock Box # 8426

CALIFORNIA ASSOCIATION OF REALTORS®

COMMERCIAL LEASE AGREEMENT (cell: (213) 447-7191)

(C.A.R. Form CL, Revised 12/15)

Date (For reference only): September 6, 2016 ("Landlord") and ~~Caamano Family Trust~~ Juan Caamano ("Tenant") agree as follows:
Global AA Group, Inc.

1. **PROPERTY:** Landlord rents to Tenant and Tenant rents from Landlord, the real property and improvements described as: 8426 Laurel Ave., Whittier, CA ("Premises"), which comprise approximately 18.000 % of the total square footage of rentable space in the entire property. See exhibit _____ for a further description of the Premises.

2. **TERM:** The term begins on (date) September ~~12~~ 15, 2016 ("Commencement Date"), **(Check A or B):**
   - [X] **A. Lease:** and shall terminate on (date) September ~~11~~ 17, 2026 at 11:59 [ ] AM [X] PM. Any holding over after the term of this agreement expires, with Landlord's consent, shall create a month-to-month tenancy that either party may terminate as specified in paragraph 2B. Rent shall be at a rate equal to the rent for the immediately preceding month, payable in advance. All other terms and conditions of this agreement shall remain in full force and effect.
   - [ ] **B. Month-to-month:** and continues as a month-to-month tenancy. Either party may terminate the tenancy by giving written notice to the other at least 30 days prior to the intended termination date, subject to any applicable laws. Such notice may be given on any date.
   - [ ] **C. RENEWAL OR EXTENSION TERMS:** See attached addendum _____.

3. **BASE RENT:**
   - **A.** Tenant agrees to pay Base Rent at the rate of (CHECK ONE ONLY:)
     - [ ] **(1)** $ _____ per month, for the term of the agreement.
     - [ ] **(2)** $ _____ per month, for the first 12 months of the agreement. Commencing with the 13th month, and upon expiration of each 12 months thereafter, rent shall be adjusted according to any increase in the U.S. Consumer Price Index of the Bureau of Labor Statistics of the Department of Labor for All Urban Consumers ("CPI") for _____ (the city nearest the location of the Premises), based on the following formula: Base Rent will be multiplied by the most current CPI preceding the first calendar month during which the adjustment is to take effect, and divided by the most recent CPI preceding the Commencement Date. In no event shall any adjusted Base Rent be less than the Base Rent for the month immediately preceding the adjustment. If the CPI is no longer published, then the adjustment to Base Rent shall be based on an alternate index that most closely reflects the CPI.
     - [ ] **(3)** $ _____ per month for the period commencing _____ and ending _____ and
       $ _____ per month for the period commencing _____ and ending _____ and
       $ _____ per month for the period commencing _____ and ending _____.
     - [X] **(4)** In accordance with the attached rent schedule.
     - [ ] **(5)** Other: _____.
   - **B.** Base Rent is payable in advance on the **1st** (or [ ] _____) **day** of each calendar month, and is delinquent on the next day.
   - **C.** If the Commencement Date falls on any day other than the first day of the month, Base Rent for the first calendar month shall be prorated based on a 30-day period. If Tenant has paid one full month's Base Rent in advance of Commencement Date, Base Rent for the second calendar month shall be prorated based on a 30-day period.

4. **RENT:**
   - **A.** Definition: ("Rent") shall mean all monetary obligations of Tenant to Landlord under the terms of this agreement, except security deposit.
   - **B.** Payment: Rent shall be paid to (Name) Juan Caamano at (address) P.O. Box 326, Mission Viejo, CA 92690, or at any other location specified by Landlord in writing to Tenant.
   - **C.** Timing: Base Rent shall be paid as specified in paragraph 3. All other Rent shall be paid within 30 days after Tenant is billed by Landlord.

5. **EARLY POSSESSION:** Tenant is entitled to possession of the Premises on _____. If Tenant is in possession prior to the Commencement Date, during this time **(i)** Tenant is not obligated to pay Base Rent, and **(ii)** Tenant [ ] is [ ] is not obligated to pay Rent other than Base Rent. Whether or not Tenant is obligated to pay Rent prior to Commencement Date, Tenant is obligated to comply with all other terms of this agreement.

6. **SECURITY DEPOSIT:**
   - **A.** Tenant agrees to pay Landlord $ 3,150.00 as a security deposit. Tenant agrees not to hold Broker responsible for its return. (IF CHECKED:) [ ] If Base Rent increases during the term of this agreement, Tenant agrees to increase security deposit by the same proportion as the increase in Base Rent.
   - **B.** All or any portion of the security deposit may be used, as reasonably necessary, to: **(i)** cure Tenant's default in payment of Rent, late charges, non-sufficient funds ("NSF") fees, or other sums due; **(ii)** repair damage, excluding ordinary wear and tear, caused by Tenant or by a guest or licensee of Tenant; **(iii)** broom clean the Premises, if necessary, upon termination of tenancy; and **(iv)** cover any other unfulfilled obligation of Tenant. **SECURITY DEPOSIT SHALL NOT BE USED BY TENANT IN LIEU OF PAYMENT OF LAST MONTH'S RENT.** If all or any portion of the security deposit is used during tenancy, Tenant agrees to reinstate the total security deposit within 5 days after written notice is delivered to Tenant. Within 30 days after Landlord receives possession of the Premises, Landlord shall: **(i)** furnish Tenant an itemized statement indicating the amount of any security deposit received and the basis for its disposition, and **(ii)** return any remaining portion of security deposit to Tenant. However, if the Landlord's only claim upon the security deposit is for unpaid Rent, then the remaining portion of the security deposit, after deduction of unpaid Rent, shall be returned within 14 days after the Landlord receives possession.
   - **C.** No interest will be paid on security deposit, unless required by local ordinance.

Landlord's Initials ( ) ( ) Tenant's Initials ( ) ( )

Team Spirit Realty, 6301 Beach Blvd. Buena park, CA 90621 Phone: (714)562-0404 Fax: (714)736-0404 Global AA Group,
Hatty Hong

Premises: *8426 Laurel Ave., Whittier, CA* Date *September 6, 2016*

7. PAYMENTS:

		TOTAL DUE	PAYMENT RECEIVED	BALANCE DUE	DUE DATE
A.	Rent: From *09/~~12~~/2016* To *12/~~14~~/2017* (Date / Date)	$ *free*	$	$	
B.	Security Deposit	$ *3,150.00*	$	$ *3,150.00*	
C.	Other: *First Month 12/~~15~~/2017-1/~~14~~/2018* (Category)	$ *3,150.00*	$	$ *3,150.00*	
D.	Other: *Last Month 11/~~15~~/2026-12/~~14~~/2016* (Category)	$ *3,150.00*	$	$ *3,150.00*	
E.	Total:	$ *9,450.00*	$	$ *9,450.00*	

8. PARKING: Tenant is entitled to *share* unreserved and *0* reserved vehicle parking spaces. The right to parking [X] is [ ] is not included in the Base Rent charged pursuant to paragraph 3. If not included in the Base Rent, the parking rental fee shall be an additional $ _____ per month. Parking space(s) are to be used for parking operable motor vehicles, except for trailers, boats, campers, buses or trucks (other than pick-up trucks). Tenant shall park in assigned space(s) only. Parking space(s) are to be kept clean. Vehicles leaking oil, gas or other motor vehicle fluids shall not be parked in parking spaces or on the Premises. Mechanical work or storage of inoperable vehicles is not allowed in parking space(s) or elsewhere on the Premises. No overnight parking is permitted.

9. ADDITIONAL STORAGE: Storage is permitted as follows: _____. The right to additional storage space [ ] is [ ] is not included in the Base Rent charged pursuant to paragraph 3. If not included in Base Rent, storage space shall be an additional $ _____ per month. Tenant shall store only personal property that Tenant owns, and shall not store property that is claimed by another, or in which another has any right, title, or interest. Tenant shall not store any improperly packaged food or perishable goods, flammable materials, explosives, or other dangerous or hazardous material. Tenant shall pay for, and be responsible for, the clean-up of any contamination caused by Tenant's use of the storage area.

10. LATE CHARGE; INTEREST; NSF CHECKS: Tenant acknowledges that either late payment of Rent or issuance of a NSF check may cause Landlord to incur costs and expenses, the exact amount of which are extremely difficult and impractical to determine. These costs may include, but are not limited to, processing, enforcement and accounting expenses, and late charges imposed on Landlord. If any installment of Rent due from Tenant is not received by Landlord within **5 calendar days** after date due, or if a check is returned NSF, Tenant shall pay to Landlord, respectively, $ *10 percent* as late charge, plus 10% interest per annum on the delinquent amount and $25.00 as a NSF fee, any of which shall be deemed additional Rent. Landlord and Tenant agree that these charges represent a fair and reasonable estimate of the costs Landlord may incur by reason of Tenant's late or NSF payment. Any late charge, delinquent interest, or NSF fee due shall be paid with the current installment of Rent. Landlord's acceptance of any late charge or NSF fee shall not constitute a waiver as to any default of Tenant. Landlord's right to collect a Late Charge or NSF fee shall not be deemed an extension of the date Rent is due under paragraph 4, or prevent Landlord from exercising any other rights and remedies under this agreement, and as provided by law.

11. CONDITION OF PREMISES: Tenant has examined the Premises and acknowledges that Premise is clean and in operative condition, with the following exceptions: *The premise is not restaurant ready.* Items listed as exceptions shall be dealt with in the following manner: *Tenant shall build out the premise to a restaurant with the TI alloted by the landlord in the amount of $~~5~~8400 in the form of a free rent.*

12. ZONING AND LAND USE: Tenant accepts the Premises subject to all local, state and federal laws, regulations and ordinances ("Laws"). Landlord makes no representation or warranty that Premises are now or in the future will be suitable for Tenant's use. Tenant has made its own investigation regarding all applicable Laws.

13. TENANT OPERATING EXPENSES: Tenant agrees to pay for all utilities and services directly billed to Tenant _____

14. PROPERTY OPERATING EXPENSES:

A. Tenant agrees to pay its proportionate share of Landlord's estimated monthly property operating expenses, including but not limited to, common area maintenance, consolidated utility and service bills, insurance, and real property taxes, based on the ratio of the square footage of the Premises to the total square footage of the rentable space in the entire property. *NNN in the amount of $450 for the current year.*

OR B. [ ] **(If checked)** Paragraph 14 does not apply.

15. USE: The Premises are for the sole use as *Restaurant and kitchen production*. No other use is permitted without Landlord's prior written consent. If any use by Tenant causes an increase in the premium on Landlord's existing property insurance, Tenant shall pay for the increased cost. Tenant will comply with all Laws affecting its use of the Premises.

16. RULES/REGULATIONS: Tenant agrees to comply with all rules and regulations of Landlord (and, if applicable, Owner's Association) that are at any time posted on the Premises or delivered to Tenant. Tenant shall not, and shall ensure that guests and licensees of Tenant do not, disturb, annoy, endanger, or interfere with other tenants of the building or neighbors, or use the Premises for any unlawful purposes, including, but not limited to, using, manufacturing, selling, storing, or transporting illicit drugs or other contraband, or violate any law or ordinance, or committing a waste or nuisance on or about the Premises.

17. MAINTENANCE:

A. Tenant **OR** [ ] **(If checked, Landlord)** shall professionally maintain the Premises including heating, air conditioning, electrical, plumbing and water systems, if any, and keep glass, windows and doors in operable and safe condition. Unless Landlord is checked, if Tenant fails to maintain the Premises, Landlord may contract for or perform such maintenance, and charge Tenant for Landlord's cost.

B. Landlord **OR** [ ] **(If checked, Tenant)** shall maintain the roof, foundation, exterior walls, common areas and _____

Landlord's Initials ( )( ) Tenant's Initials ( )( )

Premises: ***8426 Laurel Ave., Whittier, CA*** Date ***September 6, 2016***

18. **ALTERATIONS:** Tenant shall not make any alterations in or about the Premises, including installation of trade fixtures and signs, without Landlord's prior written consent, which shall not be unreasonably withheld. Any alterations to the Premises shall be done according to Law and with required permits. Tenant shall give Landlord advance notice of the commencement date of any planned alteration, so that Landlord, at its option, may post a Notice of Non-Responsibility to prevent potential liens against Landlord's interest in the Premises. Landlord may also require Tenant to provide Landlord with lien releases from any contractor performing work on the Premises.
19. **GOVERNMENT IMPOSED ALTERATIONS:** Any alterations required by Law as a result of Tenant's use shall be Tenant's responsibility. Landlord shall be responsible for any other alterations required by Law.
20. **ENTRY:** Tenant shall make Premises available to Landlord or Landlord's agent for the purpose of entering to make inspections, necessary or agreed repairs, alterations, or improvements, or to supply necessary or agreed services, or to show Premises to prospective or actual purchasers, tenants, mortgagees, lenders, appraisers, or contractors. Landlord and Tenant agree that 24 hours notice (oral or written) shall be reasonable and sufficient notice. In an emergency, Landlord or Landlord's representative may enter Premises at any time without prior notice.
21. **SIGNS:** Tenant authorizes Landlord to place a FOR SALE sign on the Premises at any time, and a FOR LEASE sign on the Premises within the 90 (or ☐ _____) day period preceding the termination of the agreement.
22. **SUBLETTING/ASSIGNMENT:** Tenant shall not sublet or encumber all or any part of Premises, or assign or transfer this agreement or any interest in it, without the prior written consent of Landlord, which shall not be unreasonably withheld. Unless such consent is obtained, any subletting, assignment, transfer, or encumbrance of the Premises, agreement, or tenancy, by voluntary act of Tenant, operation of law, or otherwise, shall be null and void, and, at the option of Landlord, terminate this agreement. Any proposed sublessee, assignee, or transferee shall submit to Landlord an application and credit information for Landlord's approval, and, if approved, sign a separate written agreement with Landlord and Tenant. Landlord's consent to any one sublease, assignment, or transfer, shall not be construed as consent to any subsequent sublease, assignment, or transfer, and does not release Tenant of Tenant's obligation under this agreement.
23. **POSSESSION:** If Landlord is unable to deliver possession of Premises on Commencement Date, such date shall be extended to the date on which possession is made available to Tenant. However, the expiration date shall remain the same as specified in paragraph 2. If Landlord is unable to deliver possession within **60 (or** ☐ _____ **) calendar days** after the agreed Commencement Date, Tenant may terminate this agreement by giving written notice to Landlord, and shall be refunded all Rent and security deposit paid.
24. **TENANT'S OBLIGATIONS UPON VACATING PREMISES:** Upon termination of agreement, Tenant shall: **(i)** give Landlord all copies of all keys or opening devices to Premises, including any common areas; **(ii)** vacate Premises and surrender it to Landlord empty of all persons and personal property; **(iii)** vacate all parking and storage spaces; **(iv)** deliver Premises to Landlord in the same condition as referenced in paragraph 11; **(v)** clean Premises; **(vi)** give written notice to Landlord of Tenant's forwarding address; and **(vii)** ***Remove only the unfixed furniture, equipments and personal property.***
All improvements installed by Tenant, with or without Landlord's consent, become the property of Landlord upon termination. Landlord may nevertheless require Tenant to remove any such improvement that did not exist at the time possession was made available to Tenant.
25. **BREACH OF CONTRACT/EARLY TERMINATION:** In event Tenant, prior to expiration of this agreement, breaches any obligation in this agreement, abandons the premises, or gives notice of tenant's intent to terminate this tenancy prior to its expiration, in addition to any obligations established by paragraph 24, Tenant shall also be responsible for lost rent, rental commissions, advertising expenses, and painting costs necessary to ready Premises for re-rental. Landlord may also recover from Tenant: **(i)** the worth, at the time of award, of the unpaid Rent that had been earned at the time of termination; **(ii)** the worth, at the time of award, of the amount by which the unpaid Rent that would have been earned after expiration until the time of award exceeds the amount of such rental loss the Tenant proves could have been reasonably avoided; and **(iii)** the worth, at the time of award, of the amount by which the unpaid Rent for the balance of the term after the time of award exceeds the amount of such rental loss that Tenant proves could be reasonably avoided. Landlord may elect to continue the tenancy in effect for so long as Landlord does not terminate Tenant's right to possession, by either written notice of termination of possession or by reletting the Premises to another who takes possession, and Landlord may enforce all Landlord's rights and remedies under this agreement, including the right to recover the Rent as it becomes due.
26. **DAMAGE TO PREMISES:** If, by no fault of Tenant, Premises are totally or partially damaged or destroyed by fire, earthquake, accident or other casualty, Landlord shall have the right to restore the Premises by repair or rebuilding. If Landlord elects to repair or rebuild, and is able to complete such restoration within 90 days from the date of damage, subject to the terms of this paragraph, this agreement shall remain in full force and effect. If Landlord is unable to restore the Premises within this time, or if Landlord elects not to restore, then either Landlord or Tenant may terminate this agreement by giving the other written notice. Rent shall be abated as of the date of damage. The abated amount shall be the current monthly Base Rent prorated on a 30-day basis. If this agreement is not terminated, and the damage is not repaired, then Rent shall be reduced based on the extent to which the damage interferes with Tenant's reasonable use of the Premises. If total or partial destruction or damage occurs as a result of an act of Tenant or Tenant's guests, **(i)** only Landlord shall have the right, at Landlord's sole discretion, within 30 days after such total or partial destruction or damage to treat the lease as terminated by Tenant, and **(ii)** Landlord shall have the right to recover damages from Tenant.
27. **HAZARDOUS MATERIALS:** Tenant shall not use, store, generate, release or dispose of any hazardous material on the Premises or the property of which the Premises are part. However, Tenant is permitted to make use of such materials that are required to be used in the normal course of Tenant's business provided that Tenant complies with all applicable Laws related to the hazardous materials. Tenant is responsible for the cost of removal and remediation, or any clean-up of any contamination caused by Tenant.
28. **CONDEMNATION:** If all or part of the Premises is condemned for public use, either party may terminate this agreement as of the date possession is given to the condemner. All condemnation proceeds, exclusive of those allocated by the condemner to Tenant's relocation costs and trade fixtures, belong to Landlord.
29. **INSURANCE:** Tenant's personal property, fixtures, equipment, inventory and vehicles are not insured by Landlord against loss or damage due to fire, theft, vandalism, rain, water, criminal or negligent acts of others, or any other cause. Tenant is to carry Tenant's own property insurance to protect Tenant from any such loss. In addition, Tenant shall carry **(i)** liability insurance in an amount of not less than $ ***1,000,000.00*** and (ii) property insurance in an amount sufficient to cover the replacement cost of the property if Tenant is responsible for maintenance under paragraph 17B. Tenant's insurance shall name Landlord and Landlord's agent as additional insured. Tenant, upon Landlord's request, shall provide Landlord with a certificate of insurance establishing Tenant's compliance. Landlord shall maintain liability insurance insuring Landlord, but not Tenant, in an amount of at least $ ***2,000,000.00*** , plus property insurance in an amount sufficient to cover the replacement cost of the property unless Tenant is responsible for maintenance pursuant to paragraph 17B. Tenant is advised to carry business interruption insurance in an amount at least sufficient to cover Tenant's complete rental obligation to Landlord. Landlord is advised to obtain a policy of rental loss insurance. Both Landlord and Tenant release each other, and waive their respective rights to subrogation against each other, for loss or damage covered by insurance.

Landlord's Initials ( ) ( ) Tenant's Initials ( ) ( )

30. **TENANCY STATEMENT (ESTOPPEL CERTIFICATE):** Tenant shall execute and return a tenancy statement (estoppel certificate), delivered to Tenant by Landlord or Landlord's agent, within 3 days after its receipt. The tenancy statement shall acknowledge that this agreement is unmodified and in full force, or in full force as modified, and state the modifications. Failure to comply with this requirement: (i) shall be deemed Tenant's acknowledgment that the tenancy statement is true and correct, and may be relied upon by a prospective lender or purchaser; and (ii) may be treated by Landlord as a material breach of this agreement. Tenant shall also prepare, execute, and deliver to Landlord any financial statement (which will be held in confidence) reasonably requested by a prospective lender or buyer.
31. **LANDLORD'S TRANSFER:** Tenant agrees that the transferee of Landlord's interest shall be substituted as Landlord under this agreement. Landlord will be released of any further obligation to Tenant regarding the security deposit, only if the security deposit is returned to Tenant upon such transfer, or if the security deposit is actually transferred to the transferee. For all other obligations under this agreement, Landlord is released of any further liability to Tenant, upon Landlord's transfer.
32. **SUBORDINATION:** This agreement shall be subordinate to all existing liens and, at Landlord's option, the lien of any first deed of trust or first mortgage subsequently placed upon the real property of which the Premises are a part, and to any advances made on the security of the Premises, and to all renewals, modifications, consolidations, replacements, and extensions. However, as to the lien of any deed of trust or mortgage entered into after execution of this agreement, Tenant's right to quiet possession of the Premises shall not be disturbed if Tenant is not in default and so long as Tenant pays the Rent and observes and performs all of the provisions of this agreement, unless this agreement is otherwise terminated pursuant to its terms. If any mortgagee, trustee, or ground lessor elects to have this agreement placed in a security position prior to the lien of a mortgage, deed of trust, or ground lease, and gives written notice to Tenant, this agreement shall be deemed prior to that mortgage, deed of trust, or ground lease, or the date of recording.
33. **TENANT REPRESENTATIONS; CREDIT:** Tenant warrants that all statements in Tenant's financial documents and rental application are accurate. Tenant authorizes Landlord and Broker(s) to obtain Tenant's credit report at time of application and periodically during tenancy in connection with approval, modification, or enforcement of this agreement. Landlord may cancel this agreement: **(i)** before occupancy begins, upon disapproval of the credit report(s); or **(ii)** at any time, upon discovering that information in Tenant's application is false. A negative credit report reflecting on Tenant's record may be submitted to a credit reporting agency, if Tenant fails to pay Rent or comply with any other obligation under this agreement.
34. **CONSTRUCTION-RELATED ACCESSIBILITY STANDARDS:** Landlord states that the Premises ☐ has, or ☐ has not been inspected by a Certified Access Specialist. If so, Landlord states that the Premises ☐ has, or ☐ has not been determined to meet all applicable construction-related accessibility standards pursuant to Civil Code Section 55.53.
35. **DISPUTE RESOLUTION:**
    A. **MEDIATION:** Tenant and Landlord agree to mediate any dispute or claim arising between them out of this agreement, or any resulting transaction, before resorting to arbitration or court action, subject to paragraph 35B(2) below. Paragraphs 35B(2) and (3) apply whether or not the arbitration provision is initialed. Mediation fees, if any, shall be divided equally among the parties involved. If for any dispute or claim to which this paragraph applies, any party commences an action without first attempting to resolve the matter through mediation, or refuses to mediate after a request has been made, then that party shall not be entitled to recover attorney fees, even if they would otherwise be available to that party in any such action. THIS MEDIATION PROVISION APPLIES WHETHER OR NOT THE ARBITRATION PROVISION IS INITIALED.
    B. **ARBITRATION OF DISPUTES: (1) Tenant and Landlord agree that any dispute or claim in Law or equity arising between them out of this agreement or any resulting transaction, which is not settled through mediation, shall be decided by neutral, binding arbitration, including and subject to paragraphs 35B(2) and (3) below. The arbitrator shall be a retired judge or justice, or an attorney with at least 5 years of real estate transactional law experience, unless the parties mutually agree to a different arbitrator, who shall render an award in accordance with substantive California Law. In all other respects, the arbitration shall be conducted in accordance with Part III, Title 9 of the California Code of Civil Procedure. Judgment upon the award of the arbitrator(s) may be entered in any court having jurisdiction. The parties shall have the right to discovery in accordance with Code of Civil Procedure §1283.05.**
    (2) EXCLUSIONS FROM MEDIATION AND ARBITRATION: The following matters are excluded from Mediation and Arbitration hereunder: **(i)** a judicial or non-judicial foreclosure or other action or proceeding to enforce a deed of trust, mortgage, or installment land sale contract as defined in Civil Code §2985; **(ii)** an unlawful detainer action; **(iii)** the filing or enforcement of a mechanic's lien; **(iv)** any matter that is within the jurisdiction of a probate, small claims, or bankruptcy court; and **(v)** an action for bodily injury or wrongful death, or for latent or patent defects to which Code of Civil Procedure §337.1 or §337.15 applies. The filing of a court action to enable the recording of a notice of pending action, for order of attachment, receivership, injunction, or other provisional remedies, shall not constitute a violation of the mediation and arbitration provisions.
    (3) BROKERS: Tenant and Landlord agree to mediate and arbitrate disputes or claims involving either or both Brokers, provided either or both Brokers shall have agreed to such mediation or arbitration, prior to, or within a reasonable time after the dispute or claim is presented to Brokers. Any election by either or both Brokers to participate in mediation or arbitration shall not result in Brokers being deemed parties to the agreement.

"NOTICE: BY INITIALING IN THE SPACE BELOW YOU ARE AGREEING TO HAVE ANY DISPUTE ARISING OUT OF THE MATTERS INCLUDED IN THE 'ARBITRATION OF DISPUTES' PROVISION DECIDED BY NEUTRAL ARBITRATION AS PROVIDED BY CALIFORNIA LAW AND YOU ARE GIVING UP ANY RIGHTS YOU MIGHT POSSESS TO HAVE THE DISPUTE LITIGATED IN A COURT OR JURY TRIAL. BY INITIALING IN THE SPACE BELOW YOU ARE GIVING UP YOUR JUDICIAL RIGHTS TO DISCOVERY AND APPEAL, UNLESS THOSE RIGHTS ARE SPECIFICALLY INCLUDED IN THE 'ARBITRATION OF DISPUTES' PROVISION. IF YOU REFUSE TO SUBMIT TO ARBITRATION AFTER AGREEING TO THIS PROVISION, YOU MAY BE COMPELLED TO ARBITRATE UNDER THE AUTHORITY OF THE CALIFORNIA CODE OF CIVIL PROCEDURE. YOUR AGREEMENT TO THIS ARBITRATION PROVISION IS VOLUNTARY."

"WE HAVE READ AND UNDERSTAND THE FOREGOING AND AGREE TO SUBMIT DISPUTES ARISING OUT OF THE MATTERS INCLUDED IN THE 'ARBITRATION OF DISPUTES' PROVISION TO NEUTRAL ARBITRATION."

Landlord's Initials ( ) ( ) Tenant's Initials ( ) ( )

Landlord's Initials ( ) ( ) Tenant's Initials ( ) ( )

Premises: *8426 Laurel Ave., Whittier, CA* Date *September 8, 2016*

36. JOINT AND INDIVIDUAL OBLIGATIONS: If there is more than one Tenant, each one shall be individually and completely responsible for the performance of all obligations of Tenant under this agreement, jointly with every other Tenant, and individually, whether or not in possession.

37. NOTICE: Notices may be served by mail, facsimile, or courier at the following address or location, or at any other location subsequently designated:

Landlord: *Juan Caamano*
P.O. Box 2662
Mission Viejo, CA 92690

Tenant: *Global AA Group, Inc.*
~~*Longji Jin*~~ James Chae
1891 North Tustin St.
Orange, CA 92865

Notice is deemed effective upon the earliest of the following: **(i)** personal receipt by either party or their agent; **(ii)** written acknowledgement of notice; or **(iii)** 5 days after mailing notice to such location by first class mail, postage pre-paid.

38. WAIVER: The waiver of any breach shall not be construed as a continuing waiver of the same breach or a waiver of any subsequent breach.

39. INDEMNIFICATION: Tenant shall indemnify, defend and hold Landlord harmless from all claims, disputes, litigation, judgments and attorney fees arising out of Tenant's use of the Premises.

40. OTHER TERMS AND CONDITIONS/SUPPLEMENTS: *Tenant shall have the first right to lease the space next door, namely, unit 8426B, approximately 900 sf when it becomes available approximately 9 months from 9/12/2016 at a then negotiated rental rate. This lease Agreement is only valid and contingent upon obtaining the permit from the City of Whittier to operate as a restaurant.*

The following ATTACHED supplements/exhibits are incorporated in this agreement: ☐ Option Agreement (C.A.R. Form OA)
~~*Exhibit A (September 3, 2016)*~~

41. ATTORNEY FEES: In any action or proceeding arising out of this agreement, the prevailing party between Landlord and Tenant shall be entitled to reasonable attorney fees and costs from the non-prevailing Landlord or Tenant, except as provided in paragraph 35A.

42. ENTIRE CONTRACT: Time is of the essence. All prior agreements between Landlord and Tenant are incorporated in this agreement, which constitutes the entire contract. It is intended as a final expression of the parties' agreement, and may not be contradicted by evidence of any prior agreement or contemporaneous oral agreement. The parties further intend that this agreement constitutes the complete and exclusive statement of its terms, and that no extrinsic evidence whatsoever may be introduced in any judicial or other proceeding, if any, involving this agreement. Any provision of this agreement that is held to be invalid shall not affect the validity or enforceability of any other provision in this agreement. This agreement shall be binding upon, and inure to the benefit of, the heirs, assignees and successors to the parties.

43. BROKERAGE: Landlord and Tenant shall each pay to Broker(s) the fee agreed to, if any, in a separate written agreement. Neither Tenant nor Landlord has utilized the services of, or for any other reason owes compensation to, a licensed real estate broker (individual or corporate), agent, finder, or other entity, other than as named in this agreement, in connection with any act relating to the Premises, including, but not limited to, inquiries, introductions, consultations, and negotiations leading to this agreement. Tenant and Landlord each agree to indemnify, defend and hold harmless the other, and the Brokers specified herein, and their agents, from and against any costs, expenses, or liability for compensation claimed inconsistent with the warranty and representation in this paragraph 43.

44. AGENCY CONFIRMATION: The following agency relationships are hereby confirmed for this transaction:
Listing Agent: *Team Spirit Realty* (Print Firm Name) is the agent of (check one):
☐ the Landlord exclusively; or ☒ both the Tenant and Landlord.
Selling Agent: *Team Spirit Realty* (Print Firm Name) (if not same as Listing Agent) is the agent of (check one):
☐ the Tenant exclusively; or ☐ the Landlord exclusively; or ☒ both the Tenant and Landlord.
Real Estate Brokers are not parties to the agreement between Tenant and Landlord.

Landlord's Initials ( ) ( )

Tenant's Initials ( ) ( )

Premises: *8426 Laurel Ave., Whittier, CA* Date *September 6, 2016*

Landlord and Tenant acknowledge and agree that Brokers: (i) do not guarantee the condition of the Premises; (ii) cannot verify representations made by others; (iii) will not verify zoning and land use restrictions; (iv) cannot provide legal or tax advice; (v) will not provide other advice or information that exceeds the knowledge, education or experience required to obtain a real estate license. Furthermore, if Brokers are not also acting as Landlord in this agreement, Brokers: (vi) do not decide what rental rate a Tenant should pay or Landlord should accept; and (vii) do not decide upon the length or other terms of tenancy. Landlord and Tenant agree that they will seek legal, tax, insurance, and other desired assistance from appropriate professionals.

Tenant James Chae / Gbbal AA Group Inc Date 9-12-16
~~Longji Jin~~
(Print name)
Address _____ City _____ State _____ Zip _____

Tenant _____ Date _____
(Print name)
Address _____ City _____ State _____ Zip _____

☒ **GUARANTEE:** In consideration of the execution of this Agreement by and between Landlord and Tenant and for valuable consideration, receipt of which is hereby acknowledged, the undersigned ("Guarantor") does hereby: **(i)** guarantee unconditionally to Landlord and Landlord's agents, successors and assigns, the prompt payment of Rent or other sums that become due pursuant to this Agreement, including any and all court costs and attorney fees included in enforcing the Agreement; **(ii)** consent to any changes, modifications or alterations of any term in this Agreement agreed to by Landlord and Tenant; and **(iii)** waive any right to require Landlord and/or Landlord's agents to proceed against Tenant for any default occurring under this Agreement before seeking to enforce this Guarantee.

Guarantor (Print Name) ~~Longji Jin~~ James Chae
Guarantor _____ Date 9-12-16
Address *1891 North Tustin St.* City *Orange* State *CA* Zip *92865*
Telephone *(213)675-1117* Fax _____ E-mail *jchae@apiis.com*

Landlord agrees to rent the Premises on the above terms and conditions.

Landlord JUAN CAAMANO Date 9-12-16
(owner or agent with authority to enter into this agreement) *Juan Caamano*
Address *P.O. Box 2662* City *Mission Viejo* State *CA* Zip *92690*

Landlord _____ Date 9-12-16
(owner or agent with authority to enter into this agreement)
Address P.O. 2662 City MISSION VIEJO State CA Zip 92690

Agency relationships are confirmed as above. Real estate brokers who are not also Landlord in this agreement are not a party to the agreement between Landlord and Tenant.

Real Estate Broker (Leasing Firm) *Team Spirit Realty* CalBRE Lic. # *01209953*
By (Agent) _____ CalBRE Lic. # *01953108* Date _____
Daniel Hong
Address *6301 Beach Blvd. #225* City *Buena Park* State *CA* Zip *90621*
Telephone *(714)900-1312* Fax _____ E-mail *danielhong6301@gmail.com*

Real Estate Broker (Listing Firm) *Team Spirit Realty* CalBRE Lic. # *01209953*
By (Agent) _____ CalBRE Lic. # *01953108* Date _____
Daniel Hong
Address *6301 Beach Blvd Ste 225* City *Buena Park* State *CA* Zip *90621*
Telephone *(714)900-1312* Fax _____ E-mail *danielhong6301@gmail.com*

Reviewed by _____ Date _____

EQUAL HOUSING OPPORTUNITY

Exhibit 10.6

SHOPPING CENTER LEASE

1. Parties.

This Lease ("Lease"), dated for reference purposes only as of July 1, 2020, is made by and between LA MIRADA CENTER, INC. ("Lessor") and GLOBAL DD GROUP, INC. doing business as YOSHIHARU RAMEN ("Lessee"), collectively the "Parties", or individually a "Party").

2. Premises, Parking, and Common Area

2.1. Premises.

2.1.1. Letting. Lessor hereby leases to Lessee and Lessee hereby leases from Lessor, that portion of real property which is situated at 12806 S. La Mirada Blvd., La Mirada, CA 90638 consisting of an estimated 1,500 square feet, and further described on Exhibit "A", hereby (the "Premises"), including the non-exclusive right to use the common areas as hereinafter specified, "AS IS" and "WHERE IS" without representation or warranty of Lessor, for the term, at the rental, and upon all of the terms, covenants and conditions set forth in this Lease. Unless otherwise provided herein, any statement of size set forth in this Lease, or that may have been used in calculating Rent, is an estimation which the Parties agree is reasonable, and any payments based thereon are not subject to revision whether the actual size is more or less.

2.2. Vehicle Parking.

2.2.1. Lessee shall not permit or allow any vehicles that belong to or are controlled by Lessee or Lessee's employees, suppliers, shippers, customers, contractors or invitees to be loaded, unloaded, or parked in areas other than those designated by Lessor for such activities.

2.2.2. Lessee shall not service or store any vehicles in the Common Areas.

2.2.3. If Lessee permits or allows any of the prohibited activities described in Paragraph 2.1.1, then Lessor shall have the right, without notice, in addition to such other rights and remedies that it may have, to remove or tow away the vehicle involved and charge the cost to Lessee, which cost shall be immediately payable upon demand by Lessor.

2.2.4. Lessee, in the use of said common and parking areas, agrees to comply with such reasonable rules, regulations and charges for parking as the lessor may adopt from time to time for the orderly and proper operation of said common and parking areas. Such rules may include but shall not be limited to the following: (1) the restricting of employee parking to areas designated to Lessor, and (2) the regulation of the removal, storage, and disposal of Lessee's refuse and other rubbish at the sole cost and expense of Lessee.

2.3. Common Areas.

2.3.1. Common Areas - Definition. The term "Common Areas" is defined as all areas and facilities outside the Premises and within the exterior boundary line of the Project and interior utility raceways and installations within the unit that are provided and designated by the Lessor from time to time for the general non-exclusive use of Lessor, Lessee and other Lessees of the Project and their respective employees, suppliers, shippers, customers, contractors and invitees, including without limitation parking areas, loading and unloading areas, trash areas, roadways, walkways, driveways and landscaped areas.

2.3.2. Common Areas - Lessee's Rights. Lessor grants to Lessee, for the benefit of Lessee and its employees, suppliers, shippers, contractors, customers and invitees, during the term of this Lease, the non-exclusive right to use, in common with others entitled to such use, the Common Areas as they exist from time to time, subject to any rights, powers, and privileges reserved by Lessor under the terms hereof or under the terms of any rules and regulations or restrictions governing the use of the Project. Under no circumstances shall the right herein granted to use the Common Areas be deemed to include the right to store any property, temporarily or permanently, in the Common Areas. Any such storage shall be permitted only by the prior written consent of Lessor or Lessor's designated agent, which consent may be revoked at any time. In the event that any unauthorized storage shall occur then Lessor shall have the right, without notice, in addition to such other rights and remedies that it may have, to remove the property and charge the cost to Lessee, which cost shall be immediately payable upon demand by Lessor.

2.3.3. Common Areas - Rules and Regulations. Lessor or such other person(s) as Lessor may appoint shall have the exclusive control and management of the Common Areas and shall have the right, from time to time, to establish, modify, amend and enforce reasonable rules and regulations ("Rules and Regulations") for the management, safety, care, and cleanliness of the grounds, the parking and unloading of vehicles and the preservation of good order, as well as for the convenience of other occupants or lessees of the Shopping Center and their invitees. Lessee agrees to abide by and conform to all such Rules and Regulations, and to cause its employees, suppliers, shippers, customers, contractors and invitees to so abide and conform. Lessor shall not be responsible to Lessee for the non-compliance with said Rules and Regulations by other lessees of the Shopping Center.

2.3.4. Common Areas - Changes. Lessor shall have the right, in Lessor's sole discretion, from time to time:

(a) To make changes to the Common Areas, including, without limitation, changes in the location, size, shape and number of driveways, entrances, parking spaces, parking areas, loading and unloading areas, ingress, egress, direction of traffic, landscaped areas, walkways and utility raceways;

(b) To close temporarily any of the Common Areas for maintenance purposes so long as reasonable access to the Premises remains available;

(c) To designate other land outside the boundaries of the Project to be a part of the Common Areas;

(d) To add additional buildings and improvements to the Common Areas;

(e) To use the Common Areas while engaged in making additional improvements, repairs or alterations to the Shopping Center, or any portion thereof; and

(f) To do and perform such other acts and make such other changes in, and with respect to the Common Areas and Shopping Center as Lessor may, in, the exercise of sound business judgment, deem to be appropriate.

(g) Lessor has assigned outside parking spaces based upon Lessee's pro-rata share of space leased to the total number of outside spaces available. Lessor reserves the right to change or modify the location of the assigned spaces at any time. Lessee agrees to park only in assigned spaces.

3. Term.

3.1. Term. The term of this lease ("Term") shall be for ten (10) years, commencing on the date that Lessee takes possession of the Premises. (hereinafter "Lease Tenn Commencement Date") and ending on the elate that is ten (10) years thereafter. This lease and any obligation of Lessor to provide Lessee with the possession of the Premises on the Lease Term Commencement Date or otherwise is conditioned upon the existing tenant vacating the Premises. Additionally, if set forth on Exhibit B, Lessor hereby grants an option to Lessee as set forth on Exhibit "B."

3.2. Rent Commencement Date. The Rent Commencement Date shall be the elate Lessee completes all tenant improvements to the Premises under this paragraph 3.2, but not later than six months from the Lease Term Commencement Date. As to the tenant improvements hereunder, Lessee shall hire a general contractor and complete all tenant improvements on or before six (6) months from the Lease Term Commencement Date, and all tenant improvements shall be pursuant to all required construction permits required by the City of La Mirada and Los Angeles County Department of Health.

3.3. Lessee Compliance. Lessor shall not be required to tender possession of the Premises to Lessee until Lessee complies with its obligation to provide evidence of insurance (Paragraph 8.5). Pending delivery of such evidence, Lessee shall be required to perform all of its obligations under this Lease from and after the Start Date, except as provided herein

4. Rent.

4.1. Rent Defined. All monetary obligations of Lessee to Lessor under the terms of this Lease (except for the Security Deposit) are deemed to be rent ("Rent").

4.2. Base Rent.

4.2.1. Initial Base Rent. Subject to Section 3.2 herein, Lessee agrees to pay to Lessor as Base Rent for the Premises, without notice or demand the sums as follows, in advance, on or before the first day of each and every successive calendar month during the terms hereof:

Lease Term Year	Base Rent (per month) at Rent Commencement	Percentage Increase	Offset for Free Rent	Effective Base Rent
1	3,750.00			3,750.00
2	3,973.50	5%	312.50	3,661.00
3	4,134.37	5%	312.50	3,821.87
4	4,341.08	5%	312.50	4,028.58
5	4,558.13	5%		
6	4,831.61	6%		
7	4,976.55	3%		
8	5,125.84	3%		
9	5,279.61	3%		
10	5,438.00	3%		
11	Fair Market value (option #1)	3% for years 12-15		

The above Base Rent for any period which is for less than one (1) month shall be a prorated portion of the monthly installment herein based upon a thirty (30) day month. Said rental shall be paid to Lessor without deduction or offset, in lawful money of the United States of America and at such place as Lessor may from time to time designate in writing.

4.2.2 Free Rent. "Free Rent" is defined to be the initial base rent and any additional rent including Common Area Expenses. Lessor shall provide a total of three (3) months of Free Rent to Lessee which shall be applied as set forth in the chart above, namely allocated to years two through four, with monthly deductions for each of month during those years, as further reflected in the chart in Section 4.2.1.

4.2.3. Adjustments to Initial Rent. The Base Rent set forth at Paragraph 4.2.1 (or as amended) and unless stated in Paragraph 4.2.1, on each annual anniversary of the Lease Term Commencement Date, shall increase by of five (5%) annually as further set forth in the chart set forth in Section 4.2.1.

4.3. Common Area Operating Expenses. Lessee shall pay to Lessor during the term hereof, in addition to the Base Rent, Lessee's Share, as hereafter defined, of all Common Area Operating Expenses, as hereinafter defined, during each calendar year of the term of this Lease, in accordance with the following provisions:

4.3.1. "Lessee's Share" is defined for purposes of this Lease, as a fraction, the numerator which the square footage of the Premises and the denominator of which is the total leasable square footage of the Shopping Center

4.3.2. "Common Area Operating Expenses" are defined, for purposes of this Lease, as all costs incurred by Lessor relating to the ownership and operation of the Shopping Center, including, but not limited to, the following:

4.3.2..1 The operation, repair and maintenance, in neat, clean, good order and condition of the Shopping Center, including but not limited to the following: (a) the Common Areas and Common Area improvements, including parking areas, loading and unloading areas, trash areas, roadways, parkways, walkways, driveways, landscaped areas, bumpers, irrigation systems, Common Area lighting facilities, fences and gates, elevators, roofs, and roof drainage systems; (b) exterior signs and any lessee directories; (c) any fire detection and/or sprinkler systems; (d) Reserves set aside for maintenance and repair of Common Areas; (e) any other service to be provided by Lessor that is elsewhere in this Lease stated to be operating expense; (f) personnel to implement any or all of the foregoing.

4.3.2.2. The cost of water, gas, electricity and telephone to service the Common Areas and any utilities not separately metered.

4.3.2.3. Real Property Taxes paid by Lessor under Paragraph 10.

4.3.2.4. The cost of the premiums for the insurance maintained by Less or pursuant to Paragraph 8.

4.3.2.5. Any deductible portion of an insured loss concerning the Building or the Common Areas.

4.3.2.6. A property management fee of 10% of the current Common Area Operating Expense.

4.3.3. The inclusion of the improvements, facilities and services set forth in Subparagraph 4.3.2. shall not be deemed to impose an obligation upon Lessor to

either have said improvements or facilities or to provide those services unless the Project already has the same, Lessor already provides the services, or Lessor has agreed elsewhere in this Lease to provide the same or some of them.

4.3.4. Lessee's Share of Common Area Operating Expenses shall be payable by Lessee within 10 days after a reasonably detailed statement of actual expenses is presented to Lessee. At Lessor's option, however, an amount may be estimated by Lessor from time to time of Lessee's Share of annual Common Area Operating Expenses and the same shall be payable monthly or quarterly, as Lessor shall designate, during each 12-month period of the Lease term, on the same day as the Base Rent is due hereunder. At this time, Lessor estimates that the monthly **Common Area Operating Expense is $604.30,** and same is due and payable by Lessor until further notice by Lessor at the time that Base Rent is due. Lessor shall deliver to Lessee within 60 days after the expiration of each calendar year a reasonably detailed statement showing Lessee's Share of the actual Common Area Operating Expenses incurred during the preceding year. If Lessee's payments under this Paragraph 4.3 during the preceding year exceed Lessee's Share as indicated on such statement, Lessor shall credit the amount of such over-payment against Lessee's Share of Common Area Operating Expenses next becoming due. If Lessee's payments under this Paragraph 4.3 during the preceding year were less than Lessee's Share as indicated on such statement, Lessee shall pay to Lessor the amount of the deficiency within 10 days after delivery by Lessor to Lessee of the statement.

4.4. Payment. Lessee shall cause payment of Rent to be received by Lessor in lawful money of the United States, without offset or deduction (except as specifically permitted in this Lease), on or before the day on which it is due. Rent for any period during the term hereof which is for less than one full calendar month shall be prorated based upon the actual number of days of said month. Payment of Rent shall be made to Lessor at its address stated herein or to such other persons or place as Lessor may from time to time designate in writing. Payment of Rent which is due and payable under the terms of this Lease shall be deemed made when actually received by Lessor. Acceptance of a payment which is less than the amount then due shall not be a waiver of Lessor's rights to the balance of such Rent, regardless of Lessor's endorsement of any check so stating. In the event that any check, draft, or other instrument of payment given by Lessee to Lessor is dishonored for any reason, then (1) Lessee shall pay a penalty of $100.00 to Lessor and (2) at Lessor's option and upon written notice from Lessor, future payments from Lessor shall be made by cashier's check or money order.

5. Security Deposit.

Lessee shall deposit with Lessor upon execution hereof the sum of $6,000.00, as security for Lessee's faithful performance of its obligations under this Lease. If Lessee fails to pay Rent, or otherwise Defaults under this Lease, Lessor may use, apply or retain all or any portion of said Security Deposit for the payment of any amount due Lessor or to reimburse or compensate Lessor for any liability, expense, loss or damage which Lessor may suffer or incur by reason thereof. If Lessor uses or applies all or any portion of the Security Deposit, Lessee shall Within 10 days after written request therefore deposit monies with Lessor sufficient to restore said Security Deposit to the full amount required by this Lease. If the Base Rent increases during the term of this Lease, Lessee shall, upon written request from Lessor, deposit additional monies with Lessor so that the total amount of the Security Deposit shall at all times bear the same proportion to the increased Base Rent as the initial Security Deposit bore to the initial Base Rent. Should the Agreed Use be amended to accommodate a material change in the business of Lessee or to accommodate a sublessee or assignee, Lessor shall have the right to increase the Security Deposit to the extent necessary, in Lessor's reasonable judgment, to account for any increased wear and tear that the Premises may suffer as a result thereof. If a change in control of Lessee occurs during this Lease and following such change the financial condition of Lessee is, in Lessor's reasonable judgment, significantly reduced, Lessee shall deposit such additional monies with Lessor as shall be sufficient to cause the Security Deposit to be at a commercially reasonable level based on such change in financial condition. Lessor shall not be required to keep the Security Deposit separate from its general accounts. If Lessee performs all of Lessee's obligations hereunder, said deposit, or so much thereof as has not theretofore been applied by Lessor, shall be returned without payment of interest or other increment for its use, to Lessee (or at Lessor's option to the last assignee, if any, or Lessee's interest hereunder) at the expiration of the terms hereof, and after Lessee has vacated the Premises. No trust relationship is created herein between Lessor and Lessee with respect to said Security Deposit.

6. Use/Compliance with Laws/Lessor Representations/Condition of Premises/Hazardous Substances.

6.1. Use. Subject to Section 20 herein, Lessee shall use and occupy the Premises only as a ramen-themed restaurant, and for no other purpose. Lessee shall not use or permit the use of the Premises in a manner that is unlawful, creates damage, waste or a nuisance, or that disturbs occupants of or causes damage to neighboring premises or properties. Lessee shall indemnify and hold the Lessor harmless if it uses the Premises for any other purpose.

6.2. Compliance with Laws.

6.2.1. Improvements. Lessor warrants that the improvements on the Premises and the Common Areas comply with the building codes that were in effect at the time that each such improvement, or portion thereof, was constructed, and also with all applicable laws, covenants or restrictions of record, regulations, and ordinances in effect on the Start Date ("Applicable Requirements"). Said warranty does not apply to the use to which Lessee will put the Premises or to any Alterations or Utility Installations (as defined in Paragraph 7.3(a)) made or to be made by Lessee. If the Premises do not comply with said warranty, Lessor shall, except as otherwise provided, promptly after receipt of written notice from Lessee setting forth with specificity the nature and extent of such non-compliance, rectify the same at Lessor's expense. If Lessee does not give Lessor written notice of a non-compliance with this warranty within three (3) months following the Start Date, correction of that non-compliance shall be the obligation of Lessee at Lessee's sole cost and expense. If the Applicable Requirements are hereafter changed so as to require during the term of this Lease the construction of an addition to or an alteration of the Unit, Premises and/or Building, the remediation of any Hazardous Substance, or the reinforcement or other physical modification of the Unit, Premises and/or Building ("Capital Expenditure"), Lessor and Lessee shall allocate the cost of such work as follows: (a) subject to Paragraph 2.3(c) below, if such Capital Expenditures are required as a result of the specific and unique use of the Premises by Lessee as compared with uses by Lessees in general, Lessee shall be fully responsible for the cost thereof; (b) if such Capital Expenditure is not the result of the specific and unique use of the Premises by Lessee (such as, governmentally mandated seismic modifications), then Lessor and Lessee shall allocate the obligation to pay for the portion of such costs reasonably attributable to the Premises pursuant to the formula set out in Paragraph 7.1(d). Notwithstanding the above, the provisions concerning Capital Expenditures arc intended to apply only to non-voluntary, unexpected, and new Applicable Requirements. If the Capital Expenditures are instead triggered by Lessee as a result of an actual or proposed change in use, change in intensity of use, or modification to the Premises then, and in that event, Lessee shall be fully responsible for the cost thereof, and Lessee shall not have any right to terminate this Lease.

6.2.2. Lessee's Compliance with Applicable Requirements. Except as provided in Paragraph 6.2.1, Lessee shall, at Lessee's expense, promptly comply with all applicable statutes, ordinances, rules, regulations, orders, covenants, and restrictions of record and requirements of any fire insurance underwriters or rating bureaus now in effect or which may hereafter come into effect, whether or not they reflect a change in policy from that now exist, during the term or any part of the term hereof, relating in any manner to the Premises and the occupation and use by Lessee of the Premises of the Common Areas. Lessee shall not use or permit the use of the Premises or the Common Areas in any manner that will tend to create waste or a nuisance or shall tend to disturb other occupants of the Shopping Center.

6.3. Lessee Representations, Warranties and Covenants. These representations, warranties and covenants of Lessee contained in this Section 6.3 are being made as of the Effective Date to induce Lessor to enter into this Lease, and Lessor has relied, and will continue to rely, upon such representations, warranties and covenants. Lessee represents, warrants and covenants to Lessor as follows:

6.3.1. Organization, Authority and Status of Lessee. Lessee has been duly organized or formed, is validly existing and in good standing under the laws of its state of formation and is qualified as a foreign entity to do business in any jurisdiction where such qualification is required. All necessary action has been taken to authorize the execution, delivery and performance by Lessee of this lease and of the other documents, instruments and agreements provided for herein. The Person who has executed this Lease on behalf of Lessee is duly authorized to do so.

6.3.2. Enforceability. This Lease constitutes the legal, valid and binding obligation of Lessee, enforceable against Lessee in accordance with its terms.

6.3.3. Property Condition. As of the Effective Date, Lessee has conducted a full and complete physical inspection of the Premises, and Lessee has examined title to the Premises, if necessary, and Lessee has found all of the same satisfactory in all respects for all of Lessee's purposes. Based on such inspection, Lessee represents and warrants that the Premises and its structure are in good and tenatable condition on the Effective Date and that the improvements and the Premises, and all elements of the Premises, including without limitation all mechanical, electrical, lighting, HVAC, fire sprinkler, if any, and plumbing systems on and in the Premises as of the Effective Date, are in good operational order and in good and tenatable condition, that the Premises is free from mold, and that Lessee, by taking possession of the Premises, warrants and represents to Lessor that Lessee is accepting the Premises in their present "AS-IS condition, and "with all faults".

6.3.4. Litigation. As of the Effective Date, there are no suits, actions, proceedings or investigations pending, or to the best of its knowledge, threatened· against or involving Lessee before any arbitrator or Governmental Authority which might reasonably result in any material adverse effect on this lease or Lessee's obligations hereunder.

6.3.5. Absence of Breaches or Defaults. As of the Effective Date, Lessee is not in default under any document, instrument or agreement to which Lessee is a party or by which Lessee, the Premises is subject or bound, which has had, or could reasonably be expected to result in, a material adverse effect.· The authorization, execution, delivery and performance of this Lease and the documents, instruments and agreements provided for herein will not result in any breach of or default under any document, instrument or agreement to which Lessee is a party or by which Lessee, the Premises or any of Lessee's property is subject or bound.

6.3.6. Licenses and Permits. Lessee has obtained and shall maintain all required licenses and permits, both governmental and private, to use and operate the Premises.

6.3.7. Financial Condition; Information Provided to Lessor. As of the Effective Date, the financial statements, all financial data and all other financial documents and financial information heretofore delivered to Lessor by or with respect to the Lessee and, to Lessee's knowledge, are true, correct and complete in all material respects; all financial statements provided were prepared in accordance with GAAP, and fairly present as of the date thereof the financial condition of each individual or entity to which they pertain; and from the date of issuance of such financial statements, financial data and all other documents and information through the Effective Date, no change has occurred to any such financial statements, financial data, financial documents and other financial information not disclosed in writing to Lessor, which has had, or could reasonably be expected to result in, a material adverse effect**.**

6.3.8. Solvency. As of the Effective Date, there is no contemplated, pending or threatened Insolvency event or similar proceedings, whether voluntary or involuntary, affecting Lessee or any guarantor, or to the Lessee's knowledge, its respective shareholders members, partners or affiliates. As of the Effective Date, Lessee does not have unreasonably small capital to conduct its business.

6.5. Condition of Premises.

6.5.1. Lessor shall deliver the Premises to Lessee clean and free of debris on the Lease commencement date (unless Lessee is already in possession).

6.5.2. Except as otherwise provided in this Lease, and subject to Section 6.3 herein, Lessee hereby accepts the Premises in its "AS IS" and "WHERE IS" condition existing as of the Lease commencement date or the date that Lessee takes possession of the Premises, whichever is earlier, subject to all applicable zoning, municipal, county, and state law, ordinances and regulations governing and regulating the use of the Premises, and any covenants or restrictions of record and accepts this Lease subject thereto and to all matters disclosed thereby and by any exhibits attached hereto. Lessee acknowledges that neither Lessor nor Lessor's agent has made any representation or warranty as to the condition of the Premises or as to the present or future suitability of the Premises for the conduct of Lessee's business.

6.6. **Disclaimer of Warranties.**

NOTWITHSTANDING ANYTHING CONTAINED IN THIS LEASE, WITH THIS SUB-SECTION CONTROLLING, LESSEE ACKNOWLEDGES THAT LESSOR (WHETHER ACTING AS LESSOR HEREUNDER OR IN ANY OTHER CAPACITY) AND THE OTHER LESSOR ENTITIES HAVE NOT MADE AND WILL NOT MAKE, NOR SHALL LESSOR OR ANY OF THE LESSOR ENTITIES BE DEEMED TO HAVE MADE, ANY WARRANTY OR REPRESENTATION, EXPRESS OR IMPLIED, WITH RESPECT TO THE PREMISES, EXCEPT AS SET FORTH HEREIN, INCLUDING ANY WARRANTY OR REPRESENTATION AS TO (i) ITS FITNESS, DESIGN OR CONDITION FOR ANY PARTICULAR USE OR PURPOSE, (ii) THE QUALITY OF THE MATERIAL OR WORKMANSHIP THEREIN, (iii) THE EXISTENCE OF ANY DEFECT, LATENT OR PATENT, (iv) EXCEPT AS SET FORTH BELOW, LESSOR'S TITLE THERETO, (v) VALUE, (vi) COMPLIANCE WITH SPECIFICATIONS, (vii) LOCATION, (viii) USE, (ix) CONDITION, (x) MERCHANTABILITY, (xi) QUALITY, (xii) DESCRIPTION, (xiii) DURABILITY, (xiv) OPERATION, INCOME, EXPENSES, ENTITLEMENTS OR ZONING, (xv) THE EXISTENCE OF ANY HAZARDOUS MATERIALS, RELEASE OR VIOLATION OF HAZARDOUS MATERIALS LAWS, INCLUDING WITHOUT LIMITATION, ASBESTOS OR MOLD, OR (xvi) COMPLIANCE OF THE PREMISES WITH ANY LAW OR LEGAL REQUIREMENT; AND ALL RISKS INCIDENT THERETO ARE TO BE BORNE BY LESSEE. LESSEE ACKNOWLEDGES THAT THE PREMISES IS OF ITS SELECTION AND TO ITS SPECIFICATIONS AND THAT THE PREMISES HAS BEEN INSPECTED BY LESSEE AND IS SATISFACTORY TO IT. IN THE EVENT OF ANY DEFECT OR DEFICIENCY IN THE PREMISES OF ANY NATURE, WHETHER LATENT OR PATENT, LESSOR AND ALL OTHER LESSOR ENTITIES SHALL NOT HAVE ANY RESPONSIBILITY OR LIABILITY WITH RESPECT THERETO OR FOR ANY INCIDENT AL OR CONSEQUENTIAL DAMAGES (INCLUDING STRICT LIABILITY IN TORT). THE PROVISIONS OF THIS SECTION 6.2.3 HAVE BEEN NEGOTIATED, AND ARE INTENDED TO BE A COMPLETE EXCLUSION AND NEGATION OF ANY WARRANTIES BY LESSOR OR ANY LESSOR ENTITY, EXPRESS OR IMPLIED, WITH RESPECT TO THE PREMISES, ARISING PURSUANT TO THE UNIFORM COMMERCIAL CODE OR ANY OTHER LAW NOW OR HEREAFTER IN EFFECT OR ARISING OTHER WISE.

6.6. Hazardous Substances.

6.6.1 Reportable Uses Require Consent. The term "Hazardous Substance" as used in this Lease shall mean any product, substance, or waste whose presence, use, manufacture, disposal, transportation, or release, either by itself or in combination with other materials expected to be on the Premises, is either: (i) potentially injurious to the public health, safety or welfare, the environment or the Premises, (ii) regulated or monitored by any governmental authority, or (iii) a basis for potential liability of Lessor to any governmental agency or third party under any applicable statute or common law theory. Hazardous Substances shall include, but not be limited to, hydrocarbons, petroleum, gasoline, and/or crude oil or any products, by-products or fractions thereof. Lessee shall not engage in any activity in or on the Premises which constitutes a Reportable Use of Hazardous Substances without the express prior written consent of Lessor and timely compliance (at Lessee's expense) with all Applicable Requirements and Law (as defined herein). "Reportable Use" shall mean (i) the installation or use of any above or below ground storage tank, (ii) the generation, possession, storage, use, transportation, or disposal of a Hazardous Substance that requires a permit from, or with respect to which a report, notice, registration or business plan is required to be flied with, any governmental authority, and/or (iii) the presence at the Premises of a Hazardous Substance with respect to which any Applicable Requirements requires that a notice

be given to persons entering or occupying the Premises or neighboring properties. Notwithstanding the foregoing, Lessee may use any ordinary and customary materials reasonably required to be used in the normal course of the Agreed Use, so long as such use is in compliance with all Applicable Requirements, is not a Reportable Use, and does not expose the Premises or neighboring property to any meaningful risk of contamination or damage or expose Lessor to any liability therefor. In addition, Lessor may condition its consent to any Reportable Use upon receiving such additional assurances as Lessor reasonably deems necessary to protect itself, the public, the Premises and/or the environment against damage, contamination, injury and/or liability, including, but not limited to, the installation (and removal on or before Lease expiration or termination) of protective modifications (such as concrete encasements) and/or increasing the Security Deposit.

6.6.2. Duty to Inform Lessor. If Lessee knows, or has reasonable cause to believe, that a Hazardous Substance has come to be located in, on, under or about the Premises, other than as previously consented to by Lessor, Lessee shall immediately give written notice of such fact to Lessor, and provide Lessor with a copy of any report, notice, claim or other documentation which it has concerning the presence of such Hazardous Substance.

6.6.3. Lessee Remediation. Lessee shall not cause or permit any Hazardous Substance to be spilled or released in, on, under, or about the Premises (including through the plumbing or sanitary sewer system) and shall promptly, at Lessee's expense, take all investigatory and/or remedial action reasonably recommended, whether or not formally ordered or required, for the cleanup of any contamination of, and for the maintenance, security and/or monitoring of the Premises or neighboring properties, that was caused or materially contributed to by Lessee, or pertaining to or involving any Hazardous Substance brought onto the Premises during the term of this Lease, by or for Lessee, or any third party.

6.6.4. Lessee Indemnification. Lessee shall indemnify, defend and hold Lessor, its agents, employees, lenders and ground lessor, if any, harmless from and against any and all loss of rents and/or damages, liabilities, judgments, claims, expenses, penalties, and attorneys' and consultants' fees arising out of or involving any Hazardous Substance brought onto the Premises by or for Lessee, or any third party (provided, however, that Lessee shall have no liability under this Lease with respect to underground migration of any Hazardous Substance under the Premises from areas outside of the Project). Lessee's obligations shall include, but not be limited to, the effects of any contamination or injury to person, property or the environment created or suffered by Lessee, and the cost of investigation, removal, remediation, restoration and,/or abatement, and shall survive the expiration or termination of this Lease. No termination,, cancellation or release agreement entered into by Lessor and Lessee shall release Lessee from its obligations under this Lease with respect to Hazardous Substances, unless specifically so agreed by Lessor in writing at the time of such agreement.

6.7. Inspection; Compliance. Lessor and Lessor's "Lender" (as defined in Paragraph 30) and consultants shall have the right to enter into Premises at any time, in the case of an emergency, and otherwise at reasonable times, for the purpose of inspecting the condition of the Premises and for verifying compliance by Lessee with this Lease. The cost of any such inspections shall be paid by Lessor, unless a violation of Applicable Requirements, or a contamination is found to exist or be imminent, or the inspection is requested or ordered by a governmental authority in such case, Lessee shall upon request reimburse Lessor for the cost of such inspection, so long as such inspection is reasonably related to the violation or contamination.

7. Maintenance; Repairs, Utility Installations; Trade Fixtures and Alterations.

7.1. Lessee's Obligations.

7.1.1. In General. Lessee hereby accepts the Premises "AS IS" and "WHERE IS", with no representation or warranty of Lessor as to the condition hereof. Subject to the provisions of Paragraph 4.3 (Operating Expenses), 6 (Use), 7.2 (Lessor's Obligations) and 9 (Damage or Destruction), and 14 (Condemnation), Lessee shall, at Lessee's sole expense, keep the Premises in good order, condition and repair (whether or not the portion of the Premises requiring repairs, or the means of repairing the same, are reasonably or readily accessible to Lessee, and whether or not the need for such repairs occurs as a result of Lessee's use, any prior use, the elements or the age of such portion of the Premises), including, but not limited to, all equipment or facilities, such as plumbing, HVAC equipment, electrical, lighting facilities, boilers, pressure vessels, fixtures, interior walls, interior surfaces of exterior walls, ceilings, floors, windows, doors, plate glass, and skylights.

7.1.2. Service Contracts. If Lessor determines it to be necessary, Lessor may, at Lessee's expense contract for HVAC systems maintenance, which may include among other things, inspections, adjustments, cleaning of filters. Should Lessor determine that said ventilation and air conditioning systems need repairs, lessor may contract for said work to be done at lessee's expense and at Lessee's expense and at lessor's option the reasonable costs of said work may be billed directly to Lessee.

7.1.3. Failure to Perform. If Lessee fails to perform Lessee's obligations under this Paragraph 7.1, Lessor may enter upon the Premises after 10 days' prior written notice to Lessee (except in the case of an emergency, in which case no notice shall be required); perform such obligations on Lessee's behalf, and put the Premises in good order, condition and repair, and Lessee shall promptly reimburse Lessor for the cost thereof plus interest at the maximum allowed by law payable as additional rent to Lessor together with Lessee's next Base Rent installment.

7.1.4. Premises in Same Condition. On the last day of the term hereof, or on any sooner termination, Lessee shall surrender the Premises to lessor in the same condition as received, ordinary wear and tear excepted, clean and free of debris. Any damage or deterioration of the Premises shall not be deemed ordinary wear and tear if the same could have been prevented by good maintenance practices. Lessee shall repair any damage to the Premises occasioned by the installation or removal of Lessee's trade fixtures, alterations, furnishings and equipment. Notwithstanding anything to the contrary otherwise stated in this Lease, Lessee shall leave the air lines, power panels, electrical distribution systems, lighting fixtures, space heaters, air conditioning, plumbing and fencing on the Premises in good operating condition.

7.2. Lessor's Obligations. Subject to the provisions of Paragraphs 2.2 (Condition), 2.3 (Compliance), 4.2 (Common Area Operating Expenses), 6 (Use), 7.1 (Lessee's Obligations), 9 (Damage or Destruction) and 14 (Condemnation), Lessor, subject to reimbursement pursuant to Paragraph 4.2, shall keep in good order, condition and repair the foundations, exterior walls, structural condition of interior bearing walls, parking lots, walkways, parkways, driveways, landscaping, fences, signs and utility systems serving the Common Areas and all parts thereof, as well as providing the services for which there is a Common Area Operating Expense pursuant to Paragraph 4.2. Lessor shall not be obligated to paint the exterior or interior surfaces of exterior walls nor shall Lessor be obligated to maintain, repair or replace windows, doors or plate glass of the Premises. Lessee expressly waives the benefit of any statute now or hereafter in effect to the extent it is inconsistent with the terms of this Lease which would otherwise afford Lessee the right to make repairs at Lessor's expense or to terminate this Lease because of Lessor's failure to keep thee Premises in good order, condition and repair. Lessor shall have no obligation to make repairs under this Paragraph 7.2 until a reasonable time after receipt of written notice from Lessee of the need for such repairs. Lessor shall not be liable for damages or loss of any kind or nature by reason of Lessor's failure to furnish any Common Areas when such failure is caused by accident, breakage, repairs, strikes, lockout, or other labor disturbances or disputes of any character, or by any other cause beyond the reasonable control of Lessor.

7.3. Utility Installations; Trade Fixtures; Alterations.

7.3.1. Consent. Lessee shall not make any alterations, improvements, additions or utility installations to the Premises without Lessor's prior written consent, except for non-structural alternations to the Premises not exceeding $2,500 in cumulative costs, during the term of this lease. In not event, whether or not in excess of $2,500 in cumulative costs, Lessee shall make no changes or alterations to the exterior of the Premises nor the exterior nor the exterior of the Shopping Center without Lessor's prior written consent. As used herein, the term "utility installation" shall mean carpeting, window coverings, air lines, power panels, electrical distribution systems, lighting fixtures, space heaters, air conditioning, plumbing and fencing. Lessor may, as a precondition to granting such approval, require Lessee to utilize a contractor chosen and/or approved by Lessor. Lessor may condition its consent upon Lessee providing a lien and completion bond in an amount equal to 150% of the estimated cost of such Alteration or Utility Installation and/or upon Lessee's posting an additional Security Deposit with Lessor. Should Lessee make any alterations, improvements, additions, or utility installations

without the prior approval of Lessor, Lessor may, at any time during the terms of this Lease, require that Lessee remove any or all of the same. Any alterations, improvements, additions or utility installations in or about the Premises or the Shopping Center that Lessee shall desire to make and which requires the consent of the Lessor shall be presented to Lessor in written form, with proposed detailed plans. If Lessor shall give its consent, it shall be deemed conditioned upon Lessee acquiring a permit to do so from appropriate governmental agencies, the furnishing of a copy thereof to Lessor prior to the commencement of the work, and the compliance by Lessee of all conditions of said permit in a prompt and expeditious manner without Lessor's prior written consent.

7.3.2. Indemnification. Lessee shall pay, when due, all claims for labor or materials furnished or alleged to have been furnished to or for Lessee at or for use on the Premises, which claims are or may be secured by any mechanic's or materialman's lien against the Premises or any interest therein, Lessee shall give Lessor not less than twenty (20) days notice prior to the commencement of any work in, on or about the Premises, and Lessor shall have the right to post notices of non-responsibility. If Lessee shall contest the validity of any such lien, claim or demand, then Lessee shall, at its sole expense defend and protect itself, Lessor and the Premises against the same and shall pay and satisfy any such adverse judgment that may be rendered thereon before the enforcement thereof. If Lessor shall require, Lessee shall furnish a surety bond in an amount equal to 150% of the amount of such contested lien, claim or demand, indemnifying Lessor against liability for the same. If Lessor elects to participate in any such action, Lessee shall pay Lessor's attorneys' fees and costs.

7.3.3. Ownership; Removal; Surrender; and Restoration. Upon the expiration of the Term, Lessee shall remove from the Premises all personal property owned by Lessee. Such Lessee personal property left on the Premises on the tenth (10^{th}) day following the expiration or termination of the Term shall, at Lessor's option, automatically and immediately become the propetry of Lessor. Lessee, its employees, agents and contractors shall utilize any and all Lessee personal property "AS IS" and "WHERE IS" without representation or warranty of any kind by Lessor, and Lessee shall defend, indemnify, protect and hold Lessor harmless from and against any and all losses resulting from Lessee's use of any Lessee personal property or the failure of Lessee to remove such personal property from the Premises at the expiration or termination of the Term as required herein. Subject to Lessor's right to require removal or elect ownership as hereinafter provided, all alterations, improvements, additions and utility installations made by Lessee shall be the property of Lessee, but considered a part of the Premises. Unless otherwise instructed herein, all alterations, improvements, additions and utility installations made by Lessee shall, at the expiration or termination of this Lease, become the property of Lessor and be surrendered by Lessee with the Premises. By delivery to Lessee of written notice from Lessor not earlier than ninety (90) and not later than thirty (30) days prior to the end of the term of this Lease, Lessor may require that any or all alterations, improvements, additions and utility installations made by Lessee be removed by the expiration or termination of this Lease. Lessor may require the removal at any time of all or any part of any alterations, improvements, additions and utility installations made by Lessee made without the required consent. Lessee shall surrender the Premises by the Expiration Date or any earlier termination date, with all of the improvements, parts and surfaces thereof broom clean and free of debris, and in good operating order, condition and state of repair, ordinary wear and tear excepted. "Ordinary wear and tear" shall not include any damage or deterioration that would have been prevented by good maintenance practice. Notwithstanding the foregoing, if this Lease is for 12 months or less, then Lessee shall surrender the Premises in the same condition as delivered to Lessee on the Start Date with NO allowance for ordinary wear and tear. Lessee shall repair any damage occasioned by the installation, maintenance or removal of Trade Fixtures, furnishings, and equipment as well as the removal of any storage tank installed by or for Lessee. Lessee shall also completely remove from the Premises any and all Hazardous Substances brought onto the Premises by or for Lessee, or any third party (except Hazardous Substances which were deposited via underground migration from areas outside of the Project) even if such removal would require Lessee to perform or pay for work that exceeds statutory requirements. Trade Fixtures shall remain the property of Lessee and shall be removed by Lessee. The failure by Lessee to timely vacate the Premises pursuant to this paragraph without the express written consent of Lessor shall constitute a holdover under the provisions of Paragraph 19.8 below.

8. Insurance; Indemnity.

8.1. Payment of Premiums. The cost of the premiums for the insurance policies required to be carried by Lessor, pursuant to Paragraphs 8.2.2, 8.3.1 and 8.3.2, shall be a Common Area Operating Expense. Premiums for policy periods commencing prior to, or extending beyond, the term of this Lease shall be prorated to coincide with the corresponding Start Date or Expiration Date.

8.2. Liability Insurance.

8.2.1. Carried by Lessee. Lessee shall obtain and keep in force a Commercial General Liability policy of insurance protecting Lessee and Lessor as an additional insured against claims for bodily injury, personal injury and property damage based upon or arising out of the ownership, use, occupancy or maintenance of the Premises and all areas appurtenants thereto. Such insurance shall be on an occurrence basis providing single limit coverage in an amount not less than $1,000,000 per occurrence with an annual aggregate of not less than $2,000,000, an "Additional Insured-Managers or Lessors of Premises Endorsement" and contain the "Amendment of the Pollution Exclusion Endorsement" for damage caused by heat, smoke or fumes from a hostile fire. The policy shall not contain any intra-insured exclusions as between insured persons or organizations, but shall include coverage for liability assumed under this Lease as an "insured contract" for the performance of Lessee's indemnity obligations under this Lease. The limits of said insurance shall not, however, limit the liability of Lessee nor relieve Lessee of any obligation hereunder. All insurance carried by Lessee shall be primary to and not contributory with any similar insurance carried by Lessor, whose insurance shall be considered excess insurance only.

8.2.2. Carried by Lessor. Lessor shall maintain liability insurance as described in Paragraph 8.2.1; insuring Lessor, but not Lessee against any liability arising out of the ownership, use, occupancy or maintenance of the Shopping Center in an amount not less than $1,000,000 per occurrence.

8.3. Property Insurance - Building, Improvements. Lessor shall obtain and keep in force a policy or policies of insurance in the name of Lessor, with loss payable to Lessor, any ground-lessor, and to any Lender insuring loss or damage to the Premises. The amount of such insurance shall be equal to the full replacement cost of the Premises, as the same shall exist from time to time, or the amount required by any Lender, but in no event more than the commercially reasonable and available insurable value thereof. Lessee owned alterations and utility installations, trade fixtures, and Lessee's personal property shall be insured by Lessee under Paragraph 8.4. If the coverage is available and commercially appropriate, such policy or policies shall insure against all risks of direct physical loss or damage (except the perils of flood and/or earthquake unless required by a Lender), including coverage for debris removal and the enforcement of any Applicable Requirements requiring the upgrading, demolition, reconstruction or replacement of any portion of the Premises as the result of a covered loss. Said policy or policies shall also contain an agreed valuation provision in lieu of any coinsurance, clause, waiver of subrogation, and inflation guard protection causing an increase in the annual property insurance coverage amount by a factor of not less than the adjusted U.S. Department of Labor Consumer Price Index for All Urban Consumers for the city nearest to where the Premises are located. If such insurance coverage has a deductible clause, the deductible amount shall not exceed $1,000 per occurrence. Lessor makes no representation that the limits or forms of coverage of insurance specified herein are adequate to cover Lessee's property, business operations or obligations under this Lease.

8.4. Lessee's Property; Business Interruption Insurance. Lessee shall obtain and maintain insurance coverage on all of Lessee's personal property, trade fixtures, and Lessee alterations and utility installations. Such insurance shall be full replacement coverage with a deductible of not to exceed $1,000 per occurrence. The proceeds from any such insurance shall be used by Lessee for the replacement of personal property, trade fixtures and Lessee alterations and utility installations. Lessee shall provide Lessor with written evidence that such insurance is in force. Lessee shall obtain and maintain loss of income and extra expense insurance in amounts as will reimburse Lessee for direct or indirect loss of earnings attributable to all perils commonly insured against by prudent lessees in the business of Lessee or attributable to prevention of access to the Premises as a result of such perils.

8.5. Insurance Policies. Insurance required herein shall be by companies duly licensed or admitted to transact business in the state of California, and maintaining during the policy term a "General Policyholders Rating" of at least B+, V, as set forth in the most current issue of "Best's Insurance Guide", or such other rating as may be required by a Lender. Lessee shall not do or permit to be done anything which invalidates the required insurance policies. Lessee shall, prior to the Start Date, deliver to Lessor certified copies of policies of such insurance or certificates evidencing the existence and amounts of the required insurance. No such policy shall be cancelable or subject to modification except after 30 days prior written notice to Lessor. Lessee shall, at least 30 days prior to the expiration of such policies, furnish Lessor with evidence of renewals or "insurance binders" evidencing renewal thereof, or Lessor may order such insurance and charge the cost thereof to Lessee, which amount shall be payable by Lessee to Lessor upon demand. Such policies shall be for a term of at least one year, or the length of the remaining term of this Lease, whichever is less. If either Party shall fail to procure and maintain the insurance required to be carried by it, the other Party may, but shall not be required to, procure and maintain the same.

8.6. Waiver of Subrogation. Without affecting any other rights or remedies, Lessee and Lessor each hereby release and relieve the other, and waive their entire right to recover damages against the other, for loss of or damage to its property arising out of or incident to the perils required to be insured against herein. The effect of such releases and waivers is not limited by the amount of insurance carried or required, or by any deductibles applicable hereto. The Parties agree to have their respective property damage insurance carriers waive any right to subrogation that such companies may have against Lessor or Lessee, as the case may be, so long as the insurance is not invalidated thereby.

8.7. Indemnity. Except for Lessor's gross negligence or willful misconduct, Lessee shall indemnify, protect, defend and hold harmless the Premises, Lessor and its agents, Lessor's master or ground lessor, partners and Lenders, from and against any and all claims, loss of rents and/or damages, liens, judgments, penalties, attorneys' and consultants' fees, expenses and/or liabilities arising out of, involving, or in connection with, the use and/or occupancy of the Premises by Lessee. If any action or proceeding is brought against Lessor by reason of any of the foregoing matters, Lessee shall upon notice defend the same at Lessee's expense by counsel reasonably satisfactory to Lessor and Lessor shall cooperate with Lessee in such defense. Lessor need not have first paid any such claim in order to be defended or indemnified.

8.8. Exemption of Lessor from Liability. Lessor shall not be liable for injury or damage to the person or goods, wares, merchandise or other property of Lessee, Lessee's employees, contractors, invitees, customers, or any other person in or about the Premises, whether such damage or Injury is caused by or results from fire, steam, electricity, gas, water or rain, or from the breakage, leakage, obstruction or other defects of pipes, fire sprinklers, wires, appliances, plumbing, HVAC or lighting fixtures, or from any other cause, whether the said injury or damage results from conditions arising upon the Premises or upon other portions of the Building, or from other sources or places. Lessor shall not be liable for any damages arising from any act or neglect of any other Lessee of Lessor nor from the failure of Lessor to enforce the provisions of any other lease in the Project. Notwithstanding Lessor's negligence or breach of this Lease, Lessor shall under no circumstances be liable for injury to Lessee's business or for any loss of income or profit therefrom.

8.9. Non-Recourse to Lessor. Anything contained herein to the contrary notwithstanding, any claim based on or in respect of any liability of Lessor under this Lease shall be enforced only against the Lessor's interest in the Premises and not against any other assets, properties or funds of(i) Lessor, (ii) Lessor's members, and any entity controlling, controlled by, or in common control of Lessor or Lessor's members, any director, officer, general partner, shareholder, limited partner, beneficiary, employee, attorney, consultant, contractor or agent of Lessor or any general partner of Lessor or any of its general partners (or any legal representative, heir, estate, successor or assign of any thereof), (iii) any predecessor or successor limited liability company, partnership or corporation (or other entity) of Lessor or any of its members, managers, general partners, shareholders, officers, directors, employees or agents, either directly or through Lessor or its general partners, shareholders, officers, directors, employees or agents or any predecessor or successor partnership or corporation (or other entity), (iv) any Lessor's Lender, and any lender to a Person holding an interest in Lessor, (v) any Person affiliated with any of the foregoing, or any director, officer, employee or agent of any thereof; or (vi) the heirs, successors, personal representatives and assigns of any of the foregoing. Whenever Lessor transfers its interest in the Premises, Lessor shall be automatically released from further performance under this Lease with respect to the Premises, and from all further liabilities and expenses hereunder related to the Premises to the extent that the applicable transferee assumes all of the liabilities of Lessor with respect to the Premises arising prior to the effective date of the *transfer, provided, however,* that the foregoing shall not be deemed to limit the applicable transferee's obligations to Lessee, and in no event shall Lessor be liable to Lessee in connection with any matter first occurring after the date of such transfer.

9. Damage or Destruction

9.1. Definitions.

9. I. I. "Premises Partial Damage" shall mean damage or destruction to the improvements on the Premises to the extent that the cost of repair is less than fifty percent of the then replacement cost of the Premises.

9.1.2. "Premises Total Destruction" shall mean damage or destruction to the improvements on the Premises to the extent that the cost of repair is fifty percent or more of the then replacement cost of the Premises.

9.1.3. "Insured Loss" shall mean damage or destruction to improvements on the Premises, which was caused by an event required to be covered by the insurance described in Paragraph 8, irrespective of any deductible amounts or coverage limits involved.

9.1.4. "Replacement Cost" shall mean the cost to repair or rebuild the improvements owned by Lessor at the time of the occurrence to their condition existing immediately prior thereto, including demolition, debris removal and upgrading required by the operation of Applicable Requirements, and without deduction for depreciation.

9.1.5. "Hazardous Substance Condition" shall mean the occurrence or discovery of a condition involving the presence of, or a contamination by, a Hazardous Substance as defined in Paragraph 6 in on or under the Premises.

9.2. Partial Damage - Insured Loss. If a Premises Partial Damage that is an Insured Loss occurs, then Lessor shall, at Lessor's expense, repair such damage (but not Lessee's Trade Fixtures or Lessee alterations and utility installations) as soon as reasonably possible and this Lease shall continue in full force and effect.

9.3. Partial Damage - Uninsured Loss. If a Premises Partial Damage that is not an Insured Loss occurs, unless caused by a negligent or willful act of Lessee (in which event Lessee shall make the repairs at Lessee's expense), Lessor may either: (i) repair such damage as soon as reasonably possible at Lessor's expense, in which event this Lease shall continue in full force and effect, or (ii) terminate this Lease by giving written notice to Lessee within 30 days after receipt by Lessor of knowledge of the occurrence of such damage. Such termination shall be effective 60 days following the date of such notice, In the event Lessor elects to terminate this Lease, Lessee shall have the right within 10 days after receipt of the termination notice to give written notice to Lessor of Lessee's commitment to pay for the repair of such damage without reimbursement from Lessor. Lessee shall provide Lessor with said funds or satisfactory assurance thereof within 30 days after making such commitment. In such event this Lease shall continue in full force and effect, and Lessor shall proceed to make such repairs as soon as reasonably possible after the required funds are available. If Lessee does not make the required commitment, this Lease shall terminate as of the date specified in the termination notice.

9.4. Total Destruction. Notwithstanding any other provision hereof, if a Premises Total Destruction occurs, whether or not it is an Insured Loss, and which falls into the classification of Premises Total Destruction, then Lessor may at Lessor's option either (i) repair such damage or destruction, but not Lessee's fixtures, equipment or Lessee improvements, as soon as reasonably possible at Lessor's expense and this Lease shall continue in full force and effect, or (ii) give written notice to Lessee within thirty (30)

days after the date of occurrence of such damage of Lessor's intention to cancel and terminate this Lease, in which case this Lease shall be canceled and terminated as of the date of the occurrence of such damage.

9.5. Damage Near End of Term. If at any time during the last 6 months of this Lease there is substantial damage, whether or not an Insured Loss, Lessor may terminate this Lease, at Lessor's option, by giving a written termination notice to Lessee within 30 days after the date of occurrence of such damage. Notwithstanding the foregoing, if Lessee at that time has an exercisable option to extend this Lease or to purchase the Premises, then Lessee may preserve this Lease by, (a) exercising such option and (b) providing Lessor with any shortage in insurance proceeds (or adequate assurance thereof) needed to make the repairs on or before the earlier of (i) the date which is 10 days after Lessee's receipt of Lessor's written notice purporting to terminate this Lease, or (ii) the day prior to the date upon which such option expires. If Lessee duly exercises such option during such period and provides Lessor with funds (or adequate assurance thereof) to cover any shortage in insurance proceeds, Lessor shall, at Lessor's commercially reasonable expense, repair such damage as soon as reasonably possible and this Lease shall continue in full force and effect. If Lessee fails to exercise such option and provide such funds or assurance during such period, then this Lease shall terminate on the date specified in the termination notice and Lessee's option shall be extinguished.

9.6. Abatement of Rent; Lessee's Remedies. In the event of Premises Partial Damage or Premises Total Destruction or a Hazardous Substance Condition for which Lessee is not responsible under this Lease, the Rent payable by Lessee for the period required for the repair, remediation or restoration of such damage shall be abated in proportion to the degree to which Lessee's use of the Premises is impaired. All other obligations of Lessee hereunder shall be performed by Lessee, and Lessor shall have no liability for any such damage, destruction, remediation, repair or restoration except as provided herein. If Lessor shall be obligated to repair or restore the Premises under this Paragraph 9 and shall not commence such repair or restoration within ninety (90) after such obligation shall accrue, Lessee may, at any time prior to the commencement of such repair or restoration, give written notice to Lessor and to any Lenders of which Lessee has actual notice, of Lessee's election to terminate this Lease on a date not less than 60 days following the giving of such notice. If Lessee gives such notice and such repair or restoration is not commenced within 30 days thereafter, this Lease shall terminate as of the date specified in said notice. If the repair or restoration is commenced within such 30 days, this Lease shall continue in full force and effect. "Commence" shall mean either the unconditional authorization of the preparation of the required plans, or the beginning the actual work on the Premises, whichever first occurs.

9.7. Termination; Advance Payments. Upon termination of this Lease pursuant to Paragraph 9, an equitable adjustment shall be made concerning advance Base Rent and any other advance payments made by Lessee to Lessor. Lessor shall, in addition, return to Lessee so much of Lessee's Security Deposit as has not been, or is not then required to be, used by Lessor.

9.8. Waive Statutes. Lessor and Lessee agree that the terms of this Lease shall govern the effect of any damage to or destruction of the Premises with respect to the termination of this Lease and hereby waive the provisions of any present or future statute to the extent inconsistent herewith.

10. Real Property Taxes.

10.1 Definition. As used herein, the term "Real Property Taxes" shall include any form of assessment; real estate, general, special ordinary or extraordinary, or rental levy or tax (other than inheritance, personal income or estate taxes); improvement bond; and/or license fee imposed upon or levied against any legal or equitable interest of Lessor in the Project, Lessor's right to other income therefrom, and/or Lessors business of leasing, by any authority having the direct or indirect power to tax and where the funds are generated with reference to the Project address and where the proceeds so generated are to be applied by the city, county or other local taxing authority of a jurisdiction within which the Project is located. The term "Real Property Taxes" shall also include any tax, fee, levy, assessment or charge, or any increase therein, imposed by reason of events occurring during the term of this Lease, including but not limited to, a change in the ownership of the Project or any portion thereof or a change in the improvements thereon. In calculating Real Property Taxes for any calendar year, the Real Property Taxes for any real estate tax year shall be included in the calculation of Real Property Taxes for such calendar year based upon the number of days which such calendar year and tax year have in common.

10.2. Payment of Taxes. Lessor shall pay the Real Property Taxes applicable to the Project, and except as otherwise provided in Paragraph 10.3, any such amounts shall be included in the calculation of Common Area Operating Expenses in accordance with the provisions of Paragraph 4.3.

10.3. Additional Improvements. Common Area Operating Expenses shall not include Real Property Taxes specified in the tax assessor's records and work sheets as being caused by additional improvements placed upon the Project by other lessees or by Lessor for the exclusive enjoyment of such other lessees. Notwithstanding Paragraph 10.2 hereof, Lessee shall, however, pay to Lessor at the time Common Area Operating Expenses are payable under Paragraph 4.2, the entirety of any increase in Real Property Taxes if assessed solely by reason of Alterations, Trade Fixtures or Utility Installations placed upon the Premises by Lessee or at Lessee's request.

10.4. Joint Assessment. If the Building is not separately assessed, Real Property Taxes allocated to the Building shall be an equitable proportion of the Real Property Taxes for all of the land and improvements included within the tax parcel assessed, such proportion to be determined by Lessor from the respective valuations assigned in the assessor's work sheets or such other information as may be reasonably available. Lessor's reasonable determination thereof, in good faith, shall be conclusive.

10.5. Personal Property Taxes. Lessee shall pay prior to delinquency all taxes assessed against and levied upon Trade Fixtures, furnishings, equipment and all personal property of Lessee contained in the Premises. When possible, Lessee shall cause its Trade Fixtures, furnishings, equipment and all other personal property to be assessed and billed separately from the real property of Lessor. If any of Lessee's said property shall be assessed with Lessor's real property, Lessee shall pay Lessor the taxes attributable to Lessee's property within 10 days after receipt of a written statement setting forth the taxes applicable to Lessee's property.

11. Utilities. Lessee shall pay for all water, gas, heat, light, power, telephone, trash disposal and other utilities and services supplied to the Premises, together with any taxes thereon. Notwithstanding the provisions of Paragraph 4.3, if at any time in Lessor's sole judgment, Lessor determines that Lessee is using a disproportionate amount of water, electricity or other commonly metered utilities, or that Lessee is generating such a large volume of trash as to require an increase in the size of the dumpster and/or an increase in the number of times per month that the dumpster is emptied, then Lessor may increase Lessee's Base Rent by an amount equal to such increased costs.

12. Assignment and Subletting.

12.1. Lessor's Consent Required. Lessee shall not voluntarily or by operation of law assign, transfer, mortgage or encumber (collectively, "assign or assignment") or sublet all or any part of Lessee's interest in this Lease or in the Premises without Lessor's prior written consent. A change in the control of Lessee shall constitute an assignment requiring consent. The transfer, on a cumulative basis, of 25% or more of the voting control of Lessee shall constitute a change in control for this purpose. The involvement of Lessee or its assets in any transaction, or series of transactions (by way of merger, sale, acquisition, financing, transfer, leveraged buy-out or otherwise), whether or not .a formal assignment or hypothecation of this Lease or Lessee's assets occurs, which results or will result in a reduction of the Net Worth of Lessee by an amount greater than 25% of such Net Worth as it was represented at the time of the execution of this Lease or at the time of the most recent assignment to which Lessor has consented, or as it exists immediately prior to said transaction or transactions constituting such reduction, whichever was or is greater, shall be considered an assignment of this Lease to which Lessor may withhold its consent. "Net Worth of Lessee" shall mean the net worth of Lessee (excluding any guarantors) established under generally accepted accounting principles.

12.2. Terms and Conditions Applicable to Assignment and Subletting. Regardless of Lessor's consent, no assignment or subletting shall: (i) be effective without the express written assumption by such assignee or sublessee of the obligations of Lessee under this Lease, (ii) release Lessee of any obligations hereunder, or (iii) alter the primary liability of Lessee for the payment of Rent or for the performance of any other obligations to be performed by Lessee. Lessor may accept Rent or performance of Lessee's obligations from any person other than Lessee pending approval or disapproval of an assignment/sublease. Neither a delay in the approval or disapproval of such assignment/sublease nor the acceptance of Rent or performance shall constitute a waiver or estoppel of Lessor's right to exercise its remedies for Lessee's Default or Breach. Lessor's consent to any assignment or subletting shall not constitute a consent to any subsequent assignment or subletting. In the event of any Default or Breach by Lessee, Lessor may proceed directly against Lessee, any Guarantors or anyone else responsible for the perfomrnnce of Lessee's obligations under this Lease, including any assignee or sublessee, without first exhausting Lessor's remedies against any other person or entity responsible therefore to Lessor, or any security held by Lessor. Lessee may consent to subsequent assignments of this Lease or amendments or modifications to this Lease with assignees of Lessee, without notifying Lessee, or any successor of Lessee, and without obtaining its or their consent thereto and such action shall not relieve Lessee of liability under this Lease.

12.3. Terms Deemed Included in Lease as of Sublet. The following terms and conditions shall apply to any subletting by Lessee of all or any part of the Premises and shall be deemed included in all subleases under this Lease whether or not expressly incorporated therein:

12.3.1. Lessee hereby assigns and transfers to Lessor all of Lessee's interest in all Rent payable on any sublease, and Lessor rnay collect such Rent and apply same toward Lessee's obligations under this Lease; provided, however, that until a Breach shall occur in the performance of Lessee's obligations, Lessee may collectsaid Rent. Lessor shall not, by reason of the foregoing or any assignment of such sublease, nor by reason of the collection of Rent, be deemed liable to the sublcssee for any failure of Lessee to perform and comply with any of Lessee's obligations to such sublessee. Lessee hereby irrevocably authorizes and directs any such sublessee, upon receipt of a written notice from Lessor stating that a Breach exists in the performance of Lessee's obligations under this Lease, to pay to Lessor all Rent due and to become clue under the sublease. Sublessee shall rely upon any such notice from Lessor and shall pay all Rents to Lessor without any obligation or right to inquire as to whether such Breach exists, notwithstanding any claim from Lessee to the contrary. Lessee shall have no right or claim against such sublessee or Lessor for any such rents so paid by said sublessee to Lessor.

12.3.2. In the event of a Breach by Lessee, Lessor may, at its option, require sublessee to attorn to Lessor, in which event Lessor shall undertake the obligations of the sublessor under such sublease from the time of the exercise of said option to the expiration of such sublease; provided, however, Lessor shall not be liable for any prepaid rents or security deposit paid by such sublessee to such sublessor or for any prior Defaults or Breaches of sublessor.

12.3.3. Any matter requiring the consent of the sublessor under a sublease shall also require the consent of Lessor.

12.3.4. No sublessee shall further assign or sublet all or any part of the Premises without Lessor's prior written consent.

12.3.5. Lessor shall deliver a copy of any notice of Default or Breach by Lessee to the sublessee, who shall have the right to cure the Default of Lessee within the grace period, if any, specified in such notice. The sublessee shall have a right of reimbursement and offset from and against Lessee for any such Defaults cured by the sublessee.

12.3.6. In the event of any default under this Lease, Lessor may proceed directly against Lessee, any guarantors or anyone else responsible for the performance of this Lease, including the Sublessee, without first exhausting Lessor's remedies against any other person or entity responsible therefore to Lessor, or any security held by Lessor.

12.4. Additional Rent Due on Assignment or Subletting. If at any time during the initial term or any extended term hereof, Lessee shall assign all or part of its interest hereunder or shall sublet all or any portion of the Premises, Lessee shall be obligated to pay Lessor additional rental as follows: If for any proposed assignment or sublease, Lessee receives rent or other consideration, either initially or over the term of such assignment or sublease, in excess of the Base Rent or other sums then required to be paid by Lessee hereunder, or in the case of a sublease of a portion of the Premises in excess of the Base Rent allocable to such portion based solely on a square footage basis, after appropriate adjustments to assure that all other payments required to be made by Lessee hereunder are taken in to account, Lessee shall pay to Lessor as additional rent hereunder 100% of the excess of each payment of rent or other consideration received by Lessee. Said additional sum shall be payable by Lessee within five (5) clays after receipt thereof.

12.5. Documents/Fee for Assignment/Sublease. Each request for consent to an assignment or subletting shall be in writing, accompanied by information relevant to Lessor's determination as to the financial and operational responsibility and appropriateness of the proposed assignee or sublessee, including but not limited to the intended use and/or required modification of the Premises, if any, together with a fee of $1,500 or 10% of the current monthly Base Rent applicable to the portion of the Premises which is the subject of the proposed assignment or sublease, whichever is greater, as consideration for Lessor's considering and processing said request. Lessee agrees to provide Lessor with such other or additional information and/or documentation as may be reasonably requested.

12.6 Unconsented Assignment/Sublease. An assignment or subletting without consent shall, at Lessor's option, be a Default curable after notice per Paragraph 13.1, or a noncurable Breach without the necessity of any notice and grace period. If Lessor elects to treat such unapproved assignment or subletting as a noncurable Breach, Lessor may either: (i) terminate this Lease, or (ii) upon 30 days written notice, increase the monthly Base Rent to 110% of the Base Rent then in effect. Further, in the event of such Breach and rental adjustment, (i) the purchase price of any option to purchase the Premises held by Lessee shall be subject to similar adjustment to 110% of the price previously in effect, and (ii) all fixed and non-fixed rental adjustments scheduled during the remainder of the Lease term shall be increased to 110% of the scheduled adjusted rent. Lessee's remedy for any breach of Paragraph 12.1 by Lessor shall be limited to compensatory damages and/or injunctive relief.

13. Default; Breach; Remedies.

13.1. Default; Breach. A "Default" is defined as a failure by the Lessee to comply with or perform any of the terms, covenants, conditions or Rules and Regulations under this Lease. A "Breach" is defined as the occurrence of one or more of the following Defaults, and the failure of Lessee to cure such Default within any applicable grace period:

13.1.1. The vacating or abandonment of the Premises by Lessee for five (5) or more business days in any thirty-day period.

13.1.2. The failure of Lessee to make any payment of Rent or any Security Deposit required to be made by Lessee hereunder, whether to Lessor or to a third party, when due, to provide reasonable evidence of insurance or surety bond, or to fulfill any obligation under this Lease which endangers or threatens life or property, where such failure continues for a period of 3 business days following written notice to Lessee.

13.1.3. The failure by Lessee to provide (i) reasonable written evidence of compliance with Applicable Requirements, (ii) the service contracts, (iii) the rescission of an unauthorized assignment or subletting, (iv) an Estoppel Certificate, (v)a requested subordination, (vi) evidence concerning any guaranty and/or Guarantor, or (vii) any other documentation or information which Lessor may reasonably require of Lessee under the terms of this Lease, where any such failure continues for a period of 20 days following written notice to Lessee.

13.1.4. A Default by Lessee as to the terms, covenants, conditions or provisions of this Lease, or of the rules adopted under Paragraph 2.3.3 hereof other than those described in subparagraphs 13.1(a), (b) or (c), above, where such Default continues for a period of30 days after written notice; provided, however, that if the nature of Lessee's Default is such that more than 30 days are reasonably required for its cure, then it shall not be deemed to be a Breach if Lessee commences such cure within said 30-day period and thereafter diligently prosecutes such cure to completion.

13.1.5. The occurrence of any of the following events: (i) the making of any general arrangement or assignment for the benefit of creditors; (ii) becoming a "debtor" as defined in 11 U.S.C. § 1 0 1 or any successor statute thereto (unless, in the case of a petition filed against Lessee, the same is dismissed within 60 days); (iii) the appointment of a trustee or receiver to take possession of substantially all of Lessee's assets located at the Premises or of Lessee's interest in this Lease, where possession is not restored to Lessee within 30 days; or (iv) the attachment, execution or other judicial seizure of substantially all of Lessee's assets located at the Premises or of Lessee's interest in this Lease, where such seizure is not discharged within 30 days; provided, however, in the event that any provision of this subparagraph (e) is contrary to any applicable law, such provision shall be of no force or effect, and not affect the validity of the remaining provisions.

13.1.6. The discovery that any financial statement of Lessee or of any Guarantor given to Lessor was materially false.

13.1.7. If the performance of Lessee's obligations under this Lease is guaranteed: (i) the death of a Guarantor, (ii) the termination of a Guarantor's liability with respect to this Lease other than in accordance with the terms of such guaranty, (iii) a Guarantor's becoming insolvent or the subject of a bankruptcy filing, (iv) a Guarantor's refusal to honor the guaranty, or (v) a Guarantor's breach of its guaranty obligation on an anticipatory basis, and Lessee's failure, within 60 days following written notice of any such event, to provide written alternative assurance or security, which, when coupled with the then existing resources of Lessee, equals or exceeds the combined financial resources of Lessee and the Guarantors that existed at the time of execution of this Lease.

13.2. Remedies. In the event of any such material default by Lessee, Lessor may at any time thereafter, with or without notice of demand and without limited Lessor in the exercise of any right or remedy which Lessor may have by reason of such default:

13.2.1. Terminate Lessee's right to possession of the Premises by any lawful means, in which case this Lease shall terminate and Lessee shall immediately surrender possession to Lessor. In such event Lessor shall be entitled to recover from Lessee: (i) the unpaid Rent which had been earned at the time of termination; (ii) the worth at the time of award of the amount by which the unpaid rent which would have been earned after termination until the time of award exceeds the amount of such rental loss that the Lessee proves could have been reasonably avoided; (ii) the worth at the time of award of the amount by which the unpaid rent for the balance of the term after the time of award exceeds the amount of such rental loss that the Lessee proves could be reasonably avoided; and (iv) any other amount necessary to compensate Lessor for all the detriment proximately caused by the Lessee's failure to perform its obligations under this Lease or which in the ordinary course of things would be likely to result therefrom, including but not limited to the cost of recovering possession of the Premises, expenses ofreletting, including necessary renovation and alteration of the Premises, reasonable attorneys' fees, and that portion of any leasing commission paid by Lessor in connection with this Lease applicable to the unexpired term of this Lease. Efforts by Lessor to mitigate damages caused by Lessee's Breach of this Lease shall not waive Lessor's right to recover damages under Paragraph 12. If termination of this Lease is obtained through the provisional remedy of unlawful detainer, Lessor shall have the right to recover in such proceeding any unpaid Rent and damages as are recoverable therein, or Lessor may reserve the right to recover all or any part thereof in a separate suit. If a notice and grace period required under Paragraph 13.1 was not previously given, a notice to pay rent or quit, or to perform or quit given to Lessee under the unlawful detainer statute shall also constitute the notice required by Paragraph 13.1. In such case, the applicable grace period required by Paragraph 13.1 and the unlawful detainer statute shall run concurrently, and the failure of Lessee to cure the Default within the greater of the two such grace periods shall constitute both an unlawful detainer and a Breach of this Lease entitling Lessor to the remedies provided for in this Lease and/or by said statute.

13.2.2. Continue the Lease and Lessee's right to possession and recover the Rent as it becomes due, in which event Lessee may sublet or assign, subject only to reasonable limitations. Acts of maintenance, efforts to relet, and/or the appointment of a receiver to protect the Lessor's interests, shall not constitute a termination of the Lessee's right to possession.

13.2.3. Pursue any other remedy now or hereafter available under the laws or judicial decisions of the state wherein the Premises are located. The expiration or termination of this Lease and/or the termination of Lessee's right to possession shall not relieve Lessee from liability under any indemnity provisions of this Lease as to matters occurring or accruing during the term hereof or by reason of Lessee's occupancy of the Premises.

13.3. Late Charges. Lessee hereby acknowledges that late payment by Lessee of Rent will cause Lessor to incur costs not contemplated by this Lease, the exact amount of which will be extremely difficult to ascertain. Such costs include, but are not limited to, processing and accounting charges, and late charges which may be imposed upon Lessor by any Lender. Accordingly, if any Rent shall not be received by Lessor within three (3) days after such amount shall be due, then, without any requirement for notice to Lessee, Lessee shall pay to Lessor a one-time late charge equal to 10% of each such overdue amount. The parties hereby agree that such late charge represents a fair and reasonable estimate of the costs Lessor will incur by reason of such late payment. Acceptance of such late charge by Lessor shall in no event constitute a waiver of Lessee's Default or Breach with respect to such overdue amount, nor prevent the exercise of any of the other rights and remedies granted hereunder. In the event that a late charge is payable hereunder, whether or not collected, for three (3) consecutive installments of Base Rent, then notwithstanding any provision of this Lease to the contrary, Base Rent shall, at Lessor's option, become due and payable quarterly in advance.

13.4. Interest. Any monetary payment due Lessor hereunder, other than late charges, not received by Lessor, when due as to scheduled payments (such as Base Rent) or within 30 days following the date on which it was due for non-scheduled payment, shall bear interest from the date when due, as to scheduled payments, or the 31st day after it was clue as to non-scheduled payments. The interest ("Interest") charged shall be equal to the prime rate reported in the Wall Street Journal as published closest prior to the date when due plus 4%, but shall not exceed the maximum rate allowed by law. Interest is payable in addition to the potential late charge provided for in Paragraph 13.3.

13.5. Breach by Lessor. Lessor shall not be deemed in breach of this Lease unless Lessor fails within a reasonable time to perform an obligation required to be performed by Lessor. For purposes of this Paragraph, a reasonable time shall in no event be less than 30 days after receipt by Lessor, and any Lender whose name and address shall have been furnished Lessee in writing for such purpose, of written notice specifying wherein such obligation of Lessor has not been performed; provided, however, that if the nature of Lessor's obligation is such that more than 30 days are reasonably required for its performance, then Lessor shall not be in breach if performance is commenced within such 30 day period and thereafter diligently pursued to completion.

14. Condemnation. If the Premises or any portion thereof are taken under the power of eminent domain or sold under the threat of the exercise of said power (collectively "Condemnation"), this Lease shall terminate as to the part taken as of the date the condemning authority takes title or possession, whichever first occurs. If more than 10% of the floor area of the Unit is taken by Condemnation, Lessee may, at Lessee's option, to be exercised in writing within 10 days after Lessor shall have given Lessee written notice of such taking (or in the absence of such notice, within 10 days after the condemning authority shall have taken possession) terminate this Lease as of the date the condemning authority takes such possession. No reduction of rent shall occur if the only area taken is that which does not have the Premises located thereon. If Lessee does not terminate this Lease in accordance with the foregoing, this Lease shall remain in full force and effect as to the portion of the Premises remaining, except that the Base Rent shall be reduced in proportion to the reduction in utility of the Premises caused by such Condemnation. Condemnation awards and/or payments shall be the property of Lessor, whether such award shall be made as compensation for diminution in value of the leasehold, the value of the part taken, or for severance damages; provided, however, that Lessee shall be entitled to

any compensation for Lessee's relocation expenses, loss of business goodwill and/or Tracie Fixtures, without regard to whether or not this Lease is terminated pursuant to the provisions of this Paragraph. In the event that this Lease is not terminated by reason of the Condemnation, Lessor shall repair any damage to the Premises caused by such Condemnation.

15. Estoppel Certificates.

15.1. Form. Each Party (as "Responding Party") shall within 10 days after written notice from the other Party (the "Requesting Party") execute, acknowledge and deliver to the Requesting Party a statement in writing (i) certifying that this Lease is unmodified and in full force and effect (or, if modified, stating the nature of such modification and certifying that this Lease, as so modified, is in full force and effect) and that the date to which the rent and other charges are paid in advance, if any, and (ii) acknowledging that there are not, to the responding party's knowledge, any uncured defaults on the part of the requesting party, or specifying such defaults if any are claimed, plus such additional information, confirmation and/or statements as may be reasonably requested by the Requesting Party.

15.2. Completion by Requesting Party If the Responding Party shall fail to execute or deliver the Estoppel Certificate within such 10 day period, the Requesting Party may execute an Estoppel Certificate stating that: (i) the Lease is in full force and effect without modification except as may be represented by the Requesting Party, (ii) there are no uncured defaults in the Requesting Party's performance, and (iii) if Lessor is the Requesting Party, not more than one month's rent has been paid in advance. Prospective purchasers and encumbrances may rely upon the Requesting Party's Estoppel Certificate, and the Responding Party shall be estopped from denying the truth of the facts contained in said Certificate.

15.3. Financial Statements. If Lessor desires to finance, refinance, or sell the Premises, or any part thereof, Lessee and all Guarantors shall deliver to any potential lender or purchaser designated by Lessor such financial statements as may be reasonably required by such lender or purchaser, including but not limited to Lessee's financial statements for the past 3 years. All such financial statements shall be received by Lessor and such lender or purchaser in confidence and shall be used only for the purposes herein set forth.

16. Definition of Lessor/Limitation on Liability. The term "Lessor" as used herein shall mean the owner or owners at the time in question of the fee title to the Shopping Center/Premises, and in the event of any transfer of such title or interest, Lessor herein named (and in case of any subsequent transfers then the grantor) shall be relieved from and after the date of such transfer of all liability with respect to Lessor's obligations and/or covenants under this Lease thereafter to be performed by the Lessor, provided that any funds in the hands of Lessor or then grantor at the time of such transfer, in which Lessee has an interest, shall be delivered to the grantee. The obligations contained in this Lease to be performed by Lessor shall, subject as aforesaid, be binding on Lessor's successor and assigns, only during their respective periods of ownership. The obligations of Lessor under this Lease shall not constitute personal obligations of Lessor, the individual partners of Lessor or its or their individual partners, directors, officers or shareholders, and Lessee shall look to the Premises, and to no other assets of Lessor, for the satisfaction of any liability of Lessor with respect to this Lease, and shall not seek recourse against the individual partners of Lessor, or its or their individual partners, directors, officers or shareholders, or any of their personal assets for such satisfaction.

17. Subordination; Attornment; Non-Disturbance,

17.1. Subordination. This Lease and any Option granted hereby shall be subject and subordinate to any ground lease, mortgage, deed of trust, or other hypothecation or security device (collectively, "Security Device"), now or hereafter placed upon the Premises, to any and all advances made on the security thereof, and to all renewals, modifications, and extensions thereof. Lessee agrees that the holders of any such Security Devices (in this Lease together referred to as "Lender") shall have no liability or obligation to perform any of the obligations of Lessor under this Lease.

17.2. Attornment. In the event that Lessor transfers title to the Premises, or the Premises arc acquired by another upon the foreclosure or termination of a Security Device to which this Lease is subordinated (i) Lessee shall, subject to the non-disturbance provisions of Paragraph 17.3, attorn to such new owner, and upon request, enter into a new lease, containing all of the terms and provisions of this Lease, with such new owner for the remainder of the term hereof, or, at the election of such new owner, this Lease shall automatically become a new Lease between Lessee and such new owner, upon all of the terms and conditions hereof, for the remainder of the term hereof, and (ii) Lessor shall thereafter be relieved of any further obligations hereunder and such new owner shall assume all of Lessor's obligations hereunder, except that such new owner shall not: (a) be liable for any act or omission of any prior lessor or with respect to events occurring prior to acquisition of ownership; (b) be subject to any offsets or defenses which Lessee might have against any prior lessor, (c) be bound by prepayment of more than one month's rent, or (cl) be liable for the return of any security deposit paid to any prior lessor.

17.3. Non-Disturbance. With respect to Security Devices entered into by Lessor after the execution of this Lease, Lessee's subordination of this Lease shall be subject to receiving a commercially reasonable non-disturbance agreement (a "Non-Disturbance Agreement") from the Lender which Non-Disturbance Agreement provides that Lessee's possession of the Premises, and this Lease, including any options to extend the term hereof, will not be disturbed so long as Lessee is not in Breach hereof and attorns to the record owner of the Premises. Further, within 60 days after the execution of this Lease, Lessor shall use its commercially reasonable efforts to obtain a Non-Disturbance Agreement from the holder of any pre-existing Security Device which is secured by the Premises. In the event that Lessor is unable to provide the Non-Disturbance Agreement within said 60 days, then Lessee may, at Lessee's option, directly contact Lender and attempt to negotiate for the execution and delivery of a Non-Disturbance Agreement.

17.4. Self-Executing. The agreements contained in this Paragraph 17 shall be effective without the execution of any further documents; provided, however, that, upon written request from Lessor or a Lender in connection with a sale, financing or refinancing of the Premises, Lessee and Lessor shall execute such further writings as may be reasonably required to separately document any subordination, attornment and/or Non-Disturbance Agreement provided for herein.

18. Options. If Lessee is granted an option, as defined below, then the following provisions shall apply.

18.1. Definitions. "Option" shall mean: (a) the right to extend the term of or renew this Lease or to extend or renew any lease that Lessee has on other property of Lessor; (b) the right of first refusal or first offer to lease either the Premises or other property of Lessor; (c) the right to purchase or the right of first refusal to purchase the Premises or other property of Lessor.

18.2. Options Personal To Original Lessee. Any Option granted to Lessee in this Lease is personal to the original Lessee, and cannot be assigned or exercised by anyone other than said original Lessee and only while the original Lessee is in full possession of the Premises and, if requested by Lessor, with Lessee certifying that Lessee has no intention of thereafter assigning or subletting.

18.3. Multiple Options. In the event that Lessee has any multiple Options to extend or renew this Lease, a later Option cannot be exercised unless the prior Options have been validly exercised.

18.4. Effect of Default on Options.

18.4.1. Lessee shall have no right to exercise an Option: (i) during the period commencing with the giving of any notice of Default and continuing until said Default is cured, (ii) during the period of time any Rent is unpaid (without regard to whether notice thereof is given Lessee), (iii) during the time Lessee is in Breach of this Lease, or (iv) in the event that Lessee has been given three (3) or more notices of separate Default, Whether or not the Defaults are cured, during the twelve (12)- month period

immediately preceding the exercise of the Option.

18.4.2. The period of time within which an Option may be exercised shall not be extended or enlarged by reason of Lessee's inability to exercise an Option because of the provisions of Paragraph 30.4(a).

18.4.3. An Option shall terminate and be ofno further force or effect, notwithstanding Lessee's due and timely exercise of the Option, if, after such exercise and prior to the commencement of the extended term, (i) Lessee fails to pay Rent for a period of 30 days after such Rent becomes due (without any necessity of Lessor to give notice thereof), (ii) Lessor gives to Lessee 3 or more notices of separate Default during any 12 month period, whether or not the Defaults are cured, or (iii) if Lessee commits a Breach of this Lease.

18.5 Lessor Lien/Security Interest. Subject to the subordination rights described below to any Lessee's Lender having an interest in any personalty, Lessee agrees that Lessor shall have a Lessor's Iien, and additionally hereby separately grants to Lessor a first and prior security interest, in, on and against all personalty, which lien and security interest shall secure the payment of all Rent and other monetary obligations payable by Lessee to Lessor under the terms hereof and all other obligations of Lessee to Lessor under this Lease. Lessee agrees that Lessor may file such documents as Lessor then deems appropriate or necessary to perfect and maintain said lien and security interest, and expressly acknowledges and agrees that, in addition to any and all other rights and rcmcclics of Lessor whether hereunder or at law or in equity, upon any event of default of Lessee hereunder, Lessor shall have any and all rights and remedies granted a secured party under the California Uniform Commercial Code then in effect. In the event that any Lessor's Lender requires that any financing statement of Lessor be terminated and re-filed in order to ensure priority of the Lessor's Lender's interests in the personalty, Lessor shall cause the same to occur promptly after written request, and at Lessee's expense. Lessee covenants to promptly notify Lessor of any changes in Lessee's name and/or organizational structure that may necessitate the execution and filing of additional financing statements; *provided, however,* the foregoing shall not be construed as Lessor's consent to such changes. Notwithstanding the foregoing, Lessor agrees that upon request of any Lessee's Lender, Lessor will subordinate its lien described herein, and all rights of levy, distraint, seizure or execution, to the interest of any such Lessee's Lender in any and all personalty and all other assets of Lessee or any subLessee that is an affiliate of Lessee or Lessee Franchisee (each a "Lessor's Agreement"), provided that (A) the Lessor's Agreement will be deemed as between Lessor and such Lessee's Lender (and their respective successors and assigns) only; (B) the Lessor's Agreement is on commercially reasonable terms; and (C) Lessee agrees to promptly reimburse Lessor for the reasonable attorneys' fees incurred by Lessor in connection with the actions requested by Lessee hereunder. In addition, any Lessor's Agreement shall provide, at the request of either Lessor or any Lessee's Lender, all of the following in this Section 18 (provided, however, that certain covenants described in this Section 18 shall apply only to a Lessee's Lender that is a Leasehold Mortgagee, as more particularly described in this Section 18 as follows:(i) commencing (the date of such commencement, the "Entry Notice Date") (A) on the tenth Business Day after Lessor gives Lessee's Lender notice of Lessee's abandonment of the Premises or that Lessor has terminated the Lease after an Event of Default (either such notice from Lessor, a "Lessor's Notice"); or (B) on the elate Lessee's Lender gives Lessor notice that Lessee is in default under any agreement, instrument or document by or between Lessee and such Lessee's Lender and such Lessee's Lender requests to enter the Premises through the date ·that is sixty (60) consecutive days after the Entry Notice Date (the "Occupation Period"), Lessee's Lender may enter and use the Premises on a nonexclusive basis solely for the purpose of assembling, appraising, displaying, removing, maintaining, advertising, inspecting, repairing, preparing or processing the Lessee's Lender's collateral for sale, lease or other disposition, or for the purpose of selling or disposing of collateral (each of the foregoing, "Permitted Actions") and Lessor will not hinder such occupation of the Premises; provided, however, that any such right of occupation of the Premises shall be conditioned upon Lessee's Lender agreeing as follows (I) to repair any damage to the Premises caused by Lessee's lender, (2) to pay to Lessor in advance prior to the commencement of the Occupation Period rent equal to the Rental for the first month of the Occupation Period otherwise payable under the Lease (or that would be otherwise payable by Lessee under the Lease absent termination of the Lease) and such Lessee's Lender shall agree to pay the Rental for the remaining Occupation Period in advance on the 31st day ofthe Occupation Period, (3) to pay, protect, indemnify, defend and hold harmless Lessor and any Lessor's Lender from and against any damages or injury to persons or property resulting from the disposition of such collateral or the occupation by Lessee's Lender of the Premises or the exercise of Lessee's Lender's rights against Lessee on the Premises, and (4) to carry such insurance relating to its activities on the Premises as Lessor may reasonably require (the requirements of clauses (1), (2), (3) and (4) are referred to herein as the "Payment and Performance Obligations"), provided, however, that upon the occurrence of bankruptcy or similar proceedings that legally prevent the Permitted Actions, so long as Lessee's Lender is diligently pursuing remedies and has prior to the stay taken reasonable and diligent action (to the extent such Lessee's Lender had a reasonable opportunity prior to the stay to take such actions) to remove the Lessee's personalty or other assets from the Premises, the Occupation Period shall be suspended until after such bankruptcy or similar proceedings no longer legally prevent any of the Permitted Actions. Lessor will provide Lessee's Lender written notice of any motion (including a copy of such motion) filed with any court to lift or modify the automatic stay imposed as a result of bankruptcy or similar proceedings within three (3) Business Days after any such filing, and Lessee's Lender shall take all reasonable steps to have such stay lifted by the applicable court as promptly as practicable. Notwithstanding the foregoing, if Lessee's Lender delivers to Lessor, within ten (10) Business Days after receipt of any Lessor's Notice, a written notice to Lessor waiving Lessee's Lender's rights to enter upon the Premises as otherwise permitted under the Lessor's Agreement (any such notice from Lessee's Lender, a "Waiver Notice"), then Lessee's Lender shall not have any Payment and Performance Obligations and the provisions of Section 17.0l(b)(iii) shall apply. Lessee's Lender agrees that any Waiver Notice shall be irrevocable. (ii) In no event shall Lessee's Lender enter the Premises at any time to assemble, display, remove, maintain, advertise, repair, prepare for sale, lease or other disposition, or for the purpose of selling or disposing, of its collateral in the exercise of its rights and remedies against Lessee except pursuant to the rights and obligations set forth in the Lessor's Agreement or as otherwise pennitted under applicable law. (iii) If (A) Lessee's Lender delivers to Lessor a Waiver Notice and explicitly abandons any remaining collateral in writing, or (B) after the expiration of the Occupation Period, Lessee's Lender has failed to remove any of its collateral from the Premises and Lessee's Lender explicitly abandons any remaining collateral in writing, or (C) Lessee's Lender otherwise delivers a written notice to Lessor that Lessee's Lender has abandoned and fully released its interest in any personalty that is Lessee's Lender's collateral (with Lessee's Lender agreeing that any such notice shall be irrevocable)), then (1) any portion of Lessee's Lender's collateral still remaining on the Premises shall be deemed released and abandoned by Lessee's Lender, and as between Lessee's Lender and Lessor such collateral shall be the property of Lessor (and not Lessee's Lender), and Lessor shall be entitled, though not obligated, to dispose of such collateral in any manner it sees fit, at Lessee's expense, and (2) Lessee's Lender's right to enter or remain on the Premises shall immediately cease, except to the extent Lessee's Lender in a Leasehold Mortgagee and elects to enter into the Ne\v Lease as provided below, in which event this subsection (iii) shall not apply. (iv) Lessee's Lender shall agree in the Lessor Agreement that to the extent any collateral is not removed from any Premises after expiration of the Occupation Period and Lessee's Lemler has not explicitly abandoned such collateral, then Lessor shall be entitled, though not obligated, to remove and store such collateral at Lessee's Lender's sole cost and expense and Lessee's Lender shall indemnify and reimburse Lessor all such costs and expenses. (v) To the extent the Lessor Agreement includes Lessee's Lender's notice address and other applicable contact information, Lessor shall provide Lessee's Lender with written notice of any default under the Lease simultaneously with the giving of such notice to Lessee. Lessee's Lender shall have the right, but not the obligation, to cure any default on behalf of Lessee, provided Lessee's Lender shall have the same period of time within which it to cure a default as is given to Lessee under this Lease, such period commencing upon Lessee's Lender's receipt of notice of such default. (vi) In the event Lessor teml inates the Lease by reason of an Event of Default, or the Lease is rejected or disaffim led pursuant to bankruptcy or other la\:v affecting creditor's rights, then Lessor agrees, provided Lessee's lender is a leasehold mortgagee, upon such Lessee's lender's written request within thirty (30) days after the effective date of such termination and notice thereof given to such Lessee's lender, and provided Lessee· s Lender has paid all Monetary Obligations and has remedied m1d cured or commenced m1cl be diligently pursuing a cure of all nonmonetary defaults under the Lease, to enter into a new replacement lease agreement with any entity that satisfies all of the criteria to be a Permitted Assignee herelmder (a "New Lessee"), on terms] identical to those of this Lease and with identical SNDAs and recognition treatment from any superior interest holders;, the tern of which will commence on the elate of such termination, rejection or disaffim 1 ance and will continue for the remaining unexpired portion of the Term, and with no representation or v,rarrml ty from Lessor regarding the Properties or any other matter relating to such New Lease. For the avoidance of doubt, any failure by Lessee's Lender to deliver the New Lease Request as and when provided herein shall be deemed a waiver by Lessee's Lender of any right to a New Lease. Lessee's Lender or Ne\v Lessee shall pay all costs and expenses of Lessor, including without limitation reasonable attorneys' fees, transfer taxes, escrow fees m Id recording charges incurred in connection with the preparation and execution of the New Lease and any conveyances related thereto. (vi) Nothing contained in the Lease, the Lessor's Agreement or any loan document with Lessee shall in any way encumber or otherwise affect Lessor's ownership interest in and to the Properties (as opposed to Tenant's leasehold interest under any Leasehold Mortgage, if Lessee's is a Leasehold mortgagee) Premises, and none of Lessee's Lender's collateral shall include any of the Premises. Nothing in the Lessor's Agreement shall be deemed or construed to constitute or effect a release or discharge of any of the obligations of Lessee under the Lease or any other documents executed in connection with the Lease, or to amend, modify or alter any of the rights or obligations of Lessee and Lessor under the Lease, as between one another, and the Lease shall continue unaltered and in full force and effect, as between Lessee and Lessor. Lessor's execution of any Lessor's Agreement shall not be deemed or construed to constitute any representation or any type of joinder with any of the representations, warranties and agreements of Lessee in the loan agreements with Lessee's Lender or any type of acknowledgement or representation that any such representations and warranties are true, correct or complete. (viii) At any time any personalty becomes the property of Lessor (as between Lessor and Lessee's Lender) pursuant to the terms of the Lessor Agreement, Lessee's Lender shall, to the extent it has abandoned personalty or released its lien, cooperate reasonably with Lessor in connection with

evidencing Lessee's Lender's release of its interest in said personalty, including without limitation by executing any reasonable instruments requested by Lessor evidencing same. Lessee's Lender also agrees to reasonably cooperate with Lessor regarding all Lessee's Lender's UCC filings regarding any Lessee Equipment to ensure that such filings clearly exclude any Lessor property (including without limitation the Building Equipment).

20. Exclusive Use by Lessee. From and after the Start Date, except as otherwise permitted herein, Lessor shall not execute and deliver any lease for space within that portion of the Project, pursuant to which Lessor authorizes the use of the premises demised by said lease primarily for the operation of a "Ramen-Themed" restaurant selling primarily ramen noodles ("Exclusive Use"). The Exclusive Use shall not apply: (i) to any portion of the Project not owned, or the use of which is not controlled, by Lessor as of the date of the Start Date, or (ii) to any leases in existence as of the Start Date, and any amendments, extensions, assignments or renewals thereof, or (iii) to any other types of restaurants (such as, by way of example only, quick service and full-service. The failure of Lessee to continuously conduct business in the Premises primarily for the Exclusive Use shall constitute an abandonment of the Exclusive Use, which shall thereupon release Lessor from all obligations and restrictions with respect to the Exclusive Use.

21. Miscellaneous Provisions.

21.1. Severability. The invalidity of any provision of this Lease, as determined by a court of competent jurisdiction, shall in no way affect the validity of any other provision hereof.

21.2. Days. Unless otherwise specifically indicated to the contrary, the word "days" as used in this Lease shall mean and refer to calendar days.

21.3. Time of Essence. Time is of the essence with respect to the performance of all obligations to be performed or observed by the Parties under this Lease.

21.4. No Prior or Other Agreements. This Lease contains all agreements between the Parties with respect to any matter mentioned herein, and no other prior or contemporaneous agreement or understanding shall be effective.

21.5. Notices.

21.5.1. Notice Requirements. All notices required or permitted by this Lease or applicable law shall be in writing and may be delivered in person (by hand or by courier) or may be sent by regular, certified or registered mail or U.S. Postal Service Express Mail, with postage prepaid, or by facsimile transmission, and shall be deemed sufficiently given if served in a manner specified in this Paragraph 19. The addresses noted adjacent to a Party's signature on this Lease shall be that Party's address for delivery or mailing of notices. Either Party may by written notice to the other specify a different address for notice, except that upon Lessee's taking possession of the Premises, the Premises shall constitute Lessee's address for notice. A copy of all notices to Lessor shall be concurrently transmitted to such party or parties at such addresses as Lessor may from time to time hereafter designate in writing.

21.5.2. Date of Notice. Any notice sent by registered or certified mail, return receipt requested, shall be deemed given on the date of delivery shown on the receipt card, or if no delivery date is shown, the postmark thereon. If sent by regular mail the notice shall be deemed given 48 hours after the same is addressed as required herein and mailed with postage prepaid. Notices delivered by United States Express Mail or overnight courier that guarantee next day delivery shall be deemed given 24 hours after delivery of the same to the Postal Service or courier. Notices transmitted by facsimile transmission or similar means shall be deemed delivered upon telephone confirmation of receipt (confirmation report from fax machine is sufficient), provided a copy is also delivered via delivery or mail. If notice is received on a Saturday, Sunday or legal holiday, it shall be deemed received on the next business day.

21.6. Waivers. No waiver by Lessor of the Default or Breach of any term, covenant or condition hereof by Lessee, shall be deemed a waiver of any other term, covenant or condition hereof, or of any subsequent Default or Breach by Lessee of the same or of any other term, covenant or condition hereof, Lessor's consent to, or approval of, any act shall not be deemed to render unnecessary the obtaining of Lessor's consent to, or approval of, any subsequent or similar act by Lessee, or be construed as the basis of an estoppel to enforce the provision or provisions of this Lease requiring such consent. The acceptance of Rent by Lessor shall not be a waiver of any Default or Breach by Lessee. Any payment by Lessee may be accepted by Lessor on account of moneys or damages due Lessor, notwithstanding any qualifying statements or conditions made by Lessee in connection therewith, which such statements and/or conditions shall be of no force or effect whatsoever unless specifically agreed to in writing by Lessor at or before the time of deposit of such payment.

21.7. Additional Rent. All monetary obligations of Lessee to Lessor under the terms of this Lease, including but not limited to Lessee's Share of Operating Expenses and insurance and tax expenses, late charges, and penalties, payable shall be deemed to be rent.

21.8. No Right To Holdover. Lessee has no right to retain possession of the Premises or any part thereof beyond the expiration or termination of this Lease. In the event that Lessee holds over, then the Base Rent shall be increased to 150% of the Base Rent applicable immediately preceding the expiration or termination. Nothing contained herein shall be construed as consent by Lessor to any holding over by Lessee.

21.9. Lessor's Access; Showing Premises; Repairs. Lessor and Lessor's agents shall have the right to enter the Premises at any time, in the case of an emergency, and otherwise at reasonable times for the purpose of Showing the same to prospective purchasers, lenders, or Lessees, and making such alterations, repairs, improvements or additions to the Premises as Lessor may deem necessary. All such activities shall be without abatement of rent or liability to Lessee. Lessor may at any time place on the Premises any ordinary "For Sale" signs and Lessor may during the last six (6) months of the term hereof place on the Premises any ordinary "For Lease" signs. Lessee may at any time place on the Premises any ordinary "For Sublease" sign.

21.10. Signs. Except for ordinary "For Sublease" signs which may be placed only on the Premises, Lessee shall not: place any sign upon the Project without Lessor's prior written consent. All signs must comply with all requirements of Lessor.

21.11. Termination; Merger. Unless specifically stated otherwise in writing by Lessor, the voluntary or other surrender of this Lease by Lessee, the mutual termination or cancellation hereof, or a termination hereof by Lessor for Breach by Lessee, shall automatically terminate any sublease or lesser estate in the Premises; provided, however, that Lessor may elect to continue any one or all existing subtenancies. Lessor's failure within ten (10) days following any such event to elect to the contrary by written notice to the holder of any such lesser interest, shall constitute Lessor's election to have such event constitute the termination of such interest.

21.12. Guarantor. The Guarantors, if any, shall each execute a written guaranty as approved by Lessor, and each such Guarantor shall have the same obligations as Lessee under this Lease. It shall constitute a Default of the Lessee if any Guarantor fails or refuses, upon request to provide: (a) evidence of the execution of the guaranty, including the authority of the party signing on Guarantor's behalf to obligate Guarantor, and in the case of a corporate Guarantor, a certified copy of a resolution of its board of directors authorizing the making of such guaranty, (b) current financial statements, (c) an Estoppel Certificate, or (d) written confirmation that the guaranty is still in effect.

21.13. Security Measures. Lessee hereby acknowledges that the Rent payable to Lessor hereunder does not include the cost of guard service or other security

measures, and that Lessor shall have no obligation whatsoever to provide same. Lessee assumes all responsibility for the protection of the Premises, Lessee, its agents and invitees and their property from the acts of third parties.

21.14. Reservations. Lessor reserves the right: (i) to grant, without the consent or joinder of Lessee, such easements, rights and dedications that Lessor deems necessary, (ii) to cause the recordation of parcel maps and restrictions, and (iii) to create and/or install new utility raceways, so long as such easements, rights, dedications, maps, restrictions, and utility raceways do not unreasonably interfere with the use of the Premises by Lessee. Lessee agrees to sign any documents reasonably requested by Lessor to effectuate such rights.

21.15. Attorneys' Fees. If any party brings an action or proceeding involving the Premises whether founded in tort, contract or equity, or to declare rights hereunder, the Prevailing Party (as hereafter defined) in any such proceeding, action, or appeal thereon, shall be entitled to reasonable attorneys' fees. Such fees may be awarded in the same suit or recovered in a separate suit, whether or not such action or proceeding is pursued to decision or judgment. The term, "Prevailing Party" shall include, without limitation, a party who substantially obtains or defeats the relief sought, as the case may be, whether by compromise, settlement, judgment, or the abandonment by the other party of its claim or defense. The attorneys' fees award shall not be computed in accordance with any court fee schedule, but shall be such as to fully reimburse all attorneys' fees reasonably incurred. In addition, Lessor shall be entitled to attorneys' fees, costs and expenses incurred in the preparation and service of notices of Default and consultations in connection therewith, whether or not a legal action is subsequently commenced in connection with such Default or resulting Breach ($500 is a reasonable minimum per occurrence for such services and consultation).

21.16. Authority. If either Party hereto is a corporation, trust, limited liability company, partnership, or similar entity, each individual executing this Lease on behalf of such entity represents and warrants that he or she is duly authorized to execute and deliver this Lease on its behalf. Each party shall, within thirty (30) days after request, deliver to the other party satisfactory evidence of such authority.

21.17. Cumulative Remedies. No remedy or election hereunder shall be deemed exclusive but shall, wherever possible, be cumulative with all other remedies at law or in equity.

21.18. Covenants and Conditions; Construction of Agreement. All provisions of this Lease to be observed or performed by Lessee are both covenants and conditions, in construing this Lease, all headings and titles are for the convenience of the Parties only and shall not be considered a part of this Lease. Whenever required by the context, the singular shall include the plural and vice versa. This Lease shall not be construed as if prepared by one of the Parties, but rather according to its fair meaning as a whole, as if both Parties had prepared it.

21.19. Binding Effect; Choice of Law. Except as otherwise provided herein, this Lease shall be binding upon the parties, their personal representatives, successors and assigns and be governed by the laws of the State in which the Premises arc located. Any litigation between the Parties hereto concerning this Lease shall be initiated in the county in which the Premises are located.

21.20. Offer. Preparation of this Lease by either party or their agent and submission of same to the other Party shall not be deemed an offer to lease to the other Party. This Lease is not intended to be binding until executed and delivered by all Parties hereto.

21.21. Amendments. This Lease may be modified only in writing, signed by the parties in interest at the time of the modification. As long as they do not materially change Lessee's obligations hereunder, Lessee agrees to make such reasonable non-monetary modifications to this Lease as may be reasonably required by a Lender in connection with the obtaining of normal financing or refinancing of the Premises.

21.22. Multiple Parties. If more than one person or entity is named herein as either Lessor or Lessee, such multiple Parties shall have joint and several responsibility to comply with the terms of this Lease.

21.23. Waiver of Jury Trial. The Parties hereby waive their respective rights to trial by jury in any action or proceeding involving the Property or arising out of this Agreement.

LESSOR AND LESSEE HAVE CAREFULLY READ AND REVIEWED THIS LEASE AND EACH TERM AND PROVISION CONTAINED HEREIN, AND BY THE EXECUTION OF THIS LEASE SHOW THEIR INFORMED AND VOLUNTARY CONSENT THERETO. THE PARTIES HEREBY AGREE THAT,AT THE TIME THIS LEASE IS EXECUTED, THE TERMS OF THIS LEASE ARE COMMERCIALLY REASONABLE AND EFFECTUATE THE INTENT AND PURPOSE OF LESSOR AND LESSEE WITH RESPECT TO THE PREMISES.

The parties hereto have executed this Lease at the place and on the elates specified above their respective signatures.

LESSOR:
Dated: June____, 2020

LA MIRADA CENTER, INC.

By: _____
Eli Levi, President

LESSEE:
Dated: June____, 2020

GLOBAL DD GROUP, INC.

By: _____
JAMES CHAE
PRESIDENT

EXHIBIT "A"
LEGAL DESCRIPTION

PARCEL A:

PARCELS 2 AND 3 AS SHOWN ON PARCEL MAP NO. 6052, IN THE CITY OF LA MIRADA, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, FILED IN BOOK 64 PAGES 40 AND 41 OF PARCEL MAPS IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

PARCEL B:

THOSE CERTAIN NON-EXCLUSIVE EASEMENTS FOR ACCESS, INGRESS, EGRESS AND PARKING, AS CREATED IN AND LIMITED BY THAT CERTAIN "DECLARATION OF RESTRICTIONS AND GRANT OF EASEMENTS" DATED JANUARY 14, 1976 BY AND BETWEEN ALBERTSON'S INC., SANTA ANITA DEVELOPMENT CORPORATION AND COLONIAL PROPERTIES, THE TERMS OF WHICH ARE HEREBY INCORPORATED HEREIN AND MADE A PART HEREOF BY REFERENCE AS THOUGH FULLY SET OUT HEREIN, RECORDED ON FEBRUARY 20, 1976 AS DOCUMENT NO. 2218 IN BOOK M-5259 PAGE 162 OF OFFICIAL RECORDS IN SAID OFFICE OF THE COUNTY RECORDER.

APN: 8038-001-015 and 8038-001-016

EXHIBIT "B"
OPTION

Option Term. Lessor hereby grants to Lessee the option to extend the term of the Lease for five **(5)** year period commencing when this Lease Term expires upon the terms and conditions as are set forth in the Lease and modified by this agreement, and except as provided by the terms and conditions below:

B.1. Notice of Exercise. Lessee gives to Lessor and Lessor receives written notice of the exercise of the option to extend the Lease for said additional term no earlier than nine months and no later than 180 days prior to the time that the option period would commence if the option were exercised, time being of the essence. If said notification of the exercise of said option is not so given and received, this option shall automatically expire, and this Lease shall terminate o the then existing expiration date.

B.2. Minimum Monthly Rent. The Minimum Monthly Rent for the first year of that option term shall be determined based on the **then-existing fair market value of the premises** to be determined in Lessor's sole discretion. If Lessee does not agree with the fair market rental rate, this option to extend shall be void and in no force and effect.

B.3. Annual Increases. On each anniversary of the option-term, the Minimum Monthly Rent shall increase by the amount of three percent (3%) annually.

B.4. No Default. Notwithstanding the provisions of the Lease to the contrary, if any, if Lessee is in default at the time of the exercise of the option and/or Lessee has failed to pay the rent when due at any time during the term of this Extended Term, then Lessee shall not be entitled to exercise this option to extend the Lease.

B.5. Personal. This option to extend is personal to this Lessee.

GUARANTY OF LEASE

This guaranty is executed by James Chae ("Guarantor") with respect to the following facts:

A. Global DD Group, Inc., doing business as Yoshiharu Ramen ("Lessee") entered into that certain Standard Industrial Commercial Multi-Tenant Lease ("Lease") with La Mirada Center, Inc. ("Lessor") regarding the real property located at 12806 S. La Mirada Blvd., La Mirada, CA 90638 ("the real property") on the terms and conditions set forth in the Lease.

B. As fmther security for the Lease, Guarantor has agreed to guaranty Lessee's obligations under the Lease.

NOW THEREFORE, in consideration of the execution of the foregoing Lease by Lessor and as a material inducement to Lessor to execute said Lease and to accept the Lease, Guarantor hereby unconditionally and irrevocably guarantees the prompt payment by Lessee of all sums payable by Lessee under Lease and the faithful and prompt performance by Lessee of each and every one of the terms, conditions and covenants of said Lease pertaining to monetary payments to be kept and performed by Lessee. It is specifically agreed that the terms of the foregoing Lease may be modified by agreement between Lessor and Lessee, or by a course of conduct, and said Lease may be assigned by Lessee or any assignee of Lessee without consent or notice to Guarantor and that this Guaranty shall guarantee the performance of said Lease as so modified.

This Guaranty shall not be released, modified or affected by the failure or delay on the part of Lessor to enforce any of the rights or remedies of Lessor under the Lease, whether pursuant to the terms thereof or at law or in equity.

No notice of default need be given to Guarantor, it being specifically agreed that the guarantee of the undersigned is a continuing guarantee under which Lessor may proceed immediately against Lessee and/or against Guarantor following any breach or default by Lessee or for the enforcement of any rights which Lessor may have as against Lessee under the terms of the Lease or at law or in equity. Further, Lessor may proceed against Guarantor's security.

Lessor shall have the right to proceed against Guarantor hereunder following any breach or default by Lessee without first proceeding against Lessee and without previous notice to or demand upon Guarantor.

Guarantor hereby waives (a) notice of acceptance of this Guaranty. (b) demand of payment, presentation and protest, (c) a right to assert or plead any statute of limitations relating to this Guaranty and/or the Lease, (d) any right to require the Lessor to proceed against Lessee or any other Guarantor or any other person or entity liable to Lessor, (e) any right to require Lessor to apply to any default any security it may hold under the Lease and/or related documents, (f) any right to require Lessor to proceed under any other remedy Lessor may have before proceeding against Guarantors, (g) any right of subrogation.

Guarantors do hereby subrogate all existing or future indebtedness of to Guarantors to the obligations owed to Lessor under the Lease and this Guaranty.

If a Guarantor is married, such Guarantor expressly agrees that recourse may be had against his or her separate property for all of the obligations hereunder.

The term "Lessor" refers to and means the Lessor named in the Lease and also to Lessor's successors and assigns, if any.

The term "Lessee" refers to and means the Lessee named in the Lease and also Lessee's successors and assigns, if any.

Dated: June ____, 2020

James Chae

Address/Information of Guarantor:
Driver's License: C2369875
SSN: 557-65-3840
Address: 15476 Canon Ln
Chino Hills, CA 91709

Exhibit 10.7

THE IRVINE COMPANY

RETAIL LEASE

Yoshiharu Japanese Ramen

Orchard Hills Shopping Center

RETAIL LEASE

THIS RETAIL LEASE and all exhibits attached hereto (collectively, "***Lease***") is entered into by Landlord and Tenant and is effective as of December 30, 2020 ("***Lease Date***").

ARTICLE 1
BASIC LEASE PROVISIONS

1.1 Landlord: IRVINE ORCHARD HILLS RETAIL LLC, a Delaware limited liability company ("***Landlord***").

1.2 Tenant: YOSHIHARU IRVINE, a California corporation ("***Tenant***").

1.3 Trade Name: Yoshiharu Japanese Ramen ("***Trade Name***"). (Art. 7)

1.4 Shopping Center: Orchard Hills Shopping Center, located in the City of Irvine, State of California ("***Shopping Center***"). (Art. 2)

1.5 Premises Address: 3935 Portola Parkway, Irvine, CA 92602 ("***Premises***"). (Art. 2)

1.6 Floor Area: Approximately 1,420 square feet, determined in accordance with Section 21.15 *(*"***Floor Area***"). (Art. 21)

1.7 Lease Term ("***Term***"): Beginning on the date ("***Commencement Date***") that is the earlier of (i) the date Tenant opens for business to the public in the Premises and (ii) the expiration of 150 days following the date of Landlord's Notice to Tenant that the Premises are vacant and Tenant is entitled to possession of the Premises upon satisfaction of the Delivery Requirements set forth in Exhibit C ("***Delivery Notice***") and ending on the last day of the month 120 months thereafter unless sooner terminated as provided in this Lease ("***Expiration Date***"). (Art. 2)

1.8 Base Rent ("***Base Rent***"): (Art. 3)

Months	Rent PSF	Monthly Rent	Annual Rent
1 to 12	$ 52.00	$ 6,153.33	$ 73,840.00
13 to 24	$ 53.56	$ 6,337.93	$ 76,055.20
25 to 36	$ 55.17	$ 6,528.45	$ 78,341.40
37 to 48	$ 56.83	$ 6,724.88	$ 80,698.60
49 to 60	$ 58.53	$ 6,926.05	$ 83,112.60
61 to 72	$ 60.29	$ 7,134.32	$ 85,611.80
73 to 84	$ 62.10	$ 7,348.50	$ 88,182.00
85 to 96	$ 63.96	$ 7,568.60	$ 90,823.20
97 to 108	$ 65.88	$ 7,795.80	$ 93,549.60
109 to 120	$ 67.86	$ 8,030.10	$ 96,361.20

1.9 Percentage Rent ("***Percentage Rent***"):

Percentage Rent is payable for each calendar year that Tenant's Gross Sales (see Exhibit D) for such year exceed the applicable Gross Sales threshold described in Section 1.9(a) below ("***Breakpoint***"), and shall equal the amount of such Gross Sales in excess of the Breakpoint multiplied by the Percentage Rate set forth in Section 1.9(b) below.

(a) Breakpoint:

Months	Breakpoint
1 to 12	$ 1,500,000.00
13 to 24	$ 1,545,000.00
25 to 36	$ 1,591,350.00
37 to 48	$ 1,639,090.50
49 to 60	$ 1,688,263.22
61 to 72	$ 1,738,911.11
73 to 84	$ 1,791,078.44
85 to 96	$ 1,844,810.80
97 to 108	$ 1,900,155.12
109 to 120	$ 1,957,159.78

(b) Percentage Rate: 7.00% ("***Percentage Rate***").

(Art. 3)

1.10 Use of Premises: The Premises shall be used for the operation of a first-class Japanese restaurant specializing in ramen-based cuisine. Tenant will be permitted to offer other dishes; all in accordance with the menu attached hereto as Exhibit J (the "***Menu***"). Tenant shall also be permitted to sell alcoholic beverages for on-Premises consumption only, provided Tenant obtains, at Tenant's sole cost and expense, any and all necessary and required permits, licenses and/or governmental approvals (Tenant will provide Landlord copies of all such permits, licenses and governmental approvals promptly upon receipt). Tenant may make minor changes to the Menu from time to time, provided that (1) the items offered on such revised menu and the original theme and concept of the restaurant remain substantially the same as that which is in existence as of the Commencement Date, and (2) such minor changes do not violate any exclusive use in the Shopping Center ("***Permitted Use***"). (Art. 7)

1.11 Radius Restriction: 5.00 miles, measured from the closest point on the perimeter of the Shopping Center to the "Other Business" (as defined in Section 7.4) ("***Radius Restriction Area***"). (Art. 7)

1.12 (Art. 11)

(a) Initial Promotional Assessment: A one-time charge equal to $2,500.00 ("***Initial Promotional Assessment***").

(b) Promotional Charge: An annual charge equal to $1.50 per square foot of the Floor Area of the Premises ("***Promotional Charge***").

1.13 Minimum Insurance Limits: Two Million Dollars ($2,000,000.00). (Ex. F)

1.14 Security Deposit: $6,768.66 (***"Security Deposit"***). (Art. 18)

1.15 Guarantor(s): James Chae and Jennie Y. Chae, husband and wife, jointly and severally (***"Guarantor"***). (Ex. I)

1.16 Tenant's Share ("***Tenant's Share***"): A fraction, the numerator of which is the Floor Area of the Premises, and the denominator of which is the following, as applicable, in each case determined as of the commencement of the applicable fiscal year: (Art. 9) (Ex. F)

(a) For Common Area Expenses (described in Section 9.3), the greater of (i) the Floor Area in the Shopping Center occupied by tenants, excluding Floor Area occupied by "Other Stores" (as defined in Section 9.4), and (ii) the product obtained by multiplying eighty-five percent (85%) by the Floor Area in the Shopping Center, and subtracting from the result the Floor Area occupied by Other Stores; and

(b) For Taxes (described in Section 5.1(a)), the greater of (i) the Floor Area in the parcel(s) covered by the tax bill(s) in question (***Larger Parcel***") occupied by tenants who do not pay Taxes directly to the taxing authority, and subtracting from the result the Floor Area occupied by Other Stores, and (ii) the product obtained by multiplying eighty-five percent (85%) by the Floor Area in the Larger Parcel, and subtracting from the result the Floor Area occupied by Other Stores and the Floor Area of tenants who pay Taxes directly to the taxing authority.

The Floor Area of any management and/or security offices, postal facilities, storage areas and/or parking structures located or to be located in the Shopping Center (collectively, "***Common Facilities***") shall be excluded when calculating the above denominators.

1.17 Broker(s): (a) Irvine Management Company, representing Landlord exclusively; and (b) Roy Chin/New Star Realty, representing Tenant exclusively. (Art. 21)

1.18 Addresses for "Notice" (defined in Article 20) and Payments:

LANDLORD

Landlord's Address for Notice and Payment of Initial Charges:

IRVINE ORCHARD HILLS RETAIL LLC
c/o The Irvine Company LLC 110 Innovation
Irvine, California 92617
Attention: General Counsel, Retail Properties

with copy to:
The Irvine Company LLC 101 Innovation
Irvine, California 92617
Attention: Accounting Department

TENANT

Tenant's Address for Notice:

YOSHIHARU IRVINE
6940 Beach Blvd., #D-413
Buena Park, CA 90621

Tenant Payment Portal Registration:

Email tenantportal@irvinecompany.com to request an account for the Tenant Payment Portal

Tenant's Address for Statements /Billings:

YOSHIHARU IRVINE
6940 Beach Blvd., #D-413
Buena Park, CA 90621

1.19 Architectural Review Fee: $500.00 which fee is intended to cover the cost of review of plans by Landlord for the initial construction of the Premises and is due and payable upon Tenant's execution of this Lease. (Ex. C)

1.20 (a) Construction Deposit: $5,000.00 (b) Signage Deposit: $2,500.00 (Ex. C)

1.21 Delayed Opening Rent: $250.00 per day. (Art. 3)

1.22 Tenant Improvement Allowance: $60.00 per square foot of Premises Floor Area.

In the event of a conflict between this Article 1 and the rest of the Lease, the rest of the Lease shall control.

ARTICLE 2
LEASE OF PREMISES; RESERVATIONS

2.1 **LEASE OF PREMISES**. Landlord hereby leases to Tenant, and Tenant hereby leases from Landlord, for the Term described herein, the Premises identified in Section 1.5 and located in the Shopping Center depicted on the Shopping Center Site Plan attached as Exhibit A. The Premises are deemed to contain the Floor Area set forth in Section 1.6, are generally depicted on the Premises Site Plan attached as Exhibit B and are being delivered to Tenant in accordance with Exhibit C. All of Tenant's Work and any other construction by Tenant on the Premises must be performed in accordance with Exhibit C. Landlord has no obligation to deliver physical possession of the Premises to Tenant until Tenant has satisfied the Delivery Requirements specified in Exhibit C. Tenant's failure to satisfy the Delivery Requirements shall not delay the determination of the Commencement Date.

2.2 **RESERVATIONS**. Exhibit A sets forth an approximate general layout of the Shopping Center and shall not be deemed a representation by Landlord that the Shopping Center is or will be constructed as indicated thereon, nor as a representation or warranty as to the current or future occupancy of any particular tenant in the Shopping Center, or that the Shopping Center will not be expanded, reduced or otherwise modified. Landlord reserves the right at any time to (i) make alterations or additions to the building in which the Premises are contained ("***Building***"); (ii) construct other buildings or improvements in the Shopping Center and to make alterations or additions thereto; and (iii) access and use the exterior walls, floor, roof and plenum in, above and below the Premises for the purpose of effecting certain items of repair and maintenance as provided in this Lease.

ARTICLE 3
RENT

Tenant shall pay to Landlord as "***Rent***" hereunder, without Notice, demand, offset or deduction, all of the following:

3.1 **BASE RENT**. Beginning on the Commencement Date, Tenant shall pay the Base Rent specified in Section 1.8, monthly, in advance, on or before the first day of each month. Upon execution of this Lease, Tenant shall pay the first monthly installment of Base Rent. Base Rent for any partial month shall be prorated based on the number of days in the applicable calendar month.

3.2 **PERCENTAGE RENT**. Beginning on the Commencement Date, Tenant shall pay Percentage Rent as determined pursuant to Section 1.9 on a calendar year basis. For each calendar year during the Term, Percentage Rent is due beginning on the tenth (10th) day after the end of the first month that Gross Sales have reached the Breakpoint (defined in Section 1.9(a)) and each month thereafter. Within ten (10) days after the end of each calendar month, Tenant shall deliver to Landlord a certified statement of Gross Sales in the form of Exhibit D. Within twenty (20) days after the end of each calendar year, Tenant shall deliver to Landlord a certified annual statement, including a monthly breakdown of Gross Sales, in the form of Exhibit D ("***Annual Statement***"). Landlord shall review Tenant's Annual Statement and shall reconcile the amount of Gross Sales reported therein with the cumulative amount of monthly Gross Sales previously reported to Landlord; any under or overpayment shall be promptly paid or credited, as applicable. "Gross Sales" shall have the meaning set forth in Exhibit D. The Breakpoint for any partial year shall be prorated based upon a three hundred sixty-five (365) day year. If Base Rent is abated or reduced for any reason during any calendar year, the Breakpoint for such calendar year shall be reduced proportionately. If two Breakpoint amounts are in effect during different portions of a given calendar year, the Breakpoint for such calendar year shall be the weighted average of both Breakpoint amounts, determined as follows: (a) each Breakpoint amount shall be multiplied by the number of days during which it is in effect, and then divided by 365, and (b) the amounts so computed shall be added to obtain the weighted average Breakpoint for such calendar year.

3.3 **ADDITIONAL RENT**. Any monetary amount required to be paid by Tenant to Landlord in addition to Base Rent and Percentage Rent, whether or not such sums are designated as "Rent," shall be included in Rent and referred to in this Lease as "***Additional Rent.***"

3.4 **DELAYED OPENING RENT**. If Tenant fails to timely open for business in accordance with Section 7.2 below, Tenant shall pay to Landlord, as liquidated damages and Additional Rent, and in addition to Base Rent, the amount set forth in Section 1.21 for each day Tenant is not open for business in the Premises following the Commencement Date ("***Delayed Opening Rent***"). Delayed Opening Rent accruing during any month of the Term shall be paid concurrently with Tenant's installment of Base Rent next due.

ARTICLE 4
TENANT FINANCIAL DATA

4.1 **RECORDATION OF SALES**. At the time of a sale or other transaction, Tenant shall record the sale or other transaction either in a cash register or computer with sealed continuous tape or by using another method of recording sequentially numbered purchases and keeping a cumulative total, such as a point of sale cash register system or future digital technology devices, approved by Landlord. For a period of three (3) years following the delivery of its certified Annual Statement for each year, Tenant shall keep full and accurate books and records of all transactions from the Premises pertaining to Gross Sales and exclusions thereof in accordance with generally accepted retail practices and generally accepted accounting principles consistently applied. Tenant's obligation to maintain such books and records, and Landlords right to audit the same pursuant to Section 4.2 below, shall survive the expiration or earlier termination of this Lease.

4.2 **AUDITS**. Within three (3) years after receipt of an Annual Statement, upon at least fifteen (15) days' prior "Notice" (as defined in Article 20) to Tenant, Landlord or its authorized representatives may audit Tenant's records and books in order to verify Tenant's Gross Sales and exclusions from Gross Sales (" ***Audit***"). Tenant shall make all such books and records available for the Audit at the Premises or at Tenant's offices in the State of California. If the Audit discloses an underpayment of Percentage Rent, Tenant shall immediately pay to Landlord the amount of the underpayment, with interest at the "Interest Rate" (as defined in Section 21.5) from the date the payment should have been made. If (a) Landlord is not able to perform the Audit in accordance with generally acceptable auditing standards because Tenant has not maintained its books and records as required under Section 4.1 or (b) the Audit discloses an underreporting of Gross Sales in excess of two percent (2%) of the reported Gross Sales, then Tenant shall also pay to Landlord the cost of the Audit and collection of any underpayment, including travel costs and reasonable attorneys' fees. If the Audit discloses an overpayment of Percentage Rent, Tenant may offset the excess against its next payment(s) of Rent other than Base Rent.

4.3 **FINANCIAL STATEMENTS.** Upon fifteen (15) days' prior Notice, Tenant will provide to Landlord a certified financial statement reflecting Tenant's current financial condition. If Tenant is a publicly-traded corporation, then delivery of Tenant's last published financial information will satisfy this obligation. Tenant hereby expressly acknowledges and agrees that Landlord has relied on Tenant's (and Guarantor's, if applicable) financial documents delivered in connection with this Lease as evidence that Tenant will have the ability to perform all financial and operational obligations under this Lease as of the Lease Date. The foregoing requirements shall also apply to any Guarantor of Tenant under this Lease.

4.4 **GUARANTOR**. If a Guarantor is designated in Section 1.15, then Landlord's obligations under this Lease shall be contingent upon Tenant's delivery to Landlord of a guarantee of Lease in the form of Exhibit I hereto ("***Guarantee***").

ARTICLE 5
TAXES

5.1 **REAL PROPERTY TAXES**.

(a) "***Taxes***" means and includes any form of tax or assessment (whether special or general, ordinary or extraordinary, foreseen or unforeseen), license fee, license tax, tax or excise on Rent or any interest of Landlord or Tenant (including any legal or equitable interest of Landlord or its beneficiary under a deed of trust, if any) in the Premises, the remainder of the Shopping Center or the underlying realty. "Taxes" shall not include Landlord's general income taxes, inheritance, estate or gift taxes. Beginning on the Commencement Date, Tenant is obligated to pay Taxes attributable to the Premises pursuant to Section 5.1(b) below and Taxes attributable to the Common Area pursuant to Section 9.3 below.

(b) "***Tenant's Tax Contribution*** " shall be determined by multiplying all of the Taxes on the Larger Parcel for the applicable year (except for those Taxes billed pursuant to Section 9.3) by Tenant's Share, plus a fee for administration and overhead equal to fifteen percent (15%) of the product so obtained. Landlord, at its option, may collect Tenant's Tax Contribution after the actual amount of Taxes are ascertained or may collect in advance, monthly or quarterly, based upon estimated Taxes. If Landlord collects Tenant's Tax Contribution based upon estimated amounts, then following the end of each calendar year or, at Landlord's option, its fiscal year, Landlord shall give Tenant a statement covering the year just expired showing the total Tenant's Tax Contribution payable by Tenant for that year and the payments made by Tenant with respect to that year. If there is a shortfall between what Tenant has already paid and the actual Tenant's Tax Contribution due, then Tenant shall pay the deficiency within ten (10) days after its receipt of Landlord's statement. If Tenant's Tax Contribution for the year exceeds the actual Tenant's Tax Contribution payable by Tenant, Tenant may offset the

excess against the next payment(s) of Tenant's Tax Contribution becoming due.

5.2 **OTHER PROPERTY TAXES**. Tenant shall pay, prior to delinquency, all taxes, assessments, license fees and public charges levied, assessed or imposed upon its business operation, trade fixtures, leasehold improvements, merchandise and other personal property on the Premises. If any such items are assessed with Landlord's property, then the assessment shall be equitably allocated by Landlord on a reasonable basis. No taxes or assessments referred to in this Section 5.2 shall be considered Taxes.

5.3 **CONTESTING TAXES**. If Landlord contests any Taxes, Tenant will not be required to pay the cost of the contest; however, if Landlord is successful in such contest, Landlord will deduct from Tenant's portion of any refund received an amount equal to Tenant's Share of Taxes multiplied by the costs incurred by Landlord in prosecuting the contest.

ARTICLE 6
UTILITIES AND HVAC

6.1 **TENANT'S PAYMENT OF UTILITY CHARGES.** Tenant shall pay directly to the utility service provider all charges for utility services supplied to the Premises for which there is a separate meter and/or submeter, and shall comply with all energy usage reporting and disclosure requirements of Landlord relating to Tenant's use of the Premises, consistent with applicable "Laws" (as defined in Section 7.3). If there is no meter or submeter, Tenant shall pay Landlord for its share of utility services supplied to the Premises upon billing by Landlord in an amount not more than the cost Tenant would be charged if billed directly by the local utility provider supplying such service. Landlord shall not be liable for any failure or interruption of any utility or service, unless such failure or interruption prevents Tenant from carrying on its business in the Premises for a period of seventy-two (72) consecutive hours and is directly attributable to (a) the negligence of Landlord, its agents or employees, or (b) Landlord's wrongful failure to act reasonably and promptly to restore the interrupted utility service after Landlord receives Notice from Tenant. Tenant's sole and exclusive remedy in such event shall be an equitable abatement of Base Rent from and after such seventy-two (72)-hour period until such failure or interruption is cured. No failure or interruption of any utility or service shall entitle Tenant to otherwise discontinue paying Rent, and in no event shall any such failure or interruption entitle Tenant to terminate this Lease. If Tenant fails to pay when due any charges referred to in this Article 6, Landlord may pay the charge and Tenant shall reimburse Landlord, within ten (10) days of billing therefor. Landlord shall have the option from time to time to supply any and all utilities to the Premises in accordance with the terms of a program applicable to the majority of tenants in the Shopping Center. Tenant shall comply with all of the requirements of such program.

6.2 **TRASH DISPOSAL**. Tenant shall deposit trash and rubbish only within receptacles in the Common Area approved by Landlord. Landlord shall cause trash receptacles to be emptied at Tenant's cost and expense; provided, however, at Landlord's option, Landlord may provide trash removal services, the cost of which shall be paid for by Tenant either (a) as a Common Area Expense, or (b) pursuant to an equitable proration of said costs by Landlord.

6.3 **HEATING, VENTILATING AND AIR CONDITIONING** . During the term, Tenant shall have use of the heating, ventilating and air conditioning unit or system ("***HVAC***") serving the Premises upon Tenant's acceptance of the Premises. Tenant shall maintain, repair, replace and operate such system in the Premises at its sole cost and expense. Tenant agrees to have the HVAC units serving the Premises serviced at least quarterly by a service contractor reasonably approved by Landlord. Within ten (10) days of receipt of Notice from Landlord, Tenant shall provide evidence of the service contract with said HVAC service contractor and that the HVAC system has been maintained in accordance with the terms of this Section 6.3. Upon the expiration or termination of the Term of the Lease, title to such additions and replacements shall remain in and shall vest solely in Landlord.

ARTICLE 7
TENANT'S CONDUCT OF BUSINESS

7.1 **PERMITTED TRADE NAME AND USE**. Tenant shall use the Premises solely under the Trade Name and solely for the Permitted Use and for no other use or purpose. Nothing contained in this Lease shall be deemed to give Tenant an express or implied exclusive right to operate any particular type of business in the Shopping Center, whether of the same or similar type or nature, or otherwise. Tenant hereby acknowledges and agrees that Landlord has entered into this Lease with Tenant expressly based upon the specific Trade Name to be used by Tenant, and based upon the Permitted Use. Tenant agrees, as a material inducement and condition to Landlord's agreement to enter into this Lease, and as a matter specifically bargained for by Landlord and Tenant, that it shall not make any material change to the decor, operations, menu or type of cuisine of the restaurant ("***Concept***") operated from the Premises from that described in Section 1.10 of the Lease, or from a Concept subsequently approved by Landlord in writing to another Concept without the prior written consent of Landlord, which consent Landlord may, in its sole discretion, withhold for any reason, including Landlord's subjective determination that such proposed Concept could (i) diminish the quality, acceptability and reputation of the restaurant operation or the Premises, or (ii) conflict or compete or be inconsistent with the operation, type of cuisine or Concept of any other restaurant within the Shopping Center. Tenant also acknowledges and agrees that Landlord has entered into this Lease based upon Landlord's desire to maintain a very specific tenant mix, level of quality, level of customer interest, and level of customer service with respect to the target customers of the Shopping Center, together with Landlord's determination that Tenant's specific business and market niche fulfills such goals. Any deviation from the provisions set forth in this Section, Section 1.3 and Section 1.10 would constitute a material failure of consideration to Landlord. For purposes of this Lease, Tenant expressly acknowledges and agrees that the Shopping Center is a "shopping center" as described and intended in United States Bankruptcy Code 11 U.S.C. §365(b)(3).

7.2 **COVENANT TO OPEN AND OPERATE**. Tenant covenants to open for business to the public in the entire Premises under the Trade Name on or before the Commencement Date fully fixturized, staffed and stocked with merchandise and inventory. Subject to temporary closures due to casualty, condemnation, force majeure or permitted remodeling, Tenant shall operate continuously for the Permitted Use under the Trade Name in the entire Premises during the times set forth in Exhibit G, Section 1, and at all times shall keep and maintain within the Premises an adequate stock of merchandise and trade fixtures to service and supply the usual and ordinary requirements of its customers.

7.3 **COMPLIANCE WITH LAWS**. Tenant shall comply with all laws, rules, regulatory standards, guidelines and regulations relating to the Premises (collectively, "***Laws***") including, but not limited to, (i) all applicable Laws relating to any "hazardous material," as currently defined in Section 25260 of the California Health and Safety Code, or as defined in any other applicable Laws, and any microbial elements or matter which pose a significant risk to human health (collectively, "***Hazardous Materials***"), including any Laws (a) applicable to products that may be sold by Tenant at the Premises, such as Proposition 65 or other warning, notification, and right-to-know requirements or (b) requiring notifications or reports to be provided to governmental agencies concerning spills or releases of Hazardous Materials, and (ii) Water Quality Laws, as such term is defined and as further set forth in Section 8.3 below.

7.4 **RADIUS RESTRICTION**. During the Term, Tenant shall not, nor shall any person, firm, corporation or other entity which has an interest in Tenant or which controls, is controlled by Tenant or is under common control with Tenant, own, operate or become financially interested in a business similar to the one to be operated by Tenant (" ***Other Business***") if the Other Business is opened after the Lease Date and its front door is located within the Radius Restriction Area specified in Section 1.11. If Tenant violates this covenant, then, as liquidated damages, the Gross Sales of the Other Business shall be included in the Gross Sales made from the Premises for the purpose of computing Percentage Rent. Landlord shall have the Audit rights specified in Section 4.2 with respect to the books, records and accounts of the Other Business. The foregoing covenant shall not apply with respect to any store opened by Tenant in any shopping center owned or operated by Landlord, its parent company, subsidiaries and related entities and affiliates.

7.5 **HAZARDOUS MATERIALS.** In the event Tenant intends to or does use, encounter, handle, store, release, spill or dispose of any Hazardous Material in connection with its business operations within the Premises, Tenant shall promptly notify Landlord in writing. Tenant shall promptly provide Landlord with true, correct, complete and legible copies of any reports, notices or correspondence relating to Hazardous Materials on the Premises which may be filed, prepared by or sent to Tenant. Landlord may, at any time or from time to time, require Tenant (i) to conduct monitoring, evaluation or any required remediation activities with respect to Hazardous Materials on the Premises, at Landlord's discretion and at Tenant's sole cost and expense, performed by an environmental consultant approved by Landlord, provided that Landlord has reasonable grounds

to believe that a release of Hazardous Materials exists or is imminent, (ii) to complete and deliver to Landlord an Environmental Questionnaire, in Landlord's then current form (and Tenant shall update and resubmit to Landlord the Environmental Questionnaire in the event of any material change to the information contained therein), and/or (iii) to cease and desist from using, handling, storing, releasing, or disposing any such Hazardous Materials within the Premises. Tenant's indemnity set forth in Section 12.2 shall apply to any Costs arising out of Tenant's use, storage, handling, release, remediation or disposal of Hazardous Materials on or about the Premises, including any Costs necessary to return the Premises, or any other property, to their condition existing before Tenant's introduction of Hazardous Materials on the Premises. Tenant's obligations under this Section 7.5 shall survive the expiration or earlier termination of this Lease. Notwithstanding anything to the contrary contained in this Lease, Tenant shall not be required to remediate or pay for the removal of any Hazardous Materials to the extent such Hazardous Materials exist in an amount in violation of applicable laws and are determined by reasonably sufficient evidence generated by a qualified, independent environmental consultant to have been present in such condition in the Premises prior to delivery of the Premises to Tenant.

7.6 **RULES AND REGULATIONS**. Tenant shall comply with the Rules and Regulations of the Shopping Center attached as Exhibit G, which shall be administered by Landlord in a non-discriminatory manner.

7.7 **ASBESTOS REQUIREMENTS.** Tenant must notify and obtain prior written consent from Landlord (which consent may be withheld in Landlord's sole discretion) before using any asbestos-containing materials in connection with (i) any repairs to or maintenance of the Premises, (ii) any Alterations to the Premises or (iii) Tenant's Work. If Landlord consents to Tenant's use of any asbestos containing materials for such work, Landlord may require Tenant to have an asbestos survey conducted following the completion of such work and provide any resulting survey reports to Landlord.

ARTICLE 8
MAINTENANCE AND REPAIRS

8.1 **LANDLORD'S MAINTENANCE OBLIGATIONS**. Landlord shall maintain in good condition and repair the structural components of the Building and all other buildings within the Shopping Center (excluding other buildings located on ground lease parcels within the Shopping Center that are maintained by the tenant(s) thereunder), including without limitation, foundations, roofs, the exterior surfaces of the exterior walls of all such buildings within the Shopping Center (but specifically excluding signage, doors, door frames, door checks, windows, window frames, mullion systems and, at Landlord's election, storefronts and storefront awnings). The obligations described in the preceding sentence are referred to as "***Landlord's Maintenance Obligations***." Except to the extent specifically excluded in Section 9.3 below, the cost of Landlord's Maintenance Obligations will be included as Common Area Expenses, provided, however, Landlord's Maintenance Obligations shall not include and Tenant shall be solely responsible for the costs of any repairs or replacements resulting from (i) Tenant's negligence or willful acts, or those of anyone claiming under Tenant, or (ii) Tenant's failure to observe or perform any condition or agreement contained in this Lease, or (iii) any alterations, additions or improvements made by Tenant or anyone claiming under Tenant. Notwithstanding anything to the contrary contained in this Lease, Landlord will not be liable for failing to make any repairs required to be made by Landlord under this Lease unless Tenant has first delivered to Landlord Notice of the need for such repairs and Landlord has failed to commence and complete the repairs within a reasonable period of time following receipt of Tenant's Notice. Tenant waives the provisions of Sections 1932(1),1941 and 1942 of the Civil Code of the State of California, or of any similar, related or superseding provisions of Law which permit Tenant to make repairs at Landlord's expense or to terminate this Lease.

8.2 **TENANT'S MAINTENANCE OBLIGATIONS.** Except for obligations that are specifically designated as part of Landlord's Maintenance Obligations, Tenant, at its expense, shall keep the entire Premises and all utility and mechanical facilities and systems exclusively serving the Premises (collectively, "***Tenant Utility Facilities***") in first-class order, condition and repair and shall make replacements necessary to keep the Premises and Tenant Utility Facilities in such condition. All trade fixtures, signs and other personal property installed in or attached to the Premises by Tenant must be new when installed or attached, and all replacements of such items shall be of a quality equal to or exceeding that of the original. Tenant's repair and maintenance obligations with respect to the Premises, shall include any signage, doors, door frames, door checks, windows, window frames, mullion systems, storefronts and storefront awnings (unless Landlord elects to maintain the storefronts and storefront awnings as provided in Section 8.1 above). Storefronts include the facia and exterior insulation finishing systems (EIFS), and the repair and maintenance of storefronts include glazing, patching, painting and stucco work. If Landlord determines, in its sole discretion, that Tenant's failure to perform any of its repair or maintenance obligations under this Section 8.2 adversely affects the exterior appearance of the Premises (such as, without limitation, the failure to clean windows or awnings or painting/refinishing the storefront), and if such failure is not remedied within the time frame specified in a Notice thereof from Landlord to Tenant, then Landlord shall have the right, but not the obligation, to perform such repair or maintenance work on behalf of and for the account of Tenant.

Tenant shall use the Cleaning Facility (as defined in Exhibit C) for the steam cleaning of grease containers and for the similar cleaning of any other restaurant equipment, utensils or other items used in the operation of Tenant's business in the Premises, and Tenant shall use the Grease Storage Facility (as defined in Exhibit C) for storing all cooking oil waste and other grease generated from the operation of Tenant's business. Tenant agrees to confine all such activities to the Cleaning Facility and the Grease Storage Facility, as applicable. Without limiting the foregoing, in no event shall any exterior portion of the Premises, areas adjacent to the Premises or any portion of the Common Area be used for (a) storing or disposing of cooking oil or grease generated from the operation of Tenant's business or (b) cleaning any restaurant equipment, utensils or other items used in the operation of Tenant's business. Tenant shall contract directly with a service company to service the Grease Storage Facility and for the removal of all cooking oil waste and other grease generated from the operation of Tenant's business. All grease storage and removal and other cleaning activities of Tenant shall be conducted in accordance best industry standards, techniques and technology to provide for containment and disposal of liquids in compliance with all Water Quality Laws and as otherwise required under this Lease.

8.3 **WATER QUALITY, AIR QUALITY AND DRAINAGE** . Without limiting any other provisions contained in this Lease, Tenant's maintenance obligations shall be subject to and include the following requirements:

(a) Tenant acknowledges that the Shopping Center is subject to various federal, state and local Laws regarding drainage and water quality ("***Water Quality Laws***") or air quality ("***Air Quality Laws***"), many of which are implemented by governmental agencies, including, without limitation, of the U.S. Environmental Protection Agency, the California State Water Resources Control Board, the Regional Water Quality Control Board, the California Coastal Commission, the County of Orange, South Coast Air Quality Management District and all Laws of any governmental authority having jurisdiction over odors or emissions from the Shopping Center or air quality and the city in which the Premises are located, which Water Quality Laws and Air Quality Laws may change from time to time. At its sole cost and expense, Tenant shall comply with the Water Quality Laws and Air Quality Laws, and obtain any and all permits or other authorizations which may be required by them, in connection with Tenant's use or operation of the Premises, Tenant's Work or any "Alteration" (defined in Section 21.8). Tenant shall cooperate in good faith with the appropriate governmental authorities and Landlord to ensure Tenant's compliance with the requirements of this Section 8.3.

(b) All wash water runoff must be collected, reclaimed, and disposed of in the approved wash water disposal location for the Shopping Center (if any), or removed from the Shopping Center and disposed of off site subject to all appropriate governmental rules and regulations (including any Water Quality Laws). Any water or liquid used to clean the Premises must be prevented from entering any storm drains. Further, Tenant shall not discharge water or other liquids from the Premises into the Common Area or permit the flow of residue to any area outside of the enclosed portion of the Premises. The only water permitted in the storm drain is rainwater.

8.4 **LANDLORD'S RIGHT OF ENTRY**. Landlord or its authorized representatives may enter the Premises following not less than twenty-four (24) hours prior Notice to Tenant (except in a case of emergency, in which event no Notice shall be required) to: (a) inspect or re-measure the Premises; (b) perform any obligation or exercise any right or remedy of Landlord under this Lease; (c) make repairs, alterations, improvements or additions to the Premises or to other portions of the Shopping Center; (d) perform work necessary to comply with Laws of any public authority or the rules or regulations of any insurance underwriter; (e) show the Premises to prospective tenants, lenders or

purchasers, and (f) perform work that Landlord deems necessary to prevent waste or deterioration of the Premises should Tenant fail to promptly commence and complete such repairs within three (3) days after Landlord delivers Notice.

ARTICLE 9
COMMON AREA

9.1 **MAINTENANCE, USE AND CONTROL OF COMMON AREA** . "***Common Area***" means all areas within the exterior boundaries of the Shopping Center and adjacent streets, now or later made available for the non-exclusive use of Tenant and other persons entitled to occupy Floor Area in the Shopping Center. Landlord shall maintain the Shopping Center in a first-class condition similar to other shopping centers in Orange County, California; however, the manner in which the Shopping Center is managed shall be within Landlord's sole discretion. Tenant shall have a non-exclusive right to use the Common Area provided that (i) such permission is subject to the reservations set forth in Section 2.2, and (ii) Landlord shall have the sole and exclusive control of the Common Area, and the right to make additions and changes to the Common Area and the Shopping Center and the improvements located therein, which rights shall include, without limitation, the right to (a) utilize from time to time any portion of the Common Area for promotional, entertainment and related matters, (b) place permanent or temporary kiosks, displays, carts and stands in the Common Area and to lease same to tenants, (c) temporarily close any portion of the Common Area for repairs, improvements or alterations, or for any other reasons deemed sufficient in Landlord's reasonable judgment, and (d) reasonably change the shape and size of the Common Area, add, eliminate or change the location of improvements to the Common Area, including without limitation, buildings, lighting, parking areas, roadways and curb cuts, and construct buildings on the Common Area. Any such changes will not materially or adversely affect Tenant's access to or visibility from the Common Area located immediately adjacent to the Premises, except during any period of construction. Tenant shall have no right to pursue any injunctive relief or recover damages or otherwise with respect to disruption of business for any construction of changes.

9.2 **PARKING**. Tenant and its employees shall park their vehicles only in the parking areas designated for that purpose by Landlord. If Landlord implements any program related to parking, parking facilities or transportation facilities including any program of parking validation, employee parking, employee shuttle transportation during peak traffic periods or other program to limit, control, enhance, regulate or assist parking by customers of the Shopping Center, Tenant agrees to participate in the program, comply with any reasonable and nondiscriminatory rules and regulations established by Landlord and pay its proportionate share of the costs of the program as reasonably determined by Landlord.

9.3 **COMMON AREA EXPENSES** . The term "***Common Area Expenses***" means all costs and expenses incurred by Landlord: (a) in operating, managing, policing, repairing and maintaining the Common Area and the Common Facilities, and in maintaining, repairing and replacing all sidewalks, landscaping, parking areas and other improvements located in the Common Area for the non-exclusive use of the tenants of the Shopping Center; (b) in performing Landlord's Maintenance Obligations, which shall include maintaining, repairing and replacing the exterior surface of exterior walls (and storefronts and storefront awnings if Landlord has elected to include the cleaning and maintenance of same as part of Common Area Landlord's Maintenance Obligations) and maintaining, repairing and replacing roofs of the buildings located in the Shopping Center; (c) in operating, repairing, replacing and maintaining all utility facilities and systems not exclusively serving the premises of any tenant or store ("***Common Utility Facilities***"), Common Area furniture and equipment (including, without limitation, furniture for any so-called "people places" or other amenities within the Shopping Center), seasonal and holiday decorations, Common Area lighting fixtures, Shopping Center sign monuments and directional signage; (d) for Taxes on the improvements and land comprising the Common Area ("***Common Area Taxes***"); (e) all office and personnel costs (including without limitation all salaries, wages, employee benefits and other compensation) incurred by Landlord for on-site and off-site personnel (whether employees of Landlord or third-party contractors) to the extent such personnel are involved in the operation and management of the Shopping Center, based upon a reasonable allocation of such costs between the Shopping Center and all other properties which are the responsibility of such employees or contractors; (g) for expenditures which are required under any governmental Law or regulation that was not specifically applicable to the Shopping Center at the time it was originally constructed; (g) Tenant's share of the cost of Landlord's Insurance (as defined in Exhibit F); and (h) a fee for calculating, billing, and administering Common Area Expenses equal to fifteen percent (15%) of the Common Area Expenses enumerated in (a) through (g) above for the applicable year. The cost of any Common Area Expense described in the preceding sentence that is properly classified under generally accepted accounting principles as a capital improvement shall be amortized over the useful life of the item in question (as reasonably determined by Landlord) on a straight-line basis, together with interest at the Interest Rate. Excluded from Common Area Expenses are: (i) interest, amortization, or other payments on secured loans to Landlord encumbering the Shopping Center; (ii) ground rent in connection with its lease of the land on which the Shopping Center is situated; (iii) income, excess profits or franchise taxes or other such taxes imposed on or measured by the income of Landlord from the operation of the Shopping Center; (iv) cost of work directly related to the sole advantage of any particular tenant of the Shopping Center other than Tenant; (v) costs incurred in connection with the original construction of the Shopping Center; (vi) costs incurred in connection with development or leasing of the Shopping Center; (vii) costs incurred by Landlord for the repair of damage or destruction caused by insured casualties to the extent of insurance proceeds actually received by Landlord or that would have been received by Landlord had it maintained the insurance it was required to maintain pursuant to the Lease; and (viii) costs incurred by Landlord to enforce the terms of any lease.

9.4 **PRORATION OF COMMON AREA EXPENSES** . Portions of the Shopping Center are, or may be, owned or leased from time to time by persons or entities occupying (a) freestanding facilities or (b) other facilities containing a substantial amount of Floor Area and contributing to the Common Area Expenses on a basis other than that described herein (collectively, "***Other Stores***"). "***Tenant's Common Area Contribution***" shall be determined by subtracting the contributions, if any, paid by the Other Stores from the total Common Area Expenses and multiplying the result by Tenant's Share of Common Area Expenses. Tenant's Common Area Contribution shall be payable in the following manner:

(a) Tenant shall pay to Landlord, on the first day of each calendar month, an amount estimated by Landlord to be the monthly amount of Tenant's Common Area Contribution. The estimated monthly Tenant's Common Area Contribution may be adjusted periodically by Landlord on the basis of Landlord's reasonably anticipated costs. Following the end of each calendar year or, at Landlord's option, its fiscal year, Landlord shall give Tenant a statement covering the preceding calendar or fiscal year (as the case may be), showing the actual Tenant's Common Area Contribution for that year and the monthly payments made by Tenant during that year for Tenant's Common Area Contribution (the "***Annual CAM Statement***"). If the total of such monthly payments of Tenant's Common Area Contribution for such year are less than the actual Tenant's Common Area Contribution payable by Tenant, Tenant shall pay to Landlord the deficiency within ten (10) days after Landlord's delivery of the Annual CAM Statement. If the total of such monthly payments of Tenant's Common Area Contribution for the year exceed the actual Tenant's Common Area Contribution payable, Tenant may offset the excess against payments of Tenant's Common Area Contribution next due. An appropriate proration of Tenant's Common Area Contribution as of the Commencement Date and the Expiration Date of the Lease shall be made.

(b) If Tenant reasonably questions any billing of Common Area Expenses, Tenant shall have the right, within thirty (30) days after Tenant's receipt of the Annual CAM Statement, to request in writing copies of backup documentation reasonably sufficient to support the disputed item(s) set forth in such bill, which Landlord shall provide within a reasonable time after Landlord receives Tenant's written request. Should Tenant fail to object in writing to Landlord's determination of the actual amount of Tenant's Common Area Contributions within one (1) year following delivery of the applicable Annual CAM Statement, Landlord's determination of the actual amount of Tenant's Common Area Contribution for the applicable year shall be conclusive and binding on Tenant. Tenant acknowledges that, with respect to insurance, such costs are currently based upon a master policy covering other assets of Landlord and that, accordingly, the backup documentation shall consist solely of either a letter from (a) a third-party actuary stating that the amount of the allocation to the Shopping Center is reasonable, or (b) a licensed broker or underwriter showing that the allocated amount is a market rate. Any Landlord approved adjustment shall be set forth in an adjusted bill reflecting a credit for such adjustment. Tenant's right to request backup documentation shall not entitle Tenant to withhold, delay or offset against any payment of Common Area Expenses or any other charge owing under the Lease.

(c) Notwithstanding anything contained in this Section 9.4 to the contrary, the Floor Area of tenants in the Shopping Center that maintain, repair and replace a portion of their premises or insure their own premises shall not be included in the proration of the portion of the Common Area Expenses relative to the portion of their premises that they maintain, repair, replace or insure, and the Floor Area of such premises shall be excluded from the calculations made pursuant to Section 9.4(a) with respect to such items of maintenance, repair, replacement or insurance. Landlord shall periodically determine Floor Area for all purposes under this Lease and Landlord's determination shall be conclusive.

ARTICLE 10
ASSIGNMENT AND SUBLETTING

10.1 **NO ASSIGNMENT OR SUBLETTING.** Tenant shall not, whether in one (1) transaction or a series of transactions, assign, sublet, encumber, mortgage, hypothecate or pledge this Lease or its interest in the Premises nor allow the Premises to be occupied, in whole or in part, by any other person or entity, nor enter into franchise, license or concession agreements, nor change ownership or voting control, nor otherwise transfer (including any transfer by operation of Law) all or any part of this Lease or of Tenant's interest in the Premises or Tenant's business (collectively, "***Assign***" or an "***Assignment***") without Landlord's prior written consent, not to be unreasonably withheld, delayed or conditioned. If Tenant, or an entity owning a controlling interest in Tenant, is a corporation which is not a public corporation, or is an unincorporated association, limited liability company or partnership, (i) the encumbrance, mortgage, hypothecation or other pledge, whether in one (1) transaction or a series of transactions, of any stock or interest in Tenant or an entity owning a controlling interest in Tenant, or (ii) the entering into of any management agreement or any agreement in the nature thereof transferring control or any substantial percentage of the profits and losses from the business operations of Tenant in the Premises to a person or entity other than Tenant, or otherwise having substantially the same effect, shall be deemed an Assignment within the meaning of this Article. Tenant hereby represents and warrants to Landlord that as of the Lease Date it has not entered into any encumbrance, mortgage, hypothecation or other pledge which would result in an encumbrance or pledge of this Lease or Tenant's interest in the Premises. For purposes of this Article 10, the term "***control***" (including the terms "***controlled by***" and "***under common control with***") means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of any Person, whether through the ownership of voting securities or by contract or otherwise, and/or ownership of more than fifty percent (50%) of the outstanding voting capital stock of a corporation or more than fifty percent (50%) of the beneficial interests of any other entity. "***Person***" means an individual, partnership (whether general or limited), limited liability company, corporation, trust, estate, unincorporated association, nominee, joint venture or other entity.

10.2 **PROCEDURES**. Should Tenant desire to enter into an Assignment, Tenant shall request, in writing, Landlord's consent to the proposed Assignment at least sixty (60) days before the intended effective date of the proposed Assignment, which request shall include the following: (a) the effective date, terms and conditions of the proposed Assignment, (b) detailed financial information regarding the proposed transferee, including a detailed statement of its tangible net worth, (c) a description of the previous business experience of the proposed transferee, (d) a complete business plan prepared by the proposed transferee, and (e) any further information relevant to the proposed Assignment which Landlord shall reasonably request. Within thirty (30) days after the later of (i) Landlord's receipt of Tenant's request for consent to the proposed Assignment, and (ii) Landlord's receipt of all of the information set forth in (a) through (e) above, Landlord may elect either to: (aa) consent to the proposed Assignment; (bb) deny such consent; or (cc) in Landlord's sole discretion, terminate this Lease, such termination to be effective thirty (30) days following Landlord's election. Tenant shall have the right to void Landlord's termination by withdrawing its request for consent prior to the expiration of such thirty (30)-day period.

10.3 **STANDARD FOR CONSENT**. Tenant agrees that Landlord may refuse its consent to the proposed transfer on any reasonable grounds, and (by way of example and without limitation) Tenant agrees that it shall be reasonable for Landlord to withhold its consent if any of the following situations exist or may exist: (a) the use to which the Premises will be put by the proposed transferee is different than the use set forth in Section 1.10; (b) the proposed transferee's financial condition is inadequate to support the financial and other obligations of Tenant under this Lease; (c) the business reputation or character of the proposed transferee is not reasonably acceptable to Landlord; (d) the proposed transferee is not likely to conduct on the Premises a business of a quality substantially equal to that conducted by Tenant; (e) the nature of the proposed transferee's proposed or likely use of the Premises would impose an increased burden on the Common Area, or increase the risk of the release of Hazardous Materials; (f) Landlord has not received assurances acceptable to Landlord in its sole discretion that all past due amounts owing from Tenant to Landlord, if any, will be paid and all other Defaults on the part of Tenant, if any, will be cured prior to the effective date of the proposed Assignment; (g) in Landlord's reasonable business judgment the amount of annual Gross Sales Landlord anticipates will be generated by the proposed transferee is less than the average annual Gross Sales Tenant has generated during the two (2) years immediately prior to the proposed Assignment; and (h) in Landlord's reasonable business judgment the Assignment would breach any covenant of Landlord respecting radius, location, use or exclusivity relating to the Shopping Center, or, in Landlord's sole discretion, conflict with, be incompatible with or have an adverse impact on the tenant mix of the Shopping Center. Each of the rights of Landlord set forth in this Article 10 is a reasonable restriction for purposes of California Civil Code Section 1951.4.

10.4 **NO RELEASE.** No Assignment shall relieve Tenant or any Guarantor from its covenants and obligations under this Lease. Any purported Assignment requiring Landlord's consent shall be void and confer no rights whatsoever on any third party if Landlord's consent is not obtained. Consent by Landlord to any Assignment shall not constitute a waiver of the requirement for such consent to any subsequent Assignment. Landlord may collect and accept any one or more payments of Rent from any person or party in possession or control of the Premises (or claiming the same) without the same constituting a consent to any transfer of possession or control of the Premises or an Assignment and Landlord may otherwise enforce any of the duties, obligations or covenants of the "Tenant" hereunder, all without any release of Tenant whatsoever and without any waiver or limitation of Landlord's rights and remedies under this Lease or at Law or in equity.

10.5 **RENTAL INCREASE**. If an Assignment occurs, the Base Rent shall be increased, effective as of the date of the Assignment, to the greater of (a) an amount equal to the total of the applicable Base Rent due (for each remaining lease period set forth in Section 1.8) plus Percentage Rent required to be paid by Tenant during the twelve (12)-month period immediately preceding the request for Landlord's consent to the Assignment, (b) Base Rent specified in Section 1.8, adjusted in accordance with the provisions of Section 21.7 of this Lease relating to percentage adjustments in the "Index" (as defined in Section 21.7), or (c) a sum equal to the then fair market rental value of the Premises, agreed upon by Landlord and Tenant. If Landlord and Tenant are unable to agree upon the then fair market rental value of the Premises, then the fair market rental value may be determined by a qualified independent appraiser chosen by Landlord and reasonably approved by Tenant. Thereafter, Base Rent shall be increased proportionately in accordance with the periodic adjustments to Base Rent as set forth in Section 1.8.

ARTICLE 11
PROMOTIONAL SERVICES

11.1 **PROMOTIONAL SERVICE**. Tenant shall participate in a service organized to promote the Shopping Center ("***Promotional Service***"). As its contribution for the operation and management of the Promotional Service, Tenant shall pay to Landlord (i) the Initial Promotional Assessment specified in Section 1.12(a), and (ii) the Promotional Charge calculated in the manner set forth in Section 1.12(b) (which Promotional Charge shall be increased by five percent (5%) on each July 1, commencing the first time such date is more than one hundred eighty (180) days after the Commencement Date). Tenant shall pay the Initial Promotional Assessment and the first monthly installment of the Promotional Charge concurrently with Tenant's execution of this Lease. Tenant shall pay all subsequent installments of the Promotional Charge monthly in advance on or before the first day of each month. As partial compensation for implementing and managing the Promotional Service, Landlord shall be entitled to retain twenty-five percent (25%) of the Promotional Service charges payable pursuant to this Section 11.1.

11.2 **TENANT REQUIRED ADVERTISING**. From and after the Commencement Date, Tenant or Tenant's corporate office shall spend during each calendar year an amount equal to at least two percent (2%) of Tenant's Gross Sales from the Premises for advertising Tenant's business at the Shopping Center (" ***Required Advertising***"). The Required Advertising shall be in television, radio, newspapers, tabloids, direct mailings or other media covering the trade area served by the Shopping Center, and shall designate the location of the Premises by reference to the Shopping Center by name. The Required Advertising may include electronic media (such as Tenant boosting a comment/ad on Facebook, banner ad buys on any websites, or paying for an email blast by buying the list of names), but the costs of creating and maintaining a web/internet/social media presence, such as Tenant's website, Facebook page or Twitter account shall not satisfy the Required Advertising. At any time upon request by Landlord, Tenant shall furnish Landlord with its Annual Statement of Gross Sales and a certified statement showing the amounts Tenant actually spent for advertising. If Tenant fails to spend the Required Advertising amount, Tenant shall pay to Landlord, as liquidated damages, the difference between (a) the amount actually spent by Tenant for advertising during the preceding calendar year, and (b) the Required Advertising amount that Tenant was required to spend for advertising during the applicable calendar year pursuant to this Section 11.2.

ARTICLE 12
INSURANCE AND INDEMNITY

12.1 **INSURANCE**. The insurance obligations of Landlord and Tenant are set forth in Section 1.13 and Exhibit F.

12.2 **INDEMNITY**. Tenant shall pay for, defend (with an attorney approved by Landlord), indemnify, and hold Landlord harmless from any real or alleged damage or injury and from all claims, judgments, liabilities, penalties, costs and expenses, including attorneys' fees and costs (collectively, "***Costs***"), in any way connected to Tenant's use of the Premises, Tenant's activities within the Shopping Center, or any repairs, alterations or improvements (including Tenant's Work) which Tenant may make or cause to be made on the Premises, or by any breach of this Lease by Tenant and any loss or interruption of business or loss of Rent income resulting from any of the foregoing; provided, however, Tenant shall not be liable for Costs to the extent such damage or injury is ultimately determined to be caused by the negligence or misconduct of Landlord. Notwithstanding the foregoing, Tenant shall in all cases accept any tender of defense of any action or proceeding in which Landlord is named or made a party and shall, notwithstanding any allegations of negligence or misconduct on the part of Landlord, defend Landlord as provided herein until a final determination of negligence or misconduct is made. Costs shall also include all of Landlord's attorneys' fees, litigation costs, investigation costs and court costs and all other costs, expenses and liabilities incurred by Landlord or its counsel from the date Landlord first receives Notice that any claim or demand is to be made or may be made. For purposes of this Section 12.2, (a) "***Landlord***" includes Landlord and Landlord's directors, officers, shareholders, members, agents and employees, and (b) "***Tenant***" includes Tenant and its directors, officers, shareholders, members, agents, contractors and employees. Tenant's obligations under this Section 12.2 shall survive the termination of this Lease.

12.3 **WAIVER**. Landlord shall not be liable to Tenant, Tenant's employees, agents or invitees for: (a) any damage to property of Tenant, or of others, located in, on or about the Premises, (b) the loss of or damage to any property of Tenant or of others by theft or otherwise, (c) any injury or damage to persons or property resulting from fire, explosion, falling plaster, steam, gas, electricity, water, rain or leaks from any part of the Premises or from the pipes, appliance of plumbing works or from the roof, street or subsurface or from any other places or by dampness or by any other cause of whatsoever nature, or (d) any such damage caused by other tenants or persons in the Premises, occupants of adjacent property of the Shopping Center, or the public, or caused by operations in construction of any private, public or quasi-public work. The foregoing shall not be construed to relieve Landlord of liability for Landlord's willful misconduct. Landlord shall in no event be liable for any consequential damages or loss of business or profits and Tenant hereby waives any and all claims for any such damages. All property of Tenant kept or stored on the Premises shall be so kept or stored at the sole risk of Tenant and Tenant shall hold Landlord harmless from any claims arising out of damage to the same, including subrogation claims by Tenant's insurance carriers, unless such damage shall be caused by the willful misconduct of Landlord. Landlord or its agents shall not be liable for interference with the light or other intangible rights.

ARTICLE 13
DAMAGE

13.1 **INSURED CASUALTY**. The following provisions shall apply in the case of damage by fire or other perils required to be covered by Landlord's Insurance specified in Exhibit F:

(a) Within sixty (60) days after all required permits have been obtained, Landlord shall begin the repair, reconstruction and restoration of the Premises as Landlord, in its reasonable business judgment, deems necessary, and shall proceed with reasonable diligence to complete such work; provided, however, that Tenant, at its cost, shall repair and restore all items of Tenant's Work and all intervening alterations and improvements and replace its stock in trade, trade fixtures, furniture, furnishings and equipment. Upon delivery of the possession of the Premises, Tenant shall promptly begin this work and shall proceed with all reasonable diligence to completion.

(b) Notwithstanding the foregoing, if the Premises is totally destroyed, or if the Shopping Center is destroyed to an extent of at least fifty percent (50%) of its full replacement cost as of the date of destruction, then (i) if the destruction occurs during the last two (2) years of the Term, Landlord and Tenant shall each have the right to terminate this Lease, and
(ii) if the destruction occurs prior to the last two (2) years of the Term, Landlord shall have the exclusive right to terminate this Lease. In each case, the termination right shall be exercised by the terminating party giving Notice to the other party within thirty (30) days after the date of destruction.

13.2 **UNINSURED CASUALTY**. If the Premises or the Shopping Center are damaged as a result of any casualty not required to be covered by the insurance specified in Part 6 of Exhibit F, Landlord, within ninety (90) days following the date of such damage, shall begin the repair, reconstruction or restoration of the Premises as provided in this Lease and shall proceed with reasonable diligence to complete such work, provided, however, if the damage to the Premises, or to the buildings in the Shopping Center excluding the Premises, and excluding any freestanding buildings, is greater than ten percent (10%) of the total replacement cost, Landlord may elect within said ninety (90) days not to so repair, reconstruct or restore the damaged property, in which event, at Landlord's option, this Lease shall terminate upon the expiration of such ninety (90)-day period. If Landlord elects to restore the Premises, then Tenant shall have the same repair, restoration and replacement obligations it has pursuant to Section 13.1(a).

13.3 **INSURANCE PROCEEDS**. If this Lease terminates pursuant to this Article 13, Tenant shall pay to Landlord all proceeds from the Fire and Extended Coverage insurance carried pursuant to Part 1.E of Exhibit F, but excluding proceeds for Tenant's property not permanently affixed to Landlord's property such as trade fixtures, merchandise, signs and other personal property.

13.4 **ABATEMENT**. To the extent that Tenant has maintained the business interruption or loss of income insurance required byExhibit F and the proceeds of such insurance may be exhausted during the period of any repair, reconstruction and restoration required by this Article 13, Base Rent shall be abated proportionately with the degree to which Tenant's use of the Premises is impaired during the remainder of the period of repair, reconstruction and restoration; provided, however, the amount of Base Rent abated pursuant to this Section 13.4 shall not exceed the amount of loss of rental income insurance proceeds actually received by Landlord. Tenant shall continue the operation of its business on the Premises during any such period to the extent reasonably possible from the standpoint of prudent business management, and the obligation of Tenant to pay Percentage Rent (to the extent Tenant is operating its business from the Premises) and other charges shall remain in full force and effect. Tenant shall not be entitled to any compensation or damages from Landlord for loss of use of any part of the Premises or the Building, Tenant's personal property or any inconvenience or annoyance occasioned by such damage, repair, reconstruction or restoration. Tenant hereby waives any statutory rights of termination which may arise by reason of any partial or total destruction of the Premises or improvements thereon.

ARTICLE 14
EMINENT DOMAIN

14.1 **TAKING**. "***Taking***," as used in this Article 14, means an appropriation or taking under the power of eminent domain by any governmental authority or a voluntary sale or conveyance in lieu of condemnation but under threat of condemnation. This Lease sets forth the terms and conditions upon which this Lease may terminate in the event of a Taking. Accordingly, Landlord and Tenant waive the provisions of the California Code of Civil Procedure Section 1265.130 and any successor or similar statutes permitting Landlord or Tenant to terminate this Lease as a result of a taking.

14.2 **TOTAL TAKING**. In the event of a Taking of the entire Premises, this Lease shall terminate and expire as of the date possession is delivered to the condemning authority and Landlord and Tenant shall each be released from any liability under this Lease after the date of such termination, but Rent for the last month of Tenant's occupancy shall be prorated and Landlord shall refund to Tenant any Rent paid in advance.

14.3 **PARTIAL TAKING**. If there is a Taking of (a) more than twenty-five percent (25%) of the Floor Area of the Premises or, (b) a portion of the Premises and, regardless of the amount taken, the remainder of the Premises is not one (1) undivided parcel of property, then either Landlord or Tenant may terminate this Lease as of the date Tenant is required to vacate a portion of the Premises. The terminating party shall give Notice of the termination to the other party within thirty (30) days after Tenant receives Notice from Landlord of the Taking.

14.4 **AWARD**. The entire award in any such condemnation proceeding, whether for a total or partial Taking, or for diminution in the value of the leasehold or for the fee, shall belong to Landlord. Without diminishing the rights of Landlord under the preceding sentence, Tenant is entitled to recover from the condemning authority such compensation as may be separately awarded by the condemning authority to Tenant in its own right for the taking of trade fixtures and equipment owned by Tenant and for the expense of removing and relocating its trade fixtures and equipment, but only in the event that the compensation awarded to Tenant is in addition to and does not diminish the compensation awarded to Landlord as provided above.

14.5 **CONTINUATION OF LEASE**. If Landlord and Tenant elect not to terminate this Lease after a Taking (or have no right to so terminate) then as soon as reasonably possible Landlord shall, to the extent of available condemnation proceeds, restore the Premises on the remaining land to a complete unit of like quality and character as existed prior to the Taking and, thereafter, Base Rent shall be reduced on an equitable basis, taking into account the relative value of the portion of the Premises taken as compared to the portion remaining, and Landlord shall be entitled to receive the total award or compensation.

ARTICLE 15
DEFAULTS BY TENANT

15.1 **EVENTS OF DEFAULT**. Any of the following constitutes a material breach of this Lease by Tenant ("***Default***"): (i) Tenant fails to pay any monetary obligation for a period of five (5) days after Notice from Landlord; or (ii) Tenant fails to perform any other obligation of the Lease for more than a reasonable time (not exceeding ten (10) days) after Landlord delivers Notice to Tenant (unless the Default complained of, other than a Default for the payment of money, cannot be cured within such ten (10)-day period, then Tenant shall not be considered to be in Default of the Lease so long as it commences to cure the Default within such ten (10)-day period and thereafter diligently and continuously prosecutes the cure to completion); or (iii) Tenant vacates or abandons the Premises; or (iv) Tenant makes a general assignment for the benefit of creditors; or (v) the attachment or judicial seizure of substantially all of Tenant's assets located at the Premises or Tenant's interest in this Lease (where the seizure is not discharged within thirty (30) days); or (vi) Tenant or any Guarantor fails to pay its debts as they become due or admits in writing its inability to pay its debts, or makes a general assignment for the benefit of creditors; or (vii) any financial statements given to Landlord by Tenant, any assignee of Tenant, subtenant of Tenant, any Guarantor, or successor in interest of Tenant are intentionally false; or (viii) Tenant or any Guarantor of this Lease declares bankruptcy or is otherwise declared insolvent and in the case of the Guarantor, Tenant fails to provide to Landlord a Guarantee from a substitute guarantor which is acceptable to Landlord in its sole business judgment, taking into account Tenant's financial obligations under the Lease. In addition to all other rights or remedies of Landlord set forth in this Lease, if a Default occurs, Landlord shall have all rights available to Landlord as may be permitted from time to time by the Laws of the State of California, without further Notice or demand to Tenant. In addition, Landlord has the remedy described in California Civil Code Section 1951.4 (Landlord may continue this Lease in effect after Tenant's breach and abandonment and recover Rent as it becomes due, if Tenant has the right to sublet or assign, subject only to reasonable limitations). In any case in which Landlord re-enters and occupies the Premises, by unlawful detainer proceedings or otherwise, Landlord, at its option, may repair, alter, subdivide or change the character of the Premises as Landlord deems best, relet all or any part of the Premises and receive the rents therefor, and none of these actions shall constitute a termination of this Lease, a release of Tenant from any liability, or result in the release of any Guarantor. Landlord shall not be deemed to have terminated this Lease or the liability of Tenant to pay any Rent or other charges later becoming due by any re-entry of the Premises pursuant to this Section 15.1, or by any action in unlawful detainer or otherwise to obtain possession of the Premises, unless Landlord has first given Tenant Notice that it is terminating this Lease. Any Notice given by Landlord pursuant to this Section 15.1 shall be in lieu of, and not in addition to, any Notice required by Section 1161 of the California Code of Civil Procedure or superseding statute. Any payment of Rent into Landlord's lockbox following Landlord's delivery of Notice to Tenant pursuant to this Section 15.1 shall not constitute acceptance of Rent.

15.2 **TERMINATION OF LEASE**. If Landlord elects to terminate this Lease pursuant to the provisions of Section 15.1, damages shall include, without limitation, the remedy and measure of damages specified pursuant to California Civil Code Section 1951.2, which shall include the worth at the time of award of the amount by which the unpaid Rent for the balance of the Term after the time of award exceeds the amount of Rent loss Tenant proves could have been reasonably avoided.

15.3 **PERFORMANCE FEE**. Notwithstanding any other term or provision of this Lease, if after the delivery of Notice to Tenant and the expiration of any applicable cure period, Landlord performs work in lieu of or on behalf of Tenant or if Landlord pays any charges on behalf of Tenant, then in addition to the costs incurred by Landlord to perform such work or pay such charges, Tenant shall pay to Landlord a fee equal to fifteen percent (15%) of the amount so incurred by Landlord as reimbursement of Landlord's estimated costs of Landlord's actions.

ARTICLE 16
DEFAULTS BY LANDLORD

16.1 **LANDLORD'S LIABILITY**. If Landlord fails to perform any of the covenants, provisions or conditions it is required to perform under this Lease within thirty (30) days after Landlord receives Notice from Tenant (or if more than thirty (30) days is reasonably required because of the nature of the default, if Landlord fails to begin to cure the default within the thirty (30)-day period and thereafter fails to diligently prosecute such cure to completion), then Landlord shall be liable to Tenant for all damages sustained by Tenant as a direct result of Landlord's breach and Tenant shall not be entitled to terminate this Lease as a result thereof and Tenant shall have no right to offset or abate rent except to the extent this Lease specifically provides offset rights to Tenant. Tenant expressly understands and agrees that any judgment against Landlord resulting from any default or other claim under this Lease shall be satisfied only out of the net rents, profits and other income actually received by Landlord from the operation of the Shopping Center, and Tenant shall have no claim against Landlord (as Landlord is defined in Section 12.2) or any of Landlord's personal assets for satisfaction of any judgment with respect to this Lease. No officer, employee, advisor, trustee, director, beneficiary, shareholder, or manager of Landlord shall be liable for any liability under this Lease.

16.2 **CURE BY ASSIGNEE**. If any part of the Premises is at any time subject to a first deed of trust, and this Lease or the Rents due from Tenant hereunder are assigned by Landlord to a trustee or beneficiary under a deed of trust ("***Assignee***" for purposes of this Article 16 only) and Tenant is given Notice of the assignment, including the post office address of Assignee, then Tenant shall also give Notice of any default by Landlord to Assignee, specifying the default in reasonable detail and affording Assignee a reasonable opportunity to cure the default on behalf of Landlord.

ARTICLE 17
SUBORDINATION, ATTORNMENT AND TENANT'S CERTIFICATE

17.1 **SUBORDINATION**. This Lease is subject and subordinate to (a) the lien of any deed of trust or the interest of any lease in which Landlord is the lessee (and to all advances made or to be made upon the security of any of the foregoing), and (b) to matters of public record applicable to the Shopping Center, including any covenants, conditions, restrictions, easements and ground leases (the documents referred to in clauses (a) and (b), including amendments, are collectively referred to as the **"*Agreements*"**). Tenant agrees that it will not violate the terms of the Agreements. Tenant acknowledges that a beneficiary of a deed of trust or a lessor of Landlord may elect to cause the lien of the deed of trust or leasehold interest to be subordinate to this Lease. Subject to such election, if the Agreements are not of record on the Lease Date, then this Lease shall automatically become subordinate to the Agreements upon recordation so long as the Agreements do not prevent Tenant from using the Premises for the Permitted Use. Tenant agrees to execute and return to Landlord, within ten (10) days after Landlord delivers Notice, an agreement in recordable form subordinating this Lease to the Agreements in question. Tenant shall provide written consent to amendments to this Lease requested by the holder of a deed of trust or similar financing instrument encumbering Landlord's fee interest in the Premises which do not alter the economic terms of this Lease or materially diminish the rights or materially increase the obligations of Tenant, and Tenant shall not otherwise unreasonably withhold its consent to any such requested amendment.

17.2 **ATTORNMENT.** If any foreclosure proceedings are begun, or in the event of the exercise of the power of sale under any deed of trust encumbering the Premises, or should a lease in which Landlord is the lessee be terminated, then Tenant shall attorn to the purchaser or lessor under such lease upon any foreclosure, sale or lease termination and recognize the purchaser or lessor as the "Landlord" under this Lease, provided that the purchaser or lessor shall acquire the Premises subject to this Lease.

17.3 **TENANT'S CERTIFICATE**. Tenant agrees, upon ten (10)-days' Notice, to execute, and to cause all Guarantors to execute, and deliver to Landlord, a notarized statement in writing in substantially the form of Exhibit E or in such other form as may be required by Landlord's beneficiary under a deed of trust or the purchaser of Landlord's interest in the Shopping Center ("***Tenant's Certificate***").

ARTICLE 18
SECURITY DEPOSIT

Upon execution of this Lease, Tenant will pay Landlord the Security Deposit specified in Section 1.14. The Security Deposit will not bear interest and will be held by Landlord as security for Tenant's faithful performance of all of Tenant obligations under this Lease. If Landlord applies all or part of the Security Deposit to the payment of Rent or to any loss or damage to Landlord due to Tenant's Default, then within five (5) days after Notice, Tenant will deposit sufficient cash with Landlord to restore the Security Deposit to the amount originally deposited. If Tenant performs all of its obligations under this Lease, the Security Deposit or any remaining balance will be returned to Tenant within sixty (60) days after the expiration or earlier termination of this Lease. Tenant expressly waives any statutory right to the return of the Security Deposit earlier than said sixty (60)-day period and any and all rights it may have with respect to the Security Deposit under Section 1950.7(c) of the Civil Code of the State of California (or any similar, related or superseding provision of Law). Tenant waives the provisions of Section 1950.7 of the California Civil Code and all other provisions of law, now or hereafter in force, which provide that Landlord may claim from a security deposit only those sums reasonably necessary to remedy defaults in the payment of rent, to repair damage caused by Tenant or to clean the Premises, it being agreed that Landlord may claim all of Landlord's damages under this Lease and California law including, but not limited to, any damages accruing upon termination of this Lease under Section 1951.2 of the California Civil Code.

ARTICLE 19
QUIET ENJOYMENT

As long as Tenant pays all of the Rent and performs all of the other terms and conditions of this Lease, Tenant shall peaceably and quietly hold and enjoy the Premises free from disturbance by Landlord or anyone claiming by, through or under Landlord; subject, however, to the rights of the parties as set forth in this Lease.

ARTICLE 20
NOTICES

All notices, demands, requests, approvals and other communications under this Lease ("***Notice***") shall be in writing and shall be delivered to the intended party as provided herein. Any Notice with respect to an alleged Default or default by Landlord, exercise of options, Tenant's Certificate, requests for subordination and non-disturbance agreements, relocation notices and other material requests shall only by given by personal delivery or by recognized national courier or overnight delivery service (such as Federal Express or UPS). All other Notices may also be given by U.S. registered or certified mail- return receipt requested. All Notices shall be addressed as set forth in Section 1.18, or to such other address or addresses as either party may designate by Notice to the other in accordance with this Article 20. Notices which are personally delivered shall be deemed given upon actual delivery or refusal of acceptance. Notices delivered by recognized national courier or overnight delivery service or by U.S. registered or certified mail-return receipt requested shall be deemed delivered as of the date of delivery (or attempted delivery or rejection) established by the U.S. Post Office's return receipt or by the courier or overnight delivery service's proof of delivery, as the case may be, but in no event later than two (2) business days after deposit thereof in a U.S. Mail Post Box or with a courier or delivery service.

ARTICLE 21
MISCELLANEOUS

21.1 **GENERAL**. This Lease may be executed in one or more counterparts, each of which shall constitute an original and all of which shall be one and the same agreement. The parties agree to accept a digital image (including but not limited to an image in the form of a PDF, JPEG, GIF file, or other e-signature) of this Lease, if applicable, reflecting the execution of one or both of the parties, as a true and correct original. A waiver by a party of a breach of any provision of this Lease by the other party shall not be construed as a waiver of a later breach of the same provision. Except as limited by Article 16 or as specified to the contrary elsewhere in this Lease, the rights and remedies of the parties are cumulative and in addition to any rights and remedies not specified in this Lease. There are no other agreements or representations between the parties and this Lease supersedes and cancels any previous negotiations, representations, brochures, agreements and understandings, if any, between them. This Lease may not be amended except in writing signed by Landlord and Tenant. Where a term is defined in this Lease, as indicated by quotation marks and/or initial uppercase letters, that term shall have the defined meaning throughout this Lease, including any amendments and any addenda to this Lease. This Lease shall be governed by and construed in accordance with the Laws of the State of California and without regard to any conflicts of law principles. Landlord and Tenant agree to submit to the exclusive jurisdiction and venue of the courts located in the County of Orange, State of California with respect to any controversy, dispute, claim, action, litigation or similar proceeding arising under or related to this Lease. If any provision of this Lease or its application is found to be invalid or unenforceable, such determination shall not affect the other provisions of this Lease and they shall remain valid and enforceable. Except for the delivery of possession of the Premises to Tenant, time is of the essence of all provisions of this Lease. Tenant shall not record this Lease or any short form memorandum of this Lease. Any remedy available to Landlord pursuant to this Lease or otherwise shall survive the expiration or termination of this Lease.

21.2 **SUCCESSORS**. All of the rights and obligations of the parties under this Lease shall apply to (i) if an individual, their respective heirs, executors, administrators, and (ii) otherwise to their permitted concessionaires, successors, subtenants and assignees. If there is more than one (1) Tenant under this Lease, each shall be jointly and severally bound by all of the terms hereunder.

21.3 **BROKERS**. Each party represents to the other that there have been no brokers, finders or agents involved in this Lease and/or the negotiation of it except as specifically set forth in Section 1.17. Each party shall indemnify, defend and hold the other harmless from any claim for compensation, commission or charges by any broker, finder or agent resulting from any breach by such party of the foregoing representation. By the execution of this Lease, each of Landlord and Tenant hereby acknowledge and confirm (a) receipt of a copy of a Disclosure Regarding Real Estate Agency Relationship conforming to the requirements of California Civil Code 2079.16, and (b) the agency relationships specified in Sections 1.17(a) and 1.17(b) of the Basic Lease Provisions, which acknowledgement and confirmation is expressly made for the benefit of Tenant's Broker identified in Section 1.17(b) of the Basic Lease Provisions. If there is no Tenant's Broker so identified in Section 1.17(b) of the Basic Lease Provisions, then such acknowledgement and confirmation is expressly made for the benefit of the broker for the Landlord identified in Section 1.17(a) of the Basic Lease Provisions. By the execution of this Lease, Landlord and Tenant are executing the confirmation of the agency relationships set forth in Sections 1.17(a) and 1.17(b) of the Basic Lease Provisions.

21.4 **TRANSFER OF LANDLORD'S INTEREST**. If Landlord sells, exchanges or assigns this Lease (other than a conditional assignment as security for a loan), then it shall be relieved of all obligations accruing under this Lease from and after the date of transfer provided that Landlord's successor-in-interest assumes such obligations from and after such date. No holder of a deed of trust to which this Lease is subordinate shall be responsible for the Security Deposit unless the holder of such deed of trust actually receives the Security Deposit from Landlord.

21.5 **PAYMENT, LATE CHARGE AND SERVICE CHARGE.** Initial Rent charges and payments required under the Lease shall be paid as directed by Landlord. Thereafter, Tenant shall pay Rent to Landlord using the "Tenant Payment Portal" established pursuant to Section 1.18, or to such other portal, address and/or person as Landlord may from time to time identify to Tenant. No payment by Tenant or receipt by Landlord of a lesser amount than the Rent required by this Lease shall be deemed to be other than a partial payment on account of the earliest due stipulated Rent, nor shall any endorsement or statement on any check or letter be deemed an accord and satisfaction and Landlord shall accept the check or payment without prejudice to Landlord's right to recover the balance of the Rent or pursue any other remedy available to it. If Tenant fails to pay any Rent when due, (a) the unpaid amount shall bear interest at the prime interest rate charged by Wells Fargo Bank plus two (2) percentage points (but in no event to exceed the maximum lawful rate) (***"Interest Rate"***) from the date due until paid, and (b) Tenant shall pay to Landlord a late charge of Five Hundred Dollars ($500.00) for overdue Base Rent, and Two Hundred Fifty Dollars ($250.00) for overdue Percentage Rent and Additional Rent (***"Late Charge"***). In addition, in the event Tenant fails to submit any required documents, certificate, report, statement of Gross Sales, insurance policy or certificate as and when required in this Lease, Tenant shall pay to Landlord a

"Service Charge" in the amount of One Hundred Dollars ($100.00) for each week or portion thereof that said failure continues. Tenant agrees that any Late Charge or Service Charge payable hereunder shall constitute liquidated damages. Payment of a Late Charge or Service Charge shall be due on the same date that the next Rent payment is due using the "Tenant Payment Portal" established pursuant to Section 1.18. Except where another rate of interest is specifically provided for in this Lease, any amount due from either party to the other which is not paid when due, shall bear interest from the due date at the Interest Rate specified in this Section 21.5. If no specific time is set forth for the payment of any money under this Lease, then such payment shall be required within ten (10) days after receipt of Notice. In no event shall Tenant be entitled to any credit or offset specifically permitted by this Lease, if Tenant, at the time in question is in Default of any of its obligations under this Lease.

21.6 **LIENS**. Tenant shall pay all costs for work performed by it or on its behalf and shall keep the Premises and the Shopping Center free and clear of mechanics' liens or any other liens. Tenant shall give Landlord immediate Notice of any lien filed against the Premises or the Shopping Center as a result of any work performed by or on behalf of Tenant. Tenant shall immediately cause any lien to be discharged or removed of record by either paying the amount of the lien or recording a statutory lien release bond in an amount equal to one hundred twenty-five percent (125%) of the amount of the lien. If Tenant fails to do so, Landlord shall have the right, but not the obligation, in addition to all other rights and remedies available to Landlord, to either pay and discharge the lien, without regard to the validity thereof, or obtain and record a statutory lien release bond and to (a) collect from Tenant or (b) deduct from any amount payable by Landlord to Tenant under this Lease (i) all costs incurred by Landlord in paying and discharging such lien, or in obtaining the bond, and (ii) all expenses incurred by Landlord in connection with the lien, including attorneys' fees and costs, recording fees and administrative costs and expenses. Landlord shall have the right to enter upon the Premises to post notices of non-responsibility as provided in Section 8444 of the California Civil Code or any successor Law.

21.7 **INDEX**. As used in this Lease, the term "***Index***" means The United States Department of Labor, Bureau of Labor Statistics Consumer Price Index for Urban Wage Earners and Clerical Workers, Los Angeles-Riverside-Orange County, CA Average, Subgroup "All Items," (1982-1984 = 100). If at any time there shall not exist the Index in this format, Landlord shall substitute any official index published by the Bureau of Labor Statistics or successor or similar governmental agency as may then be in existence that shall, in Landlord's opinion, be most nearly equivalent thereto. The sum to be increased in accordance with the provisions of the Index shall be increased using the following formula: The sum shall be increased by a percentage equal to the percentage increase, if any, in the Index published for the "Comparison Month" (as defined below) over the Index published for the "Base Month" (as defined below); provided, however, in no event shall said sum be less than that which was due immediately preceding the date of adjustment. For purposes of making the foregoing adjustments, the "***Comparison Month***" shall be the month ninety (90) days prior to the date of adjustment in question, and the "***Base Month***" shall be the month which is twelve (12) months prior to the corresponding Comparison Month.

21.8 **ALTERATIONS AND IMPROVEMENTS**.

(a) After initially opening the Premises for business, without first obtaining the written approval of Landlord, Tenant shall not make or cause to be made to the Premises or the Tenant Utility Facilities any addition, renovation, alteration, reconstruction or change (collectively, "***Alterations***") which would result in any of the following: (i) cost in excess of Ten Thousand Dollars ($10,000.00) in the aggregate, (ii) involve structural changes or additions, (iii) affect the exterior storefront, mechanical systems, fire sprinkler systems, exterior walls, floors, ceilings or roof of the Premises, are visible from outside of the storefront or change the design or the design elements of the Premises as originally approved by Landlord as part of Tenant's Work, (iv) involve the erection of a mezzanine or an increase in the size of an existing mezzanine, (v) require or result in any penetration of the roof, demising walls or floor of the Premises or (vi) trigger any legal requirement upon Landlord to make any Alteration to the Shopping Center. In the event governmental approval, such as a building permit, is required in connection with any Alterations, then such Alterations shall be constructed in accordance with the provisions of Exhibit C. In such event, Tenant shall undertake the Design Approval Procedure specified in Part 3 of Exhibit C, provided, however, the initial date for delivery of the Preliminary Drawings shall not be fifteen (15) days from the Lease Date, but shall instead be fifteen (15) days prior to the date Tenant desires to commence the Alterations in question.

(b) Within ninety (90) days after the Commencement Date, Tenant shall submit to Landlord evidence of the book value of Tenant's leasehold improvements, excluding items removable by Tenant at the expiration of the Term pursuant to this Section 21.8 (to the extent said leasehold improvements were paid for by Tenant, as evidenced by invoices and proofs of payment).

21.9 **FORCE MAJEURE**. Any prevention, delay or stoppage due to strikes, lockouts, labor disputes, acts of God, inability to obtain labor or materials or reasonable substitutes therefor, governmental restrictions, regulations, or controls, judicial orders, enemy or hostile governmental action, civil commotion, terrorist activities, fire or other casualty, epidemic or pandemic, and other causes (except financial) beyond the reasonable control of the party obligated to perform, shall excuse the performance by that party for a period equal to the prevention, delay or stoppage, except the obligations imposed with regard to the payment of Rent to be paid by Tenant pursuant to this Lease; provided the affected party gives the other party Notice within thirty (30) days of the event causing the prevention, delay or stoppage. Notwithstanding anything to the contrary contained in this Section 21.9, in the event any work performed by Tenant or Tenant's contractor results in a strike, lockout and/or labor dispute, such action shall not excuse the performance by Tenant of the provisions of this Lease.

21.10 **TERMINATION AND HOLDING OVER**. This Lease shall terminate without further Notice upon the Expiration Date and Tenant shall have no right to thereafter extend or renew this Lease. Upon the Expiration Date, Tenant shall (i) peaceably and quietly surrender the Premises, including Tenant's Work and all Alterations, in a good and broom-clean condition , except for reasonable wear and tear and any damage to the Premises which Tenant is not required to repair under Article 13, and (ii) remove all of its exterior signage and trade fixtures, furniture, equipment and signs from the Premises to the extent they are not permanently affixed, and immediately repair any damage resulting from such removal so as to leave the Premises in the condition required by this Section 21.10. Notwithstanding the foregoing, at Landlord's option, Landlord may require Tenant to remove any Non-Conforming Improvements and repair any damage resulting from such removal. The term "***Non-Conforming Improvements***" means any special or unusual improvements or structures within the Premises, regardless of when constructed or installed by Tenant, that are not generally found at other retail stores in comparable shopping centers in Orange County, such as, by way of example and without limitation, unusual storefronts, alterations specific to Tenant's trade dress, stairways, elevators, escalators, dumbwaiters, built-in safes, built-in vaults, fountains, pools, and similar installations. Upon the removal of Tenant's exterior signage, Landlord shall have the right to restore the Building fascia to its original condition, or to cause Tenant to restore such Building fascia, in each case at Tenant's sole cost and expense. Should Tenant hold over beyond the Expiration Date, the Base Rent for the first sixty (60) days of such holdover period shall be one and one- half (1-1/2) times the Base Rent payable for the twelve (12)-month period immediately preceding the Expiration Date, and after the expiration of such first sixty (60) days, the Base Rent shall increase to two (2) times the Base Rent payable for the twelve (12)-month period immediately preceding the Expiration Date. As long as the parties are in good faith negotiating a renewal or extension of this Lease, or a relocation of the Premises within the Shopping Center, no increase in Base Rent shall take effect until sixty (60) days after the Expiration Date. If Tenant fails to surrender the Premises upon the Expiration Date, then Tenant shall indemnify, defend and hold Landlord harmless from any loss or liability which may accrue therefrom including any claims made by any succeeding tenant founded on or resulting from Tenant's failure to surrender. Acceptance by Landlord of any Base Rent, Percentage Rent or other charges after the Expiration Date shall not constitute consent to a holdover hereunder or result in a renewal of the Lease, and such occupancy by Tenant shall be deemed a month-to-month tenancy terminable by either party upon thirty (30) days' Notice to the other.

21.11 **ATTORNEYS' FEES AND PROCESSING CHARGES** If either party institutes an action or proceeding against the other party relating to the provisions of this Lease, then the non-prevailing party in such action or proceeding shall reimburse the prevailing party for its actual attorneys' fees, and all fees, costs and expenses (including any actual expert fees and court costs) incurred in connection with such action or proceeding, including any post-judgment fees, costs or expenses incurred on any appeal or in collection of any judgment. If Landlord prepares, reviews or executes any document relating to this Lease or the Premises at Tenant's request, Tenant agrees to pay to Landlord (i) a reasonable processing charge in accordance with the schedule of charges from time to time established by Landlord, and (ii) Landlord's reasonable attorneys' fees and expenses incurred in connection therewith. Landlord may, at its option, require the payment of all or a portion of such charges and/or fees in advance.

21.12 **WAIVER OF JURY TRIAL/JUDICIAL REFERENCE**.

(a) Landlord and Tenant each acknowledges that it is aware of and has had the advice of counsel of its choice with respect to its right to trial by jury, and each party does hereby expressly and knowingly waive and release all such rights to trial by jury in any action, proceeding or counterclaim brought by either party hereto against the other

(and/or against its officers, directors, employees, agents, or subsidiary or affiliated entities) on any matters whatsoever arising out of or in any way connected with this Lease, Tenant's use or occupancy of the Premises, and/or any claim of injury or damage.

(b) In the event that the jury waiver provisions of Section 21.12 (a) are not enforceable under California Law, then the provisions of this Section 21.12 (b) shall apply. Landlord and Tenant agree that any disputes arising in connection with this Lease (including but not limited to a determination of any and all of the issues in such dispute, whether of fact or of Law, and including any action where Tenant names as a party to any dispute an employee or agent of Landlord) shall be resolved (and a decision shall be rendered) by way of a general reference as provided for in Part 2, Title 8, Chapter 6 (§ 638 et. seq.) of the California Code of Civil Procedure, or any successor California statute governing resolution of disputes by a court appointed referee. Nothing within this Section 21.12 shall apply to an unlawful detainer action.

21.13 **INABILITY TO DELIVER POSSESSION OF THE PREMISES.** Notwithstanding anything to the contrary contained in this Lease, if for any reason not caused by Tenant Landlord is unable to deliver possession of the Premises to Tenant within twenty-four (24) months following the Lease Date, then either party may elect to terminate this Lease by giving thirty (30)-days' Notice of such election to the other party. If such Notice is given, this Lease and the rights and obligations of the parties hereunder shall cease and terminate without the need for the execution of any further documents but, if Landlord requests, Tenant shall execute a document in recordable form confirming the termination of this Lease and of Tenant's release and surrender of all right, title and interest in the Premises. If this Lease is terminated pursuant to this Section 21.13, neither party shall have any further liability regarding this Lease or its termination.

21.14 **CERTIFICATIONS BY TENANT**. Any reports, statements or other materials required to be certified by Tenant shall be certified by Tenant's Chief Financial Officer, Tenant's managing member or partner or by an independent certified public accountant.

21.15 **FLOOR AREA**. "***Floor Area,***" with respect to the Premises or any other leasable areas, means Landlord's estimate of the total number of square feet of ground floor area therein, measured from the exterior faces of all exterior walls, service corridors and fire walls, and from the center line of the common demising walls separating the Premises from other premises. No deduction shall be made for columns or interior construction or equipment. Landlord shall have the right during the Term to remeasure the Floor Area of the Premises for accuracy. If an error is found, Landlord shall so certify to Tenant and this Lease shall be amended to reflect the actual Floor Area and corresponding "Base Rent," "Breakpoint" and "Additional Rent" based on such actual Floor Area.

21.16 **NO LIABILITY.** In any case where Landlord's consent is required, Landlord shall have no liability for damages to Tenant or to any third party if it is adjudicated that Landlord's consent has been unreasonably withheld and such unreasonable withholding of consent constitutes a breach of this Lease or other duty to Tenant or any other person. In such event, Tenant's sole remedy shall be to have Landlord's consent be deemed given.

21.17 **RELOCATION**. Landlord shall have the right, upon at least ninety (90)-days' Notice to Tenant ("***Relocation Notice***"), to relocate Tenant to other premises ("***New Premises***") within the Shopping Center; subject, however, to the following terms and conditions: (a) The New Premises shall have approximately the same Floor Area as is contained in the Premises, (b) the New Premises shall be leased to Tenant on the same terms and conditions as provided in this Lease, except that there shall be a proportionate adjustment of Base Rent, Breakpoint and other charges based upon the Floor Area in the New Premises, (c) Landlord shall pay to Tenant, within thirty (30) days of the date Tenant initially opens for business in the New Premises, those expenses reasonably incurred by Tenant in connection with the relocation of Tenant's personal property; provided, however, Tenant has first provided Landlord with an itemized list of these expenses (accompanied with copies of invoices and proofs of payment of same), and (d) Landlord shall either perform and pay, or cause Tenant to perform and Landlord shall pay for all reasonable costs of the leasehold improvements to be constructed at the New Premises and such leasehold improvements shall be substantially similar to the leasehold improvements in the Premises. In its Relocation Notice, Landlord shall specify which party shall be responsible for construction of the leasehold improvements in the New Premises and set forth a timetable for completion of the leasehold improvements in the New Premises. If the New Premises is unacceptable to Tenant for any reason, Tenant shall have the right as its sole and exclusive remedy, upon Notice to Landlord to be given within thirty (30) days after the Relocation Notice, to terminate this Lease on thirty (30)-days' Notice. Landlord shall pay to Tenant, within sixty (60) days after said Notice and upon vacation of the Premises by Tenant, the unamortized book value of Tenant's leasehold improvements, excluding items removable by Tenant at the expiration of the Term pursuant to Section 21.10. For purposes of calculating the book value of Tenant's leasehold improvements, the amount of the Tenant Improvement Allowance, if any, shall be excluded

21.18 **REPRESENTATION REGARDING SDN STATUS.** Tenant represents to Landlord that Tenant, its officers, directors, employees, partners, members and/or other principals or owners of Tenant, and its guarantors of all or any portion of the Lease (collectively, " ***Tenant Parties***") are not listed as "Specially Designated Nationals and Blocked Persons" ("***SDN***") on the list of such persons and entities issued by the U.S. Department of the Treasury's Office of Foreign Assets Control ("***OFAC***"). In the event Tenant or any Tenant Party is or becomes listed as a SDN, Tenant shall be deemed in breach of this Lease and Landlord shall have the right to terminate this Lease immediately upon Notice to Tenant.

21.19 **ENTIRE AGREEMENT/LIMITATION OF ACTIONS** . It is understood that there are no oral or written representations, warranties or other agreements between the parties hereto affecting this Lease and this Lease supersedes and cancels any and all previous negotiations, arrangements, representations, brochures, agreements and understandings, if any, between Landlord and Tenant. Confirming the understandings and agreements described in this Section 21.19, Tenant agrees to execute and deliver to Landlord Tenant's Estoppel in the form and content of Exhibit H attached hereto ("***Tenant's Estoppel***") concurrently with Tenant's execution and delivery of this Lease. Any claim, demand, cause of action or defense of any kind by Tenant which is based on or arises in connection with, the negotiations prior to the execution of this Lease, or any asserted statement, representation, arrangement, agreement or understanding between Landlord and Tenant which is not expressly stated in this Lease shall be barred unless Tenant commences an action thereon, or interposes in a legal proceeding a defense based thereon, within six (6) months after the date of the asserted inaction or omission, or the date of the occurrence of the event or action to which the claim, demand, cause of action or defense relates, whichever applies.

21.20 **LIQUIDATED DAMAGES**. With regard to any Section of this Lease having a specific remedy that is stated to constitute liquidated damages, then Landlord and Tenant acknowledge and agree that, with regard to event giving rise to such remedy: (i) Landlord's damages would be impracticable and extremely difficult to quantify; (ii) the specified remedy is a reasonable estimate of the detriment that Landlord would suffer as a result thereof; (iii) the specified remedy is intended to constitute liquidated damages to Landlord pursuant to Sections 1671 and 1951.5 of the California Civil Code; and (iv) the specified remedy shall not excuse Tenant from such event nor deprive Landlord of the other remedies it may have hereunder or at Law or in equity by reason of such event.

21.21 **PROP 65 DISCLOSURE.** Under the California Safe Drinking Water and Toxic Enforcement Act of 1986 ("Proposition 65"), Landlord is required to warn Tenant of exposures to chemicals known to the State of California to cause cancer and birth defects or other reproductive harm that can occur at the property.

⚠**WARNING:** Entering this area can expose you to chemicals known to the State of California to cause cancer and birth defects or other reproductive harm, including formaldehyde and toluene, from building materials containing urea-formaldehyde resins, such as insulation, pressed wood materials, finishes, or adhesives, and from cleaning solvents. For more information go to www.P65Warnings.ca.gov.

Tenant shall bear responsibility for communicating Proposition 65 warnings for occupational exposures to its employees. Tenant shall bear responsibility for providing any and all consumer product exposure warnings and environmental exposure warnings related to The Premises and any products used or sold therein.

21.22 **DISCLOSURE/CITY OF IRVINE OCCUPANCY DISCLOSURE FORM.** Property in Southern California is subject to earthquake hazards of varying degrees depending on the nature, proximity and activity of nearby earthquake faults. Property within Woodbury has the potential for strong underground shaking due to fault activity, as

do many other areas of California. Various earthquake faults run through and under the San Joaquin Hills area where Woodbury is located. The Newport/Inglewood Fault Zone, which is identified on State maps as an active fault zone, is located within the Pacific Ocean approximately one (1) to one and one-half (1.5) miles offshore. Pursuant to the City of Irvine master plan approval conditions applicable to the Shopping Center, Landlord is required to provide Tenant with a City of Irvine Occupancy Disclosure form for the Shopping Center. Tenant acknowledges receipt of such form.

21.23 **GAS STATION DISCLOSURE.** The service station located at the shopping center has experienced a release of gasoline from its underground storage tanks. Site soils and groundwater underlying the Premises have been impacted. The Orange County Health Care Agency and Santa Ana Region Water Quality Control Board are overseeing site assessment. The Irvine Company is unaware of any practical impediment to the use or occupancy of the Premises resulting from the discharge of petroleum products at the service station site.

21.24 **ASBESTOS NOTIFICATION.** The Shopping Center where the Premises are located may contain asbestos- containing building materials. Generally, asbestos does not pose any health hazard as long as it remains intact. However, asbestos fibers can be released into air when building materials containing asbestos are damaged or disturbed. A range of building materials may contain asbestos, including but not limited to: (1) sprayed or textured ceilings and walls; (2) stucco, plaster or drywall; (3) insulation on structural steel, boiler or hot water tanks; (4) insulation around furnaces or heating and air conditioning ducts; and (5) tile and sheet flooring, including linoleum or vinyl. Landlord consent is required prior to beginning any specified improvement, alteration, renovation or remodeling activities within the Premises as provided for in the Lease. Any such activities must also be undertaken by the Tenant in compliance with all applicable legal requirements, including those relating to asbestos. A range of building materials containing asbestos in the Premises was evaluated by an independent consultant, and accordingly, The Irvine Company does not warrant or guarantee the survey results. A full copy of the survey for the Shopping Center and Premises is available upon request.

(SIGNATURES ON NEXT PAGE)

IN WITNESS WHEREOF, Landlord and Tenant have duly executed this Lease on the day and year first above written.

LANDLORD:

IRVINE ORCHARD HILLS RETAIL LLC
a Delaware limited liability company

By: DocuSigned by: Jennifer Ciccone 1E889EAC1ABC401...
Name: Jennifer J. Ciccone
Title: Senior Vice President, Operations

DS LR

By: DocuSigned by: Christopher Forwood 698F6759CB5842E...
Name: Christopher R. Forwood
Title: Assistant Secretary

TENANT:

YOSHIHARU IRVINE,
a California corporation

By: DocuSigned by: James Chae A805B3CB4B204AD...
Name: James Chae
Title: President

If Tenant is a corporation, limited liability company, partnership or other entity, or is comprised of any of them, each individual executing this Lease for such entity represents that he or she is duly authorized to execute and deliver this Lease on behalf of such entity and that this Lease is binding upon such entity in accordance with its terms.

EXHIBIT A

SHOPPING CENTER SITE PLAN

This drawing is a general representation only and may not accurately reflect the status of building improvements on the Shopping Center or be a full depiction of the entire Shopping Center.

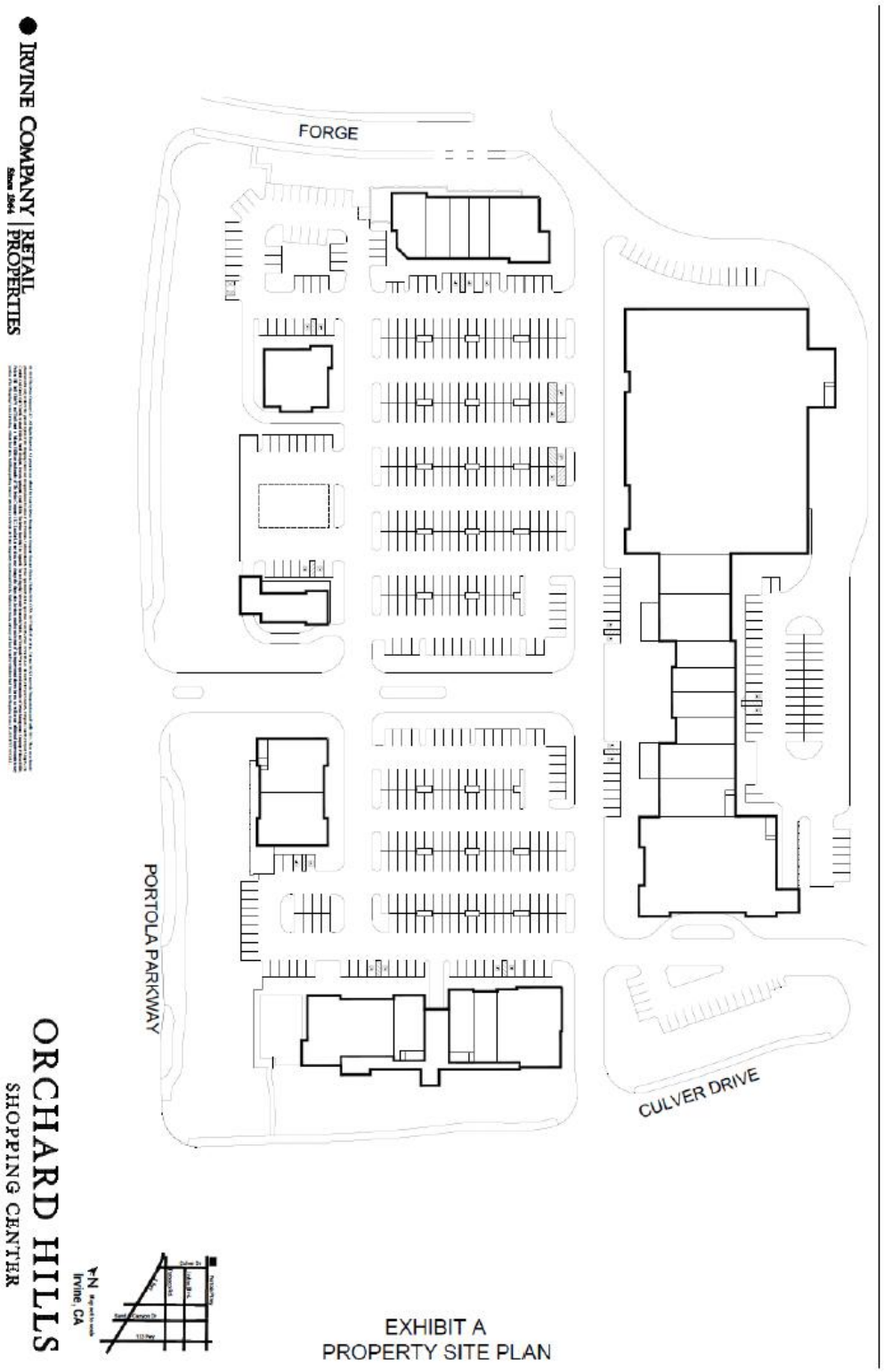


EXHIBIT B

PREMISES SITE PLAN

This drawing is a general representation of the proposed Premises and should not be relied upon for the preparation of plans and specifications. Tenant and/or its representatives should field verify all measurements.

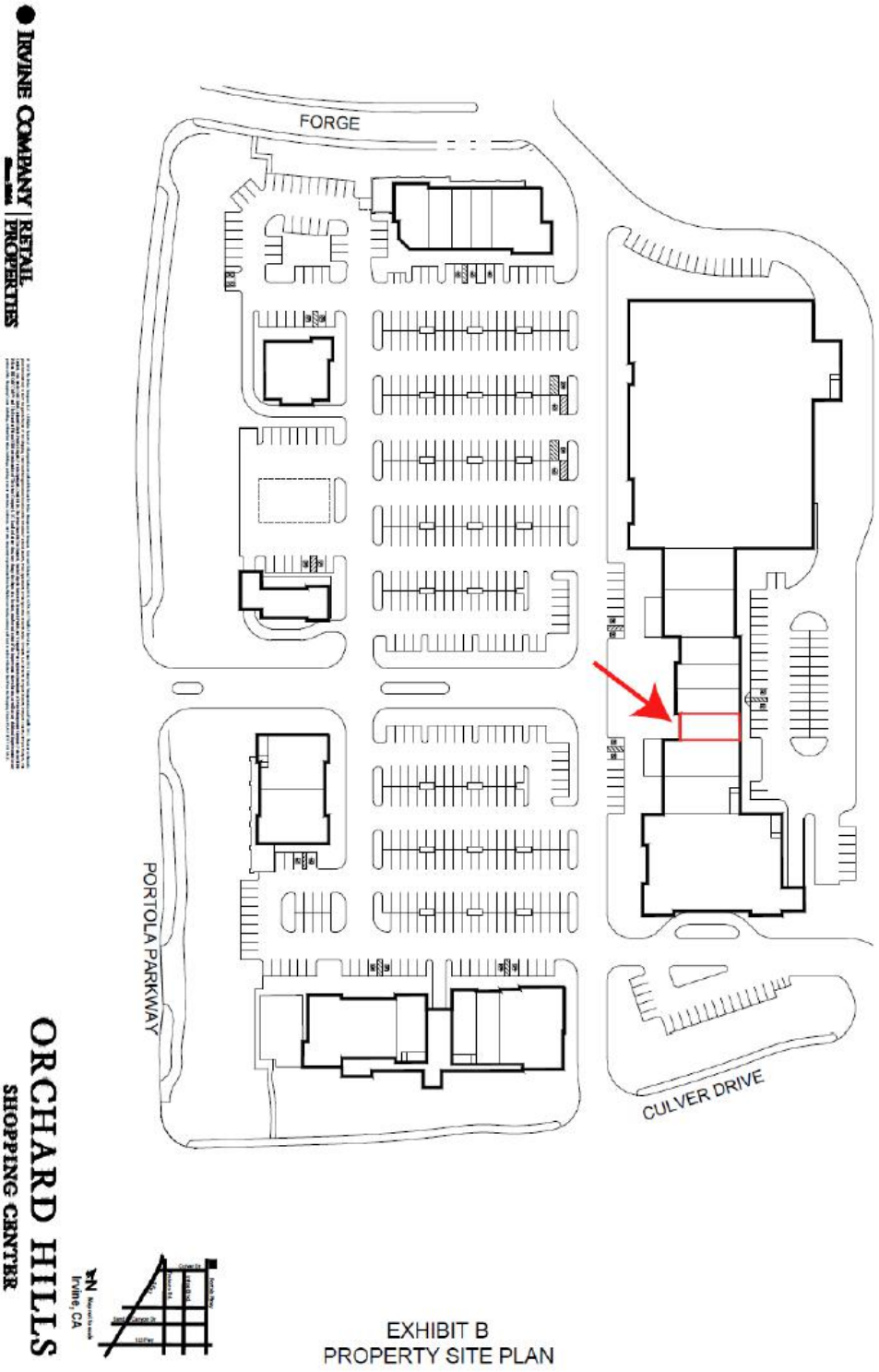


EXHIBIT C

CONSTRUCTION PROVISIONS

1. CONDITION OF PREMISES

The Premises has been previously improved and is leased to Tenant by Landlord on an "AS IS" basis. No further obligation of Landlord exists with respect to construction within or about the Premises. Tenant shall design, obtain permits for and complete construction of Tenant's Work during the 150-day period following the Delivery Notice as described in Section 1.7 of the Lease (the ***"Build-Out Period"***).

Notwithstanding the fact that the Build-Out Period commences on the date of the Delivery Notice to Tenant, Landlord shall have no obligation to deliver exclusive physical possession of the Premises to Tenant until Tenant has satisfied all of the following requirements (***"Delivery Requirements"***): (i) delivered to Landlord evidence of the insurance coverage required by Exhibit F; (ii) paid all amounts then due under the Lease; and (iii) delivered to Landlord a copy of the building permit(s) for the

construction of Tenant's Work. In no event shall Tenant's failure to meet the Delivery Requirements extend the Build-Out Period, and Tenant may be denied access to the Premises until such time that Delivery Requirements (i) and (ii) have been met. Prior to the commencement of Tenant's Work, Tenant must (a) obtain Landlord's approval of the Final Plans (as defined in this Exhibit C), and (b) obtain all government permits and approvals required to perform Tenant's Work.

2. TENANT'S WORK

Tenant, having accepted the Premises as outlined in Part 1 of this Exhibit C, shall perform, at its sole cost and expense, all further work ("***Tenant's Work***") required by Landlord to remodel and build-out the Premises to a first-class condition. All improvements constructed at the Premises as part of Tenant's Work shall be: (i) uniform in finish and materials; (ii) conform in all respects to Landlord's "Tenant Design Criteria", all applicable Laws, and the "Final Plans" (as hereinafter defined); and (iii) performed in accordance with the provisions of this Exhibit C. Tenant's build-out of the Premises shall include installation of all furniture, fixtures and equipment required to conform with Permitted Use set forth in Section 1.10 of the Lease and shall include, without limitation, new floor finishes and wall finishes, a new ceiling, and the installation of high quality new fixtures, counters, display and/or merchandising racks. The build-out should be designed, furnished and decorated to a central theme consistent with the Permitted Use, and the quality of the build-out shall meet or exceed the build-out of Tenant's latest prototype. Nothing contained herein shall require Landlord to allow or approve specific materials or finishes used in other store locations and Landlord reserves the right to disapprove specific designs, materials and finishes deemed inconsistent with the objectives of the Tenant Design Criteria provided to Tenant at Tenant's request. Detailed requirements of certain portions of Tenant's Work are set forth in Schedule 2 attached to this Exhibit C.

3. DESIGN APPROVAL PROCEDURE

(a) Preliminary Drawings:

(i) Due to the special nature of the Shopping Center, before Tenant's architect prepares and submits any "Preliminary Drawings" (defined in subparagraph (ii) below) to Landlord, Tenant's architect shall perform a field inspection of the conditions on-site and in and around the Premises. Preliminary Drawings and Final Drawings shall be prepared in accordance with the as-built condition of Landlord's building shell.

(ii) Within fifteen (15) days from the Lease Date, Tenant shall submit to Landlord's representative CD-ROM with tenant plans in single pdf file format (pdf file to be "to- scale" / full size set) showing intended design character and finishes of the Premises ("***Preliminary Drawings***"). The Preliminary Drawings shall meet the requirements set forth in Schedule 3 attached to this Exhibit C. Once approval on the Preliminary Drawings has occurred pursuant to the procedures hereinafter described, Tenant shall promptly commence preparation of the "Final Working Drawings" in accordance with Section 3(b) below.

(iii) Within fifteen (15) days after Landlord receives the Preliminary Drawings, Landlord's representative will either approve the Preliminary Drawings or return to Tenant's architect/designer one (1) set of prints of the Preliminary Drawings, marked either "Approved as Noted" or annotated with any required modifications.

(iv) Subject to clauses (v), (vi) and (vii) immediately hereafter, if Landlord returns the Preliminary Drawings to Tenant "Approved as Noted," Tenant's architect shall incorporate Landlord's modifications into the Final Working Drawings.

(v) If Landlord returns the Preliminary Drawings to Tenant with required modifications, Tenant may object to such modifications by delivering Notice to Landlord within ten (10) days after Tenant's architect/designer receives the required modifications. Unless Tenant delivers such Notice to Landlord, Tenant will be deemed to have accepted and approved all modifications.

(vi) If Landlord returns the Preliminary Drawings to Tenant with required modifications and Tenant does not deliver Notice of object to such modifications as provided above, Tenant shall revise the Preliminary Drawings and resubmit them to Landlord for approval within ten (10) days after Tenant's architect/designer receives notice of the modifications.

(vii) If Tenant delivers Notice of its objection to any required modifications as provided above, Landlord will discuss the objections with Tenant and will work with Tenant to achieve Final Working Drawings that are acceptable to Landlord. If Tenant and Landlord are unable to agree on Preliminary Drawings, Landlord may terminate this Lease.

(b) Final Working Drawings:

(i) Tenant must engage an architect licensed in the State of California for the purpose of preparing the Final Working Drawings. Final Working Drawings must adhere to the approved Preliminary Drawings and shall meet the requirements set forth in Schedule 3 attached to this Exhibit C.

(ii) Tenant shall submit Final Working Drawings on CD-ROM with tenant plans in single pdf file format for review (pdf file to be "to-scale" / full size set) to Landlord's representative for approval within thirty (30) days after approval of the Preliminary Drawings. Final Working Drawings with incomplete or inadequate information or dimensional discrepancies will be rejected.

(iii) Within fifteen (15) days after Landlord receives the Final Working Drawings, Landlord's representative will either approve such drawings or return to Tenant's architect/designer one (1) set of prints of the Final Working Drawings, marked with any comments and/or required modifications.

(iv) If Tenant objects to any comments and/or required modifications, Tenant shall deliver Notice of such objection to Landlord within ten (10) days after the date Tenant's architect/designer receives Landlord's comments and/or modifications, as applicable. Unless Tenant delivers such Notice, Tenant will be deemed to have accepted and approved the comments and/or modifications provided by Landlord.

(v) If Landlord returns the Final Working Drawings to Tenant with comments and/or required modifications and Tenant does not timely object as provided above, Tenant must revise the Final Working Drawings and resubmit them to Landlord for approval within fifteen (15) days after the date Tenant's architect/designer receives Landlord's comments and/or required modifications.

(vi) If Tenant properly objects to any comments and/or required modifications as provided above, Landlord will discuss the objections with Tenant and will work with Tenant to achieve Final Working Drawings that are acceptable to Landlord. If Tenant and Landlord are unable to agree on Final Working Drawings, Landlord may terminate this Lease.

(vii) Once approved, Landlord will stamp "Approved Final Working Drawings" and return them to Tenant's architect/designer who made the submittal.

(c) Final Plans: The approved Final Working Drawings will be considered the "Final Plans." Tenant agrees to deliver to Landlord a complete CD-ROM containing the computer assisted drawings of the Final Plans.

(d) Failure to Submit Plans: If Tenant fails to submit Preliminary Drawings or Final Working Drawings or revisions to them as and when required, the Build-Out Period for construction of the Premises as set forth in this Lease as time to complete Tenant's Work will be reduced by the total number of days equal to the number of days the Preliminary Drawings or Final Working Drawings or the revisions thereto were delivered after they were required to be delivered.

(e) Building Code Compliance and Non-responsibility of Landlord: Landlord will not check Tenant's drawings for building code compliance. All Tenant drawings shall, however, be subject an engineering and safety review by Landlord to assess the potential safety impact of Tenant's Work on other portions of the Shopping Center (the "***Engineering and Safety Review***"), which review may include, without limitation, the examination of (A) any penetrations through the roof or other structural elements of the Premises, (B) the transition points from the Common Areas to the Premises, and (C) any flooring, common walls or similar surfaces which may constitute a potential for leakage into other portions of the Shopping Center. Landlord's approval of Final Working Drawings is not a representation that the drawings are in compliance with the requirements of governmental authorities, and it shall be Tenant's responsibility to (i) meet and comply with all Federal, state and local code requirements, (ii) secure issuance of a building permit (and all other necessary permits) required in connection with Tenant's Work, and (iii) pay for all fees assessed in connection with the permits. Landlord's approval of Final Working Drawings does not constitute Landlord's assumption of responsibility for their accuracy, sufficiency or efficiency and Tenant shall be totally responsible for such matters.

(f) Design Fees: Tenant shall pay all of Tenant's design fees (including, without limitation, Tenant's architect and sign designer).

(g) Changes to Landlord's Construction: If in connection with the performance of Tenant's Work or otherwise Tenant desires to make any changes to the shell building construction or otherwise shown on Landlord's plans, Tenant shall first submit to Landlord for Landlord's review and approval plans and specifications as appropriate for the desired change prepared by Tenant's architect and, if applicable, Tenant's engineer. Tenant shall reimburse Landlord for all construction costs incurred by Landlord in connection with such change request, along with all necessary and reasonable architect's, engineer's and other consultants' fees incurred by Landlord in connection with the review of any such plans and specifications within thirty (30) days after Landlord delivers to Tenant of an invoice therefor. Landlord may condition its review of any such changes on Tenant's agreement in writing to pay the estimated or, if known, actual reimbursement amount.

4. CONSTRUCTION OF PREMISES

(a) Commencement of Construction: Tenant shall commence construction of Tenant's Work in accordance with the provisions of this Lease and shall carry such construction to completion with all due diligence. Before Tenant commences construction, Tenant shall submit to Landlord evidence reasonably satisfactory to Landlord of Tenant's (and Tenant's contractor's) compliance with the insurance requirements set forth in Exhibit F attached to the Lease. Tenant understands and agrees that if Tenant will not be able to complete Tenant's Work such that the Premises will be open for business to the public fully fixturized and stocked with merchandise on or before November 15, Landlord may require that Tenant may not commence any construction activities on or about the Premises until after January 1 (the "***Black-Out Period***"); provided, however, Tenant may commence and/or continue Tenant's Work in and to the Premises during the Black-Out Period, subject to Tenant's compliance with Landlord's customary noise and/or life safety rules (as such rules may be modified to address any issues that may arise in connection with Tenant's work within the Premises during the Black-Out Period) and the Tenant Criteria and construction guidelines previously delivered to Tenant, and further provided that all such activities are contained inside the Premises.

(b) General Requirements:

(i) All construction on the Premises must be in conformity to the Final Plans. The improvements may be inspected by Landlord or its architect who shall have the right to correct all work which does not comply with the Final Plans, at Tenant's cost, or to require Tenant to correct all such work. Construction may not begin until Final Plans are at the job site. No changes, modifications or alterations to the Final Plans may be made without the written consent of Landlord. Tenant at all times shall maintain at the Premises the Final Plans approved by the local governing agencies and Landlord, together with all inspection cards for Tenant's Work.

(ii) Tenant's contractor shall comply with all rules, regulations and applicable fees as described in the Tenant Design Criteria and Tenant Contractor Guidelines (collectively, the "***Guidelines***") provided to Tenant at Tenant's request.

(iii) Tenant shall engage only contractors who are bondable, licensed contractors (licensed in the state of California), possessing good labor relations, capable of performing quality workmanship and working in harmony with Landlord and other contractors on the job. All work shall be coordinated with other Shopping Center work.

(iv) Tenant shall perform or cause to be performed Tenant's Work in compliance in all respects with all applicable Federal, state, county and city Laws. Without limiting the foregoing, Tenant acknowledges that it and its contractors, agents and employees shall comply with all Air Quality Laws, Water Quality Laws, drainage and Hazardous Materials Laws set forth in Section 8.3 of the Lease.

(v) Tenant shall incorporate, in the performance of Tenant's Work, best industry standards, techniques and technology to prevent and control conditions that could reasonably be expected to cause water intrusion or water damage within the Premises, including without limitation, observed or suspected instances of water intrusion or water damage ("***Water Intrusion Conditions***") at, in, or on the Premises, and will comply with Landlord's construction standards and requirements to prevent and control Water Intrusion Conditions at, in, or on the Premises.

(vi) All required permits, approvals, licenses, authorizations and other permits in connection with the construction and completion of the Premises including, without limitation, building permits and conditional use permits, shall be obtained and all fees (both one- time and recurring) required in connection with the construction and completion of the Premises shall be paid for by Tenant.

(vii) Tenant shall apply and pay for all utility services including, but not limited to, temporary utilities.

(viii) Tenant shall cause its contractor to provide warranties for not less than one (1) year against defects in workmanship, materials and equipment, commencing upon Landlord's acceptance of Tenant's Work.

(ix) Tenant acknowledges that Tenant's Work shall be subject to (1) Landlord's inspection and approval to confirm that Tenant's Work complies with the Final Plans, and (2) any requirement established by the Engineering and Safety Review. Any such inspection, approval or review shall not constitute an approval of architectural or engineering design, a review to determine the structural safety of Tenant's Work or Tenant's compliance with any building codes or other legal requirements, or otherwise constitute any assumption of liability or responsibility by Landlord or its agents or contractors. Tenant expressly acknowledges that no such inspection, approval or review shall in any way limit the obligations of Tenant or the rights of Landlord under this Lease, and, without limitation on the foregoing, Tenant's obligations under that provision in the Lease regarding indemnity of this Lease shall apply to any claims (as more fully indicated in such indemnity provision) arising or alleged to have arisen in connection with the Premises, Tenant's Work or the safety or structural integrity thereof. Tenant shall, at its sole cost and expense, perform any corrective measures required by Landlord or its agents or contractors in connection with any such inspection, approval or review.

(x) Tenant shall have a superintendent from its general contractor's office on site during all Tenant's Work and fixturing work. Tenant's general contractor's superintendent or other responsible representative shall be on the job-site to receive all deliveries of materials, fixtures or merchandise. Landlord reserves the right to turn away any delivery arriving at the job-site if Tenant's general contractor's superintendent or other responsible representative is not present. Tenant shall stage its construction equipment and materials only in the staging area designated for such purpose by Landlord.

(xi) Tenant shall cause its general contractor and subcontractors during the construction of Tenant's Work to maintain the Premises and the job-site in a clean condition and to provide daily removal, cleanup and proper disposal of all trash, rubbish, refuse and construction debris and spoils generated by Tenant's general contractor and subcontractors in dumpsters and other appropriate facilities, and not by depositing any such trash, refuse and construction debris and spoils within other tenant spaces or the job- site common areas.

(xii) Tenant shall at all times cause its general contractor and subcontractors to comply with the requirements of Landlord's general contractor and/or on-site construction manager with respect to protection of Landlord's construction work in the Shopping Center which has been completed or is in progress, including paths of access within the Shopping Center for construction materials, equipment and labor, and coordination of sequencing of work. Tenant shall be responsible for any and all damage done by Tenant's general contractor and/or subcontractors to any of Landlord's buildings, other tenant premises, or the Shopping Center Common Areas.

(xiii) Tenant's general contractor shall provide its own temporary toilets within the Premises or in an area designated by Landlord. Any temporary toilets located by Tenant or Tenant's general contractor or subcontractors other than in areas designated by Landlord may be removed at Tenant's expense. Temporary toilets placed on-site by Landlord's general contractor shall not be available for use by Tenant's general contractor, subcontractors or other personnel.

(xiv) Tenant shall arrange and pay for its own temporary power and telephone services from locations designated by Landlord. Existing on-site telephones shall not be available for use by Tenant's general contractor, subcontractors or other personnel. If Tenant or Tenant's general contractor or subcontractors use Landlord's temporary power, Tenant shall pay Landlord and/or Landlord's general contractor a reasonable fee for such use as set forth in the Guidelines.

(xv) Tenant and/or Tenant's general contractor shall provide all security deemed necessary by Tenant to protect Tenant's Work, including furniture, fixtures and inventory, during the conduct of Tenant's Work. Neither Landlord nor Landlord's general contractor shall provide nor be responsible for any such security or protection.

(c) Landlord's Right to Perform Work: Landlord shall have the right, but not the obligation, to perform on behalf of and for the account of Tenant, any and all of Tenant's Work which Landlord determines, in its sole discretion, should be performed immediately and on an emergency basis for the best interest of the Shopping Center, including, without limitation, work which pertains to structural components, mechanical, sprinkler and general utility systems, fire alarm systems, roofing and removal of unduly accumulated construction materials and debris. Tenant shall reimburse Landlord for all costs incurred by Landlord in the exercise of such right.

(d) Notice of Completion: Within ten (10) days after the completion of Tenant's Work, Tenant shall deliver to Landlord a copy of a recorded Notice of Completion, executed by Tenant and Tenant's general contractor, prepared in accordance with statutory requirements and otherwise in a form reasonably acceptable to Landlord ("***Notice of Completion***").

(e) As-Built Drawings: Within thirty (30) days after the completion of Tenant's Work, Tenant, at its expense, shall prepare a complete set of the Final Plans marked "As-Built Drawings" which fully indicate Tenant's Work as constructed ("***As-Built Drawings***"). Tenant to provide As-Built Drawing in two formats on CD-ROM to Landlord: (1) Tenant plans in single pdf file format (pdf file to be "to-scale" / full size set), and (2) Tenant plans in Auto CAD format (.dwg file to be "to- scale"/full size set).

5. CONSTRUCTION DEPOSIT

Tenant's contractors shall pay to Landlord as a construction security deposit and a signage security deposit (collectively, "***Construction Deposit***") the amount specified in Lease Section 1.20 to cover (A) the cost to repair any and all damage done by Tenant's general contractor and/or subcontractors and/or signage vendor/contractor to any of Landlord's buildings, other tenant premises, or the Shopping Center Common Areas (including repatching and repainting) to the extent not repaired by Tenant or Tenant's contractor and/or signage vendor/contractor, and (B) any costs incurred by Landlord to clean up the job-site and/or adjacent tenant spaces due to the failure of Tenant's general contractor and subcontractors and/or signage vendor/contractor to comply with the maintenance requirements set forth in this Exhibit C (or Tenant's proportionate share of such costs, which Landlord shall determine as a flat per-square-foot rate based on the Floor Area of the Premises). If Landlord incurs any such costs as described in the preceding sentence, Landlord shall deduct the amount thereof from the Construction Deposit. If the amount of such costs exceeds the Construction Deposit, Tenant shall promptly reimburse Landlord the excess amount upon receipt of an invoice reasonably detailing such costs. Landlord will return any unused Construction Deposit to Tenant's contractor and/or signage vendor/contractor, as applicable within thirty (30) days after Landlord has confirmed the satisfactory completion of Tenant's Work.

6. CONSTRUCTION BARRICADE

Landlord shall construct a barricade enclosing Tenant's Premises from the Common Area during Tenant's construction and install signage and graphics advertising Tenant's forthcoming opening thereon. All such work shall be done at Tenant's expense. Within five (5) business days after Landlord's delivery of an invoice to Tenant, Tenant shall pay Landlord (a) the cost of the barricade calculated at Eighty-Five Dollars ($85.00) per lineal foot, (b) the cost of signage and graphics, and (c) an administration fee equal to fifteen percent (15%) of the amounts described in (a) and (b) above.

7. CALIFORNIA CERTIFIED ACCESS SPECIALIST INSPECTION

Pursuant to California Civil Code § 1938, Landlord hereby states that the Premises have not undergone inspection by a Certified Access Specialist (CASp) (defined in California Civil Code § 55.52(a)(3)). Pursuant to Section 1938 of the California Civil Code, Landlord hereby provides the following notification to Tenant: "A Certified Access Specialist (CASp) can inspect the subject premises and determine whether the subject premises comply with all of the applicable construction-related accessibility standards under state law. Although state law does not require a CASp inspection of the subject premises, the commercial property owner or lessor may not prohibit the lessee or tenant from obtaining a CASp inspection of the subject premises for the occupancy or potential occupancy of the lessee or tenant, if requested by the lessee or tenant. The parties shall mutually agree on the arrangements for the time and manner of the CASp inspection, the payment of the fee for the CASp inspection, and the cost of making any repairs necessary to correct violations of construction related accessibility standards within the premises." If Tenant requests to perform a CASp inspection of the Premises, Tenant shall, at its cost, retain a CASp approved by Landlord (provided that Landlord may designate the CASp, at Landlord's option) to perform the inspection of the Premises at a time agreed upon by the parties. Tenant shall provide Landlord with a copy of any report or certificate issued by the CASp (the "***CASp Report***") and Tenant shall, at its cost, promptly complete any modifications necessary to correct violations of construction related accessibility standards identified in the CASp Report, which modifications will be completed as part of Tenant's Work or as an Alteration, as applicable, notwithstanding anything to the contrary in this Lease. Tenant agrees to keep the information in the CASp Report confidential except as necessary for the Tenant to complete such modifications.

SCHEDULE 1 TO EXHIBIT C

INTENTIONALLY OMITTED

SCHEDULE 2 TO EXHIBIT C

DESCRIPTION OF TENANT'S WORK

Tenant shall perform all of Tenant's Work described in this Schedule, and shall provide all equipment, construction and engineering costs in connection with Tenant's Work described in this Schedule, at Tenant's sole cost and expense.

(a) Floors: Tenant shall provide all floor coverings in the Premises. Concentrated dead loads are not allowed without specific prior written approval of Landlord. Floor and/or wall penetrations may require prior review and x- rays, the cost of which Tenant shall pay. Tenant shall not make any penetrations into or through any shell building walls, floors and/or structural grade beams without Landlord's prior written approval. Tenant must perform all floor slab and shell building wall reinstatement work in strict accordance with Landlord's specifications.

(b) Walls: Tenant shall provide fire-rated gypsum wall board to attain a one-hour separation, or as per code, on all stud framed, perimeter and demising partitions from the finish floor slab to the underside of the roof structure, sealed tight. Tenant shall provide all interior partitions and wall coverings in the Premises.

(c) Ceiling: Tenant shall provide the ceiling in the Premises and any necessary catwalks or access panels.

(d) Electrical: Tenant shall provide all electrical work, equipment, fixtures and services for the Premises. Landlord shall provide a point of connection for temporary power for Tenant's construction. Tenant shall be responsible for extension of temporary utilities from Landlord's point of connection to the Premises, and all temporary utility consumption during Tenant's construction.

(e) HVAC: Tenant shall distribute all HVAC within the Premises. All distribution, including duct work, electrical, thermostatic control, life safety system wiring and piping, shall be within the Premises. Tenant shall (i) connect electrical power to HVAC units and provide connections to the Tenant electrical panel; and (ii) condensate drain lines and connections to building system.

(f) Plumbing: Tenant shall provide all plumbing for the Premises, including all extensions and increases in sewer, grease and/or water lines serving the Premises beyond those provided by Landlord. Tenant shall perform all concrete slab reinstatement work pursuant to Landlord's specifications. When provided by Landlord, Tenant shall make all necessary plumbing vent connections to Landlord's common vent line within the Premises. No penetrations of the foundation shall be made for plumbing lines without Landlord's prior written approval.

(g) Gas: Tenant shall be responsible for distribution from the centrally located manifold, if existing, of all gas service to and within the Premises and application for service from the applicable utility company. At Landlord's option, Landlord shall have the right to install the gas service line from the manifold location to the Premises. In such event, Tenant shall reimburse Landlord for the actual cost of the installation of the gas service line within thirty
(30) days following Landlord's delivery to Tenant of reasonable evidence of such cost.

(h) Telephone: Tenant shall provide all telephone equipment for the Premises and connections to the main panel board.

(i) Automatic Fire Sprinklers: Tenant shall make any additions or changes to the sprinkler system provided by Landlord necessary to meet the minimum criteria of Landlord or governmental or insurance standards. Where applicable, Tenant shall use one of the Landlord's proprietary contractors for this work.

(j) Signs: Tenant shall provide signs in accordance with the Tenant Sign Criteria set forth in the Tenant Design Criteria, including all structural modifications, electrical connections to Landlord provided J-box, attachment to Landlord's building and all patching, sealing and repainting. Tenant shall provide appropriate access and/or temporary catwalks for Tenant's sign installation.

(k) Service/Fire Exit Doors: If required by applicable codes (including code requirements and/or changes or additions to Landlord's Work triggered by Tenant's use or exiting requirements, or Tenant's interior floor plan layout), Tenant shall provide additional service doors and/or fire exit doors which shall conform with Landlord's requirements and state and local codes. Tenant, at Tenant's expense, shall contract with the Landlord's structural engineer for review and concurrence of such revisions.

(l) Code-Related Items: Tenant shall be responsible for complying with any code requirements applicable to its type of business or its operation in the Premises, including code requirements and/or changes or additions to Landlord's Work triggered by Tenant's use or exiting requirements or Tenant's interior floor plan layout.

(m) Fire Alarm System: Tenant is required to have a fire alarm monitoring system or life safety system, Tenant shall be responsible for all hook-ups and connections to Landlord's fire alarm monitoring and life-safety systems, including the installation of designated phone lines and monitoring equipment, as required by Landlord, Landlord's designated fire alarm contractor and state and local codes. Tenant must use Landlord's designated fire alarm subcontractor.

(n) Sound and Vibration Mitigation: If, in Landlord's discretion Tenant's use is anticipated to generate sound and/or vibration beyond that which is typical for normal retail occupancies, then Tenant shall be required to provide an acoustic study for Landlord's review and approval, and to install sound and vibration attenuation measures as part of

Tenant's Work in a manner consistent with such approved acoustic study to mitigate sound and/or vibration transmission to other premises or the Common Areas of the Shopping Center.

(o) Outdoor Speakers: The use of outdoor speakers of any kind is prohibited without Landlord's prior written approval. If outdoor speakers are proposed by Tenant, they must meet all requirements of Landlord.

(p) Roof: Penetrations through and/or attachments to roof structure must have prior written approval from Landlord and comply with all of Landlord's roof specifications and installation procedures. Tenant must engage Landlord's roofing consultant for all Tenant roof penetrations and any rooftop penetrations and roof repairs required shall be made using Landlord's designated subcontractor. Any necessary roof structure modifications to accommodate Tenant's rooftop equipment will be performed by Landlord, with all associated engineering and construction costs being at Tenant's expense. Tenant shall pay such costs within thirty (30) days after Landlord delivers to Tenant reasonable evidence of such costs. The location of Tenant's rooftop equipment will be subject to Landlord's requirements for equipment screening as deemed necessary in Landlord's sole discretion.

(q) Outdoor Dining Areas: If Tenant's Premises includes the exclusive use of an Outdoor Dining Area, Tenant shall, at Tenant's sole cost and expense, install the patio in accordance with Landlord's patio criteria.

(r) Exhaust and Makeup Air Systems: Tenant's kitchen exhaust and make-up air duct systems must be constructed in fire rated shaft enclosures in accordance with all governmental and local code requirements. Any proposed shaft enclosures penetrating adjacent tenant or Common Area spaces, either above or next to the Premises, are subject to Landlord's prior written approval of Tenant's detailed plans and equipment specifications for such penetrating shaft enclosures. At Landlord's option, Landlord may designate dedicated shaft locations for Tenant's exhaust and make-up air systems. Tenant shall be responsible for bringing all necessary ductwork and fire rated enclosures for its equipment to the designated shaft location, as well as completing its ductwork and the shaft enclosure at the designated location.

(s) Rooftop Equipment: Landlord, at its option, may allow Tenant to install additional rooftop mechanical and/or kitchen equipment on the roof area above the Premises, subject to Landlord's prior written approval of Tenant's detailed plans and equipment specifications (which approval may be given or withheld in Landlord's sole discretion). The location of Tenant's rooftop equipment will be subject to Landlord's requirements for equipment screening and kitchen exhaust air purification systems, as deemed necessary in Landlord's sole discretion. Tenant shall install all necessary equipment, such as scrubbers, necessary to protect the roof from damage resulting from Tenant's grease. Any and all grease related rooftop equipment ("***Grease Equipment***") shall be designed and installed in accordance with the Rooftop Grease Design and Installation Criteria included in the Tenant Design Criteria ("***Rooftop Grease Criteria***"). Tenant shall maintain all Grease Equipment pursuant to the Rooftop Grease Criteria. Tenant shall also be responsible for any code mandated fire suppression systems required in connection with the installation of the Grease Equipment. Landlord may, in its sole and absolute discretion, implement a program for the maintenance and management of the Grease Equipment and/or grease waste at the Shopping Center under which Tenant will participate in and pay for the cost of design, installation, connection, replacement, operation, and maintenance thereof.

(t) Grease Storage Facility and Cleaning Facility: Tenant's Work shall include (i) construction of an area within the enclosed portion of the Premises for the purpose of storing all grease generated from the operation of Tenant's business ("***Grease Storage Facility***"), which Grease Storage Facility shall include a vacuum system to transfer cooking oil from the cooking areas to a grease storage device in the Grease Storage Facility. The Grease Storage Facility shall be constructed and maintained using best industry standards, techniques and technology to provide for grease containment and disposal, and such installation shall be in accordance with the Tenant Design Criteria; and (ii) construction of a water-tight area within the enclosed portion of the Premises for the washing of all mats, the steam cleaning of grease containers and for the similar cleaning of any other restaurant equipment, utensils or other items used in the operation of Tenant's business in the Premises ("***Cleaning Facility***"). Such Cleaning Facility shall be constructed and maintained using best industry standards, techniques and technology to provide for containment and disposal of liquids in compliance with all Water Quality Laws and such installation shall be in accordance with the Tenant Design Criteria.

(u) Grease Interceptor and Grease Waste Line. Tenant shall, as part of Tenant's Work, connect the Premises to the grease-waste line stubbed to the Premises. Tenant shall have the right to use the grease interceptor (to which said grease waste line is connected) on a non-exclusive basis and Landlord shall maintain or enter into a service contract for the maintenance of the grease interceptor and grease waste line, and Tenant shall pay Landlord, as Additional Rent, upon billing (a) all costs incurred by Landlord in connection therewith, plus an administrative fee equal to fifteen percent (15%) of such costs, if the grease interceptor is not used by other tenants, or (b) a proportionate share of such costs allocated among all tenants using such grease interceptor based on such tenants' respective Floor Area if the grease interceptor is used by other tenants.

(v) Air Scrubber: Tenant shall also be required to submit its mechanical, structural drawings to Landlord's consultants, ACT Air Cleaning Technology, to determine whether Tenant will be required to install a smoke and odor pollution control unit ("***PUC***") that eliminates any potential smoke and/or odor nuisance ("***Emissions***"). In the event that Landlord's consultants determine that a PUC is required, then Tenant shall install a PUC approved by Landlord, and Tenant shall work with Landlord's consultants, ACT Air Cleaning Technology, to design the PUC, including completing appropriate studies and questionnaires to determine the final design of the PUC. Tenant shall be responsible to obtain all permits, including, but not limited to, structural, electrical, mechanical, fire and AQMD (if required).

SCHEDULE 3 TO EXHIBIT C

DRAWINGS

A. **Provisions Regarding All Drawings.**

1. Except for sign details described in paragraph C.7 below, Tenant shall prepare all drawings showing a scale of ¼" = 1'0".

2. All drawings shall include a key title sheet with project, building, premise information and site plan showing location of the Premises within the Shopping Center.

3. Tenant shall incorporate into any plans for construction of the Premises best industry standards, techniques and technology to prevent and control any Water Intrusion Conditions at, in or on the Premises.

B. **Preliminary Drawings**. Preliminary Drawings shall include the following:

1. Architectural floor and reflected ceiling plans indicating interior design concept.

2. Architectural interior elevations details keyed to the layout plans.

3. Architectural exterior elevation and section details keyed to the layout plans, including any graphics, lighting and signage and indicating all materials and finishes. Exterior elevations shall be rendered in color. Elevations should include existing context (i.e., partial elevations of retail spaces) and should be drawn full height to top of building.

4. Preliminary finish schedule including all colors and materials to be used keyed to color and materials sample board.

5. Architectural roof outline plan with tenant improvement equipment/penetrations noted.

6. Architectural demolition plan.

7. Preliminary utility service load estimates (electrical, HVAC tonnage, gas and water) if Tenant anticipates that its load requirements are going to be in excess of Landlord's utility services pursuant to Exhibit C.

8. All exterior signage is considered integral to the design and is required to be submitted with preliminary elevations. Provide a separate submittal for all exterior signage. Tenant's sign vendor is required to submit shop drawings which include site plan showing store location, architectural elevation to scale showing all sign related dimensions, sign elements section details, and details of required building penetrations for signage attachment and methods of patching/weatherproofing such penetrations.

C. **Final Working Drawings.** Final Working Drawings consist of the preliminary design plans and engineered plans (i.e. MEP's, Structural, Civil, Landscape). Tenant can submit its Tenant Improvement plans on a CD-ROM with the plan sheet size to scale in a PDF file format. Tenant shall prepare Final Working Drawings in a CADD reproducible format and shall include, but not be limited to, the following:

1. Engineered floor plans indicating storefront construction materials, colors and finishes as well as sliding door track location (if required), location of partitions and type of construction, placement of merchandising fixtures and toilet room locations indicating placement of plumbing and fixtures.

2. Engineered reflected ceiling plans indicating ceiling materials, various heights, location of all light fixtures, their manufacturer's name and catalog number, lamps to be used and mounting (recessed, surface, etc.), location of sprinkler heads and HVAC grilles.

3. Engineered exterior storefront elevation and section details keyed to the layout, including any graphics, lighting and signage and indicating all materials and finishes. Exterior elevations shall be rendered in color. Elevations should include existing context (i.e., partial elevations of retail spaces) and should be drawn full height to top of building.

4. Engineered interior elevations, sections and details keyed to the engineered layout sufficient for construction.

5. Complete interior and exterior finish schedule including all colors and materials to be used keyed to color and materials sample board.

6. Samples and color chips of the actual materials or charts firmly attached to illustration boards and clearly labeled.

7. Sign details showing an architectural scale indicating elevation and section views, letter style and size, all colors and materials, methods of illustration, color of illuminate and voltage requirements. Tenant's sign vendor is required to submit shop drawings which include site plan showing store location, architectural elevation to scale showing all sign related dimensions, sign elements section details, and details of required building penetrations for signage attachment and methods of patching/weatherproofing such penetrations.

8. Engineered mechanical drawings, including electrical, HVAC, plumbing and automatic fire sprinklers prepared by licensed engineers or firms licensed to prepare such drawings.

9. Engineered electrical and/or mechanical drawings must indicate total connected electrical loads and panel schedules, HVAC cooling requirements, water service capacity requirements and natural gas service requirements (if needed). Mechanical plans must indicate the operating weights and locations of any additional Tenant provided rooftop mechanical equipment.

10. Specifications not shown on drawings should be submitted on 8-1/2" x 11" paper, four (4) sets.

11. Landlord reserves the right to require mock ups of any materials, finishes, colors, special signs or lighting.

SCHEDULE 4 TO EXHIBIT C

REIMBURSEMENT

Provided (a) Tenant has paid to Landlord all amounts owing to Landlord pursuant to this Lease as of the date reimbursement is to be made, (b) Tenant is not otherwise in Default of any other term or condition of this Lease as of such date, and no event has occurred which, given the passage of time or the giving of notice or both, could be declared a Default under this Lease, (c) the Premises are lien-free and eighty-five (85) days have expired from the recordation of the Notice of Completion, and (d) Landlord has approved, in advance, the scope of work and terms of any negotiated contract for Tenant's Work, then within thirty (30) days after the date requirements 1 through 7 below are satisfied, Landlord will reimburse to Tenant the lesser of (i) the total amount of out-of-pocket costs paid by Tenant for Tenant's Work (specifically excluding floor coverings, signs, movable fixtures, permit fees and plan review fees), and (ii) $60.00 per square foot of the Floor Area of the Premises (***"Tenant Improvement Allowance"***):

1. Tenant has delivered to Landlord unconditional final lien waivers and releases, in statutory form, for all contractors, subcontractors and material suppliers who performed work or supplied materials in connection with the completion of Tenant's Work; provided, however, Tenant is not required to deliver lien waivers from material suppliers whose construction materials were purchased through Tenant's general contractor or subcontractor(s).

2. Tenant has submitted to Landlord a copy of all building permits with all required inspections completed and all required governmental sign-offs executed. Tenant to provide copies of building permit cards and other jurisdictional permit cards with the inspector's final acceptance (final sign-off).

3. Tenant has completed Tenant's Work and opened for business to the public in the Premises.

4. Tenant has delivered to Landlord a copy of the recorded Notice of Completion.

5. Tenant has delivered to Landlord a Certificate of Occupancy for the Premises.

6. Tenant has submitted to Landlord invoices, AIA G702/G703 payment applications, and proofs of payment for Tenant's Work (specifically excluding floor coverings, signs, movable fixtures, permit fees and plan review fees) which evidence Tenant's expenditure of the amount requested. Proofs of payment examples are copies of cashed checks or wire transfers along with an invoice or an AIA G702/G703 payment application.

7. Tenant has submitted to Landlord As-Built Drawings. Tenant to provide As-Built Drawing in two formats on CD-ROM to the Landlord: (1) Tenant plans in single pdf file format (pdf file to be "to-scale"/full size set), and (2) Tenant plans in Auto CAD format (.dwg file to be "to-scale"/full size set).

For at least three (3) years after the date of completion of Tenant's Work, Tenant shall maintain complete and accurate books and records of expenditures for Tenant's Work in accordance with generally accepted accounting principles. At any time within said three (3)-year period and upon at least fifteen (15) days' prior Notice to Tenant, Landlord may cause an audit to be made of all such books and records relating to expenditures for Tenant's Work at the Premises or at Tenant's offices in the state in which the Premises are situated.

In addition to all other remedies which Landlord may have pursuant to this Lease, Landlord may recover from Tenant the reasonable cost of its audit and withhold or recover all amounts to be paid or previously paid to Tenant if
(i) the audit discloses that Tenant reported to Landlord material erroneous expenditures which were not in fact made, or reported material erroneous amounts of any expenditure or of the expenditures in the aggregate; or (ii) Tenant fails to maintain complete and accurate books and records of these expenditures. The occurrence of (i) or (ii) above shall constitute a material Default under this Lease.

Landlord has agreed to provide Tenant with the Tenant Improvement Allowance based, in part, (a) on Tenant's agreement to occupy the Premises for at least the initial Term of this Lease, thereby allowing the amortization of the Tenant Improvement Allowance over such period, and (b) because of Tenant's specific Permitted Use set forth in Section 1.10 of this Lease that fits Landlord's desired tenant-mix for the Shopping Center. Therefore, as a material inducement to agree to reimburse to Tenant the Tenant Improvement Allowance, and as a matter specifically bargained for between Landlord and Tenant, upon either (i) the early termination of this Lease prior to the expiration of the Term or (ii) any Assignment (defined in Section 10.1), on or before the effective date of such termination or of such Assignment, Tenant shall repay to Landlord the unamortized portion of the Tenant Improvement Allowance paid to Tenant as of the intended effective date of the termination or the proposed Assignment, based upon amortization in accordance with generally accepted accounting principles consistently applied. In addition, if this Lease is terminated or Tenant makes an Assignment before Landlord pays any Tenant Improvement Allowance (or installment(s) of it), Landlord's obligation to pay (or make any further payment) of Tenant Improvement Allowance shall terminate and Tenant shall have no further right to payment of any Tenant Improvement Allowance.

EXHIBIT D

GROSS SALES

DEFINITION: "***Gross Sales***" means the gross selling price of all food and beverage items, merchandise, goods or services sold, provided, delivered or rented, in or from the Premises by Tenant, its subtenants, licensees and concessionaires, whether for cash or on credit and whether made by store personnel, telephone, electronic communication (including without limitation orders received through the internet), or by machines or other technology based systems, as well as any membership fees and any business interruption or loss of income insurance proceeds attributable to lost sales revenue received by Tenant. All sales originating at the Premises shall be considered made and completed from the Premises even though bookkeeping or payment of the account is transferred to another location for collection or filling of the order and actual delivery of the merchandise is made from another location. Each installment sale, credit sale or layaway sale shall be treated as a sale for the full cash price at the time of such sale or deposit.

Excluded from the definition of Gross Sales are the following: (i) interest or other charges paid by customers to Tenant for the extension of credit; (ii) receipts from vending machines used solely by Tenant's employees; (iii) sales taxes, excise taxes or gross receipts taxes imposed by the government upon the sale of merchandise or services, but only if collected from customers separately from the selling price and paid directly to the taxing agency; (iv) sales of gift certificates or cards at the Premises until they are redeemed for merchandise provided; however gift certificates or cards purchased elsewhere and redeemed at the Premises shall be included in Gross Sales; and (v) proceeds from the sale of fixtures, equipment or property which are not stock in trade.

For purposes of calculating Percentage Rent only, Gross Sales shall be reduced by the following to the extent previously reported as Gross Sales: (i) the selling price of all merchandise returned by customers and accepted for full credit; and (ii) the amount of bad debts and bad checks resulting from sales made from the Premises, after Tenant has made its customary collection efforts and written off such amounts as uncollectible, provided that the total bad debts and uncollectible amounts which may be deducted from Gross Sales for any particular year shall not exceed one percent (1%) for such year, and shall in any event be limited to amounts actually written off for Tenant's accounting purposes during such year, and if such amounts are subsequently collected, such amounts shall be included in Gross Sales in the applicable month and year in which they were collected.

FORM OF GROSS SALES STATEMENT:

Tenant's Monthly Statement of Gross Sales
For Month Ending ___/___/___

Item	Current Month	Year-to-date
Sales	$_____	$_____
Exclusions	$_____	$_____

Calculation of Percentage Rent Owed

Total Gross Sales year-to-date	$_____
Less Breakpoint	($_____)
Total Gross Sales minus Breakpoint	$_____
Excess Gross Sales multiplied by Percentage Rate from Section 1.9	$_____
Percentage Rent Owed	$_____
Percentage Rent Already Paid	$_____
Current amount of Percentage Rent Due	$_____

TENANT: _____

SIGNATURE:
_____

DATE:
_____

ACCOUNT NUMBER: _____

Tenant's Statement of Annual Gross Sales
Volume Report for 20___

Month	Sales
January	$ _____
February	$ _____
March	$ _____
April	$ _____
May	$ _____
June	$ _____
July	$ _____
August	$ _____
September	$ _____
October	$ _____
November	$ _____
December	$ _____

TENANT: _____

SIGNATURE: _____

DATE: _____

ACCOUNT NUMBER:
_____

Note: Signature constitutes certification that the information contained in this statement is true, accurate and complete. If Tenant is a corporation, this statement must be signed by an authorized representative of Tenant. We encourage you to send as much detailed information as practical to support your calculations; however, in addition to documentation normally provided **IT IS ESSENTIAL THAT THIS FORM BE COMPLETED AND RETURNED** to ensure that all rental information is properly recorded to your account.

ALTERNATE FORM OF GROSS SALES STATEMENT: As an alternative to the foregoing form, Tenant may submit its statement of Gross Sales online through the Merchant Portal at: www.shopirvinecompany.com.

EXHIBIT E

TENANT'S CERTIFICATE

TENANT: _____
PREMISES: _____
LEASE DATE: _____
EXECUTION DATE: _____

THIS TENANT'S CERTIFICATE is executed as of the Execution Date by Tenant who is currently the Tenant under that certain lease ("***Lease***") dated as of the Lease Date by and between IRVINE ORCHARD HILLS RETAIL LLC, Landlord, and YOSHIHARU IRVINE, a California corporation, Tenant, with respect to the Premises. Unless otherwise defined in this Tenant's Certificate, all capitalized terms shall have the meanings given those terms in the Lease.

Subject to any exceptions and qualifications stated in Paragraph 19, below, Tenant represents, warrants, certifies and states each of the following:

1. It has reviewed the financial statements provided to Landlord ("Financial Statements").

2. Based on its knowledge, the Financial Statements do not contain any untrue statements of material fact or omit to state a material fact necessary to understanding Tenant's financial condition.

3. Based on its knowledge, the Financial Statements fairly present the financial condition of Tenant.

4 The Lease is presently in full force and effect and has not been amended, supplemented, modified or otherwise changed, except pursuant to the following written amendments:

5. All work and improvements to the Premises required by the Lease to have been performed by Landlord have been completed in accordance with the provisions of the Lease and Tenant has accepted and taken possession of the Premises.

6. Landlord has satisfied all commitments, if any, made to induce Tenant to enter into the Lease, and to the best of Tenant's knowledge, is not in any respect in default in the performance by Landlord of its obligations under the Lease.

7. Tenant fully occupies the Premises and is not in any respect in Default or breach of the Lease and has not assigned, sublet, transferred or hypothecated its interest under the Lease.

8. Tenant has no Notice or knowledge of any prior assignment, hypothecation or pledge of rents, of the Lease.

9. Tenant knows of no event under the terms of the Lease which would constitute a Default by Tenant or a default by Landlord.

10. The original term of the Lease is ___ years with a Commencement Date of _____, and an Expiration Date of _____.

11. Neither Tenant nor Landlord has begun any action, or given or received any Notice for the purpose of termination of the Lease.

12. Tenant has paid the Base Rent, the Percentage Rent (if any) and all other monetary obligations under the Lease through _____, 20__.

13. There is no period of free rent, Rent abatement or reduction, except as set forth in the Lease or below, and Landlord has not given or conceded to Tenant any other concessions, abatements or compromises with respect to the Rent obligations under the Lease, nor has Landlord waived or purchased any other period of free rent, Rent abatement or reduction.

14. There are no offsets or credits against or defenses to payment of any monetary obligations payable under the Lease, and Tenant has made no payments to Landlord as a security deposit or advance or prepaid Rent except for the Security Deposit set forth in the Lease and any payments made no earlier than ten (10) days prior to the date upon which such payment is due.

15. Tenant's address for Notice is set forth in the Lease.

16. This Tenant's Certificate and the Lease are legal, valid, binding and enforceable obligations of Tenant. Tenant has reviewed and understands this document and has had an opportunity to discuss this with counsel or has waived such opportunity.

17. Other than cleaning and office supplies used and stored on the Premises in the normal course of Tenant's business, Tenant does not use, handle, store or dispose of any Hazardous Materials (as defined in the Lease) in connection with Tenant's business in the Premises.

18. Tenant hereby acknowledges and agrees that the Lease is a lease of real property in a "shopping center," as such term is used in 11 U.S.C. § 365(b)(3), and further acknowledges and agrees that Landlord shall be entitled to all the protections afforded a landlord under 11 U.S.C. § 365(b)(3).

19. The representations set forth above are subject to the following exceptions and qualifications (if none stated, all representations shall be taken as without exception or qualification):

_____
_____

IN WITNESS WHEREOF, Tenant executed this Tenant's Certificate as of the Execution Date.

TENANT:

_____,
a _____

By: _____
Name: _____
Title: _____

ACKNOWLEDGED AND AGREED TO THIS ____ DAY OF _____, 20 __.

GUARANTOR:

_____,
a _____

By: _____
Name: _____
Title: _____

EXHIBIT F

INSURANCE REQUIREMENTS

1. TENANT'S INSURANCE. Tenant shall maintain in full force and effect a policy or policies of insurance as follows:

A. Commercial general liability insurance with coverage limits of not less than the combined single limit for bodily injury, personal injury, death and property damage liability per occurrence specified in Section 1.13 of the Lease or the current limit carried by Tenant, whichever is greater, insuring against any and all liability of the insureds with respect to the Premises or arising out of the maintenance, use or occupancy of the Premises or related to the exercise of any rights of Tenant pursuant to this Lease, subject to increases in amount as Landlord may reasonably require from time to time. All such commercial general liability insurance shall include, but not be limited to, personal injury, blanket contractual liability, products/completed operations, broad form property damage liability and independent contractor's liability. Each commercial general liability policy shall also include a severability of interests clause. If alcoholic beverages are served, sold, consumed or obtained in the Premises, Tenant shall also purchase and maintain liquor liability insurance. Additionally, Tenant shall be required to purchase and maintain automobile liability insurance covering all owned, non-owned and hired automobiles.

B. Worker's compensation coverage as required by Law, including employer's liability coverage, with a limit of not less than One Million Dollars ($1,000,000.00) and waiver by Tenant's insurer of any right of subrogation against Landlord by reason of any payment pursuant to such coverage.

C. Business interruption or loss of income insurance in amounts sufficient to insure Tenant's business operations for a period of not less than one (1) year.

D. Plate glass insurance covering all plate glass on the Premises at full replacement value. Tenant shall have the option either to insure this risk or to self-insure.

E. Insurance covering all of Tenant's Work, the Premises, Tenant's leasehold improvements and alterations permitted under Section 21.8(a) of the Lease in an amount not less than their full replacement cost, and insurance covering all of Tenant's trade fixtures, merchandise and personal property in an amount not less than their full replacement value from time to time. All such insurance coverage shall provide protection against perils covered in the ISO "Causes of Loss – Special Form" (form CP 10 30) and sprinkler leakage. Any policy proceeds shall be used for the repair or replacement of the property damaged or destroyed unless the Lease shall cease and terminate under the provisions of Article 13 of the Lease.

F. Such additional insurance coverage and limits as Landlord deems reasonable and which are consistent with California insurance practices for protecting persons and property.

2. INSURANCE DURING CONSTRUCTION. Prior to the commencement of Tenant's Work, Tenant shall, at its sole cost and expense, obtain and, if required by Landlord, cause its contractors to obtain and keep in full force throughout the construction of Tenant's Work:

A. Commercial general liability insurance as described in Section 1.A above.

B. Workers compensation as described in Section 1.B above.

C. A builder's risk policy covering those perils insured in the "Causes of Loss – Special Form" (form CP 10 30) in an amount acceptable to Landlord and sufficient to cover the full contract value of all Tenant renovations and/or improvements.

3. POLICY FORM. All policies of insurance required of Tenant herein shall be issued by insurance companies with a current A.M. Best's Rating of A or better and a Financial Rating of at least VIII, both as rated in the most current "Best's Rating Guide," and which are qualified to do business in the State of California. All such policies, except for the Worker's Compensation coverage, shall name and shall be for the mutual and joint benefit and protection of Landlord and all entities controlling, controlled by, or under common control with Landlord, together with their respective owners, shareholders, partners, members, divisions, officers, directors, employees, representatives and agents, and all of their respective successors and assigns as additional insureds. The policies described in Parts C and E in Section 1 above shall also name Landlord and Landlord's beneficiary (ies) under a deed of trust as loss payees. Certified copies of the policy declaration page and the following endorsements shall be delivered to Landlord prior to Tenant, its agents or employees entering the Premises for any purpose: (a) an endorsement confirming Landlord's and its relate parties additional insured status as provided herein, an endorsement evidencing waiver of subrogation as provided by this Exhibit F, and (b) an endorsement confirming that all policies required of Tenant herein shall be endorsed to read that such policies are primary policies and any insurance carried by Landlord or Landlord's property manager shall be noncontributing with such policies. Thereafter, certified copies of the policy declaration page and all required endorsements for the renewal policies required hereby shall be delivered to Landlord within thirty (30) days prior to the expiration of the term of each policy. Alternatively, Landlord may require certificates evidencing such insurance. All policies of insurance delivered to Landlord must contain a provision that the company writing the policy will give to Landlord thirty (30) days' prior Notice of any cancellation or lapse or the effective date of any reduction in the amounts of insurance. No policy required to be maintained by Tenant shall have a deductible greater than Twenty-Five Thousand Dollars ($25,000.00) unless approved in writing by Landlord.

4. BLANKET POLICIES. Notwithstanding anything to the contrary contained in this Exhibit F, Tenant's obligation to carry insurance may be satisfied by coverage under a so-called blanket policy or policies of insurance; provided, however, that the coverage afforded Landlord will not be reduced or diminished and the requirements set forth in this Lease are otherwise satisfied by such blanket policy or policies.

5. INCREASED PREMIUMS DUE TO USE OF PREMISES. Tenant shall not do any act in or about the Premises which will tend to increase the insurance rates upon the Premises or the Shopping Center of which the Premises are a part. Tenant agrees to pay to Landlord, upon demand, the amount of any increase in premium for insurance resulting from Tenant's use of the Premises, whether or not Landlord shall have consented to the act on the part of Tenant. If Tenant installs upon the Premises any electrical equipment which constitutes an overload of the electrical lines servicing the Premises, Tenant, at its own expense, shall make whatever changes are necessary to comply with the requirements of the insurance underwriters and any appropriate governmental authority.

6. LANDLORD'S INSURANCE. Landlord, at all times from and after the Lease Date, shall maintain the following types of insurance in effect during the Term, with or without deductibles and in amounts and coverages as may be determined by Landlord in its discretion (subject, however, to reimbursement as set forth in the Lease):

A. General liability for bodily injury and property damage arising from Landlord's ownership, management, use and/or operation of the Common Areas and/or the Shopping Center with coverage limits equal or greater to those Tenant is required to maintain in accordance with Tenants Insurance requirements set forth in Section 1 of this Exhibit F.

B. Property insurance, subject to standard exclusions (such as, but not limited to, earthquake and flood exclusions), covering the Shopping Center. In addition, Landlord may, at its election, obtain insurance coverages for such other risks as Landlord or its Mortgagees may from time to time deem appropriate, including earthquake and terrorism.

The insurance described in clauses A and B above, together with any deductibles, are collectively referred to as "***Landlord's Insurance***" and such insurance may be carried by inclusion within the coverage of any blanket policy or policies of insurance maintained by Landlord; provided, however, that the coverage afforded will not be reduced or diminished by reason of the use of such blanket policies of insurance.

7. WAIVER OF SUBROGATION. Landlord and Tenant each waive any rights each may have against the other on account of any loss or damage occasioned to Landlord or Tenant, as the case may be, their respective property, the Premises or its contents, or to other portions of the Shopping Center arising from any liability, loss, damage or injury caused by fire or other casualty for which property insurance is carried or required to be carried pursuant to the Lease. The insurance policies obtained by Landlord and Tenant pursuant to this Lease shall contain a provision waiving any right of subrogation which the insurer may otherwise have against the other party. If Landlord has contracted with a third party for the management of the Shopping Center, the waiver of subrogation by Tenant herein shall also run in favor of such third party.

8. FAILURE BY TENANT TO MAINTAIN INSURANCE. If Tenant refuses or neglects to secure and maintain insurance policies complying with the provisions of this Exhibit F, Landlord may secure the appropriate insurance policies and Tenant shall pay, upon demand, the cost of same to Landlord.

9. SUFFICIENCY OF COVERAGE. Neither Landlord nor any of Landlord's agents make any representation that the types of insurance and limits specified to be carried by Tenant under the Lease are adequate to protect Tenant. If Tenant believes that any such insurance coverage is insufficient, Tenant shall provide, at its own expense, such additional insurance as Tenant deems adequate. Nothing contained herein shall limit Tenant's liability under the Lease.

EXHIBIT G

RULES AND REGULATIONS

1. HOURS OF BUSINESS. From and after the Commencement Date, Tenant shall keep the entire Premises continuously open for business during the days and hours established by Landlord from time to time for the Shopping Center generally, including all holidays except New Year's Day, Easter Day, Thanksgiving Day, and Christmas Day. Subject to Section 21.9 of the Lease, Tenant shall pay to Landlord a One Hundred Dollar ($100.00) per hour charge for each hour that Tenant fails to continuously remain open for business during the hours previously established by Landlord, which payment shall constitute liquidated damages. Tenant shall have its window displays, exterior signs and exterior advertising displays adequately illuminated continuously during those hours and days that the Premises are required to be open for business to the public.

2. HOURS FOR DELIVERIES. Tenant shall use its best efforts to require all deliveries, (exclusive of United Parcel Service and U.S. Postal Service), loading, unloading and services to the Premises to be completed between 7:00 a.m. and 10:00 a.m. each day. All deliveries, loading, unloading and services to the Premises shall be accomplished within the service areas of the Shopping Center.

3. OPERATION OF BUSINESS IN PREMISES. Tenant shall keep the Premises in a neat and clean condition, free from any objectionable noises, odors or nuisances, shall operate its business without unreasonable noise or vibration emanating from the Premises, and shall comply with all applicable Laws of any governmental authority having jurisdiction over the Premises or the Shopping Center in connection with Tenant's operation of its business in the Premises:

4. PARKING. If Tenant or its employees fail to park in the area designated for employee parking, Tenant shall be liable for a fee of Fifty Dollars ($50.00) per day for each violation, which fee shall constitute liquidated damages.

5. PROHIBITED ACTIVITIES. Smoking of any kind (including vapor products) and the possession, use, growth or distribution of marijuana or any marijuana derivative is strictly prohibited within the Premises. Tenant shall not sell merchandise from vending machines or allow any coin or token operated vending machine on the Premises, except those exclusively used by employees and pay telephones provided for the convenience of its customers. Unless otherwise specifically permitted in Section 1.10 of the Lease, Tenant shall not install or operate in or about the Premises any type of automated teller machine (ATM) for the disposition of cash or conducting banking transactions or for the sale of event tickets. Tenant shall not display or sell merchandise or allow carts, signs or any other object to be stored or to remain outside the Premises. Tenant shall not erect any aerial or antenna on the roof, exterior walls or any other portion of the Premises. Tenant shall not solicit or distribute materials in the Common Area. Tenant shall neither conduct on the Premises, nor advertise with respect to the Premises, any liquidation, "going out of business," distress, "lost our lease" or similar sale.

6. ADVERTISING MEDIA. Tenant shall not affix upon the Premises any sign, advertising placard, name, insignia, trademark, descriptive material or other like item unless approved by Landlord in writing, in advance, in accordance with Exhibit C. No advertising medium shall be utilized by Tenant which can be heard or seen outside the Premises including flashing lights, searchlights, loudspeakers, phonographs, radios or televisions. Tenant shall not display, paint or place any handbill, bumper sticker or other advertising device on any vehicle parked in the Common Area. Tenant shall not distribute any handbills or other advertising matter in the Shopping Center. Notwithstanding the above, Tenant shall erect signs at its own expense in accordance with (a) the sign criteria established by Landlord, (b) the Final Plans, and (c) all applicable Laws and shall maintain these signs in good condition and repair during the Term.

7. FOOD. Unless this Lease expressly permits the use of the Premises for a restaurant facility, no cooking shall be allowed on the Premises.

8. AMENDMENT/CONFLICT OF RULES WITH LEASE. Tenant acknowledges that Landlord may, from time to time, establish further reasonable and non-discriminatory rules and regulations for the Shopping Center or amend existing ones, and Tenant shall abide by such rules and regulations. If there is any conflict, inconsistency or ambiguity between these Rules and the Lease, the provisions of the Lease shall control.

9. RESTAURANT MAINTENANCE. Tenant acknowledges and understands that material consideration for Landlord to enter into this Lease is Tenant's full cooperation with the Landlord in maintaining the Shopping Center in first-class, neat and safe condition; therefore, in addition to the other covenants of Tenant concerning maintenance of the Premises set forth in the Lease, Tenant shall, at its sole cost and expense:

(i) Be responsible for promptly cleaning any spills or waste in the Shopping Center occasioned by off-premises consumption of food and other items sold by Tenant;

(ii) If Landlord undertakes routine steam cleaning of sidewalk areas within the vicinity of the Premises and additional steam cleaning is required in the vicinity of the Premises (including the rear or service area), Tenant agrees that it shall be responsible for ensuring that the additional steam cleaning is completed and shall pay the cost of same directly to the cleaning service or if Landlord provides for such additional steam cleaning, pay Landlord upon billing, as Additional Rent;

(iii) Bus, clean and wash daily all tables, chairs, dividers, fixtures, floor mats and furnishing used by Tenant with an approved detergent-disinfectant type solvent to prevent build-up from food spills, dust, dirt and other substances (floor mats shall not be washed or cleaned outside the Premises in the Common Area);

(iv) If found by Landlord to be necessary, install and operate mechanical, chemical or electrical insect or other traps, approved by Landlord in writing as to location and type, to eliminate all insects, gnats, flies, and rodents from the Premises;

(v) (a) Cause both interior and exterior trash containers to be emptied on a regular basis (but not less than once a day) prior to their overflowing (unless Tenant provides, at its sole cost and expense, refrigerated trash storage for the Premises) and if required by Landlord, substitute a replacement container during the time period when containers are being emptied; (b) keep and maintain all trash containers in a clean and attractive condition and appearance at all times; (c) utilize three (3) millimeter polyurethane liners in all lined trash containers; (d) ensure that all trash bags are securely fastened and sealed tightly with a tie wrap to prevent any leaking of garbage before the bags are removed from the Premises to the outside dumpster or other disposal facility, including, without limitation, by using two trash bags ("double-bagging") to collect trash; and (e) utilize trash transport equipment, such as "gray whales", approved by Landlord to transport Tenant's trash and garbage to dumpsters or other disposal facilities provided by Landlord for the disposal of garbage and waste products;

(vi) Utilize dumpsters or other disposal facilities provided by Landlord for the disposal of garbage and waste products and dispose of all grease waste as required under the Lease. Tenant shall be solely responsible for the payment of any penalties assess by any governmental authorities for any violation of any provision under the Lease and, in the event Tenant violates this subparagraph (vi), Tenant shall be assessed a penalty of $100.00 for each violation, and such amount shall be payable within ten (10) days after Landlord's billing for same;

(vii) Cause signs (approved in advance by Landlord in writing) to be posted requesting patrons, invitees and employees of Tenant to deposit waste in the trash containers;

(viii) Break down all cardboard boxes prior to disposing of same in the designated cardboard compactors and use Tenant's best efforts to operate the cardboard compactor each time cardboard is disposed of into the container; and

(ix) Strictly comply with Landlord's existing signage policy prohibiting Tenant from placing any unapproved permanent or temporary signage, posters, and/or advertisement on the storefront glass or windows of the Premises.

EXHIBIT H

TENANT'S ESTOPPEL

TENANT: YOSHIHARU IRVINE, a California corporation

PREMISES: 3935 Portola Parkway, Irvine, CA 92602

LEASE DATE: December 30, 2020

THIS TENANT'S ESTOPPEL is executed concurrently with the execution by Tenant of the above-referenced Lease with IRVINE ORCHARD HILLS RETAIL LLC, as Landlord, for the lease of the above-referenced Premises.

Tenant represents, warrants, certifies and states each of the following:

1. Except as specifically provided in the Lease, no representation, warranty, or other agreement whatsoever has been made to Tenant, its agents, representatives or other party acting for or on behalf of Tenant, by Landlord, its agents, representatives, or other party acting for or on behalf of Landlord, in connection with the Lease, the Shopping Center, the Premises or otherwise, including, without limitation, any representation, warranty or other agreement concerning prospective tenants for the Shopping Center, gross sales (or other planned income) which Tenant should expect to realize from the Premises, exclusivity rights, rights of first refusal or offer for other premises within the Shopping Center, or other representations, warranties or agreements, express or implied, which would induce Tenant to execute the Lease or lease the Premises.

2. Tenant agrees and acknowledges that Landlord is relying on Tenant's execution of this Tenant's Estoppel and would not execute the Lease but for Tenant's execution hereof.

3. Tenant has reviewed and understands this document and has had an opportunity to discuss this with counsel or has waived such opportunity.

TENANT:

YOSHIHARU IRVINE,
a California corporation

By: DocuSigned by: James Chae
Name: James Chae
Title: President

GUARANTOR:

JAMES CHAE and JENNIE Y. CHAE,
husband and wife, on behalf of their separate and community property interests, jointly and severally

DocuSigned by: James Chae
James Chae

DocuSigned by: Jennie Y. Chae
Jennie Y. Chae

EXHIBIT I

GUARANTEE OF LEASE

THIS GUARANTEE OF LEASE ("***Guarantee***") is given this December 30, 2020, by JAMES CHAE and JENNIE Y. CHAE, husband and wife (collectively, "***Guarantor***") to IRVINE ORCHARD HILLS RETAIL LLC ("***Landlord***").

I. RECITALS

A. A certain lease of even date herewith has been, or will be, executed by and between Landlord, and YOSHIHARU IRVINE, a California corporation ("***Tenant***"), for certain premises located in Orchard Hills Shopping Center, in the City of Irvine, State of California ("***Lease***").

B. Landlord requires as a condition to its execution of the Lease that the undersigned guarantee the full performance of the obligations of Tenant thereunder.

C. Guarantor is desirous that Landlord enter into the Lease with Tenant.

NOW, THEREFORE, in consideration of the execution of the Lease by Landlord, Guarantor hereby unconditionally guarantees the full performance of each and all of the terms, covenants and conditions of the Lease to be kept and performed by Tenant, as hereinafter provided.

II. TERMS

A. GUARANTOR'S OBLIGATIONS:

Guarantor unconditionally guarantees to Landlord the full and complete performance of each and all of the terms, covenants and conditions of the Lease and any amendments thereto required to be performed by Tenant including, but not limited to, the payment of all Base Rent, Percentage Rent and Additional Rent (as each term is defined in the Lease), and any and all other charges, sums, damages or liabilities to accrue or become due from Tenant to Landlord pursuant to the terms of the Lease (***"Monetary Sums"***). Guarantor further agrees to pay to Landlord interest on any and all sums due and owing Landlord by reason of Tenant's failure to pay all sums due and owing at the highest rate allowed by Law at the time of payment.

B. LANDLORD'S RIGHTS:

1. ENFORCEMENT. Landlord has the right, in the event of any failure of Tenant to pay the Monetary Sums or perform any other obligation under the Lease, to proceed against Tenant or Guarantor, or both, and to enforce against Guarantor or Tenant, or both, any and all rights that Landlord may have to the payment of the Monetary Sums or the performance of such other obligations. Guarantor understands and agrees that its liability under this Guarantee shall be primary and that, in any right of action which may accrue to Landlord under the Lease or this Guarantee, Landlord, at its option, may proceed against Guarantor without having taken any action or obtained any judgment against Tenant.

2. DELAY IN ENFORCEMENT. Guarantor understands and agrees that any failure or delay of Landlord to enforce any of its rights under the Lease or this Guarantee shall in no way affect Guarantor's obligations under this Guarantee.

C. GUARANTOR'S WAIVERS:

Guarantor hereby waives:

1. Any and all notices, presentments and notices of nonpayment or nonperformance;

2. All defenses based upon any disability of Tenant, release of Tenant's liability for any reason or any statute of limitations controlling obligations accruing under the Lease or this Guarantee;

3. Any and all rights it may have now or in the future to require or demand that Landlord pursue any right or remedy Landlord may have against Tenant or any third party;

4. Any and all rights it may have to enforce any remedies available to Landlord against Tenant now or in the future;

5. Any and all right to participate in any security deposit held by Landlord under the Lease now or in the future;

6. The right to require Landlord to proceed against Tenant, exhaust any security which Landlord now holds or may hold in the future from Tenant or pursue any other right or remedy available to Landlord; and

7. All rights and defenses that are or may become available to Guarantor by reason of Sections 2787 through 2855, inclusive, of the California Civil Code.

D. CHANGES DO NOT AFFECT LIABILITY:

Guarantor understands and agrees that its obligations under this Guarantee shall not be affected in any way by any extension of time or other indulgence granted to Tenant, any amendment, modification, renewal or extension of the Lease, or any assignment or subletting of the Lease, and in no way shall any such occurrence release or discharge Guarantor from its obligations under this Guarantee. Guarantor agrees that its obligations under this Guarantee shall not be affected by Landlord's failure to notify Guarantor of any default or failure to perform on the part of Tenant.

E. TENANT'S INSOLVENCY:

1. ASSUMPTION OF LIABILITY. Guarantor understands and agrees that, if Tenant becomes insolvent or is adjudicated bankrupt, whether by voluntary or involuntary petition, or if any bankruptcy action involving Tenant is commenced or filed, or if a petition for reorganization, arrangement or similar relief is filed against Tenant, or if a receiver of any part of Tenant's property or assets is appointed by any court, Guarantor will pay to Landlord the amount of all accrued, unpaid and accruing Monetary Sums to the date when the trustee or administrator accepts the Lease and commences paying same; provided, however, at such time as the trustee or administrator rejects the Lease, Guarantor shall pay to Landlord all accrued, unpaid and accruing Monetary Sums under the Lease for the remainder of the Term.

2. LANDLORD'S OPTION. Pursuant to the provisions of Part II, Section E.1 above, at the option of Landlord as to the amounts owing for the unexpired term of the Lease if the Lease is rejected, Guarantor shall either:

a. Pay to Landlord an amount equal to the Monetary Sums which would have been payable for the unexpired term of the Lease reduced to its present day value; or

b. Execute and deliver to Landlord a new lease for the balance of the Term with the same terms and conditions as the Lease and with Guarantor as tenant thereunder.

3. EFFECT OF OPERATION OF LAW. Any operation of any present or future debtor's relief act or similar act or Law or decision of any court shall in no way affect the obligations of Guarantor or Tenant to perform any of the terms, covenants or conditions of the Lease or of this Guarantee.

III. MISCELLANEOUS:

A. EXTENT OF OBLIGATIONS. Notwithstanding anything to the contrary in this Guarantee, it is understood and agreed that this Guarantee shall extend to any and all obligations of Tenant to Landlord under the Lease and any amendments to the Lease.

B. SUBROGATION. Guarantor understands and agrees that it shall have no right of subrogation against Tenant until such time as all of Tenant's obligations to Landlord have been fully paid and discharged.

C. ASSIGNABILITY. This Guarantee may be assigned in whole or in part by Landlord upon written notice to Guarantor.

D. SUCCESSORS AND ASSIGNS. The terms and provisions of this Guarantee shall be binding upon and inure to the benefit of the successors and assigns of the parties hereto.

E. MODIFICATION OF GUARANTEE. This Guarantee constitutes the full and complete agreement between the parties hereto and it is understood and agreed that the provisions hereof may only be modified by a writing executed by the parties hereto.

F. NUMBER AND GENDER. As used herein, the singular shall include the plural and, as used herein, the masculine shall include the feminine and neuter genders.

G. CAPTIONS/HEADINGS. Any captions or headings used in this Guarantee are for reference purposes only and are in no way to be construed as part of this Guarantee.

H. INVALIDITY. If any term, provision, covenant or condition of this Guarantee is held to be void, invalid or unenforceable, the remainder of the provisions hereof shall remain in full force and effect and shall in no way be affected, impaired or invalidated.

I. JURISDICTION. The validity of this Guarantee and of any of its terms or provisions, and the rights and duties of the parties hereunder, shall be interpreted and construed in accordance with the Laws of the State of California.

J. ATTORNEYS' FEES. In the event that either Landlord or Guarantor shall institute any action or proceeding against the other relating to the provisions of this Guarantee or the enforcement hereof, the party not prevailing in such action or proceeding shall reimburse the prevailing party for its actual attorneys' fees, and all fees, costs and expenses incurred in connection with such action or proceeding, including, without limitation, any post- judgment fees, costs or expenses incurred on any appeal or in collection of any judgment.

K. GUARANTEE OF PAYMENT AND PERFORMANCE. It is understood and agreed that this Guarantee is unconditional and continuing and is a guarantee of payment and performance and not of collection.

L. JOINT AND SEVERAL OBLIGATION. If Guarantor is more than one (1) person, the obligations of the persons comprising Guarantor shall be joint and several and the unenforceability of this Guarantee or Landlord's election not to enforce this Guarantee against one (1) or more of the persons comprising Guarantor shall not affect the obligations of the remaining persons comprising Guarantor or the enforceability of this Guarantee against such remaining persons.

M. MARRIED GUARANTOR. If Guarantor is a married individual, Guarantor's spouse must sign this Guarantee. The obligations under this Guarantee shall apply to each spouse, jointly and severally, on behalf of each of their marital, community and sole and separate property estates.

N. WAIVER OF JURY TRIAL/JUDICIAL REFERENCE.

(a) Landlord and Guarantor each acknowledges that it is aware of and has had the advice of counsel of its choice with respect to its right to trial by jury, and each party does hereby expressly and knowingly waive and release all such rights to trial by jury in any action, proceeding or counterclaim brought by either party hereto against the other (and/or against its officers, directors, employees, agents, or subsidiary or affiliated entities) on any matters whatsoever arising out of or in any way connected with the Lease, this Guarantee, Tenant's use or occupancy of the Premises, and/or any claim of injury or damage.

(b) In the event that the jury waiver provisions of Section III. N.(a) are not enforceable under California Law, then the provisions of this Section III. N. (b) shall apply. Landlord and Guarantor agree that any disputes arising in connection with the Lease and/or this Guarantee (including but not limited to a determination of any and all of the issues in such dispute, whether of fact or of Law, and including any action where Tenant names as a party to any dispute an employee or agent of Landlord) shall be resolved (and a decision shall be rendered) by way of a general reference as provided for in Part 2, Title 8, Chapter 6 (§ 638 et. seq.) of the California Code of Civil Procedure, or any successor California statute governing resolution of disputes by a court appointed referee. Nothing within this Section III.N. shall apply to an unlawful detainer action.

IN WITNESS WHEREOF, the undersigned have executed this Guarantee and made it effective on the date first written above.

Addresses for Notices:

15476 Canon Lane
Chino Hills CA 91709

GUARANTOR

JAMES CHAE and JENNIE Y. CHAE,
husband and wife, on behalf of their separate and community property interests,
jointly and severally

James Chae
James Chae

Jennie Y. Chae
Jennie Y. Chae

EXHIBIT J

MENU

RETAIL LEASE

TENANT: YOSHIHARU IRVINE, a California corporation

SHOPPING CENTER: ORCHARD HILLS SHOPPING CENTER

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Certificate Of Completion

Envelope Id: 6721814CB8A04AF1B21D082599922246
Subject: ORCHARD HILLS - YOSHIHARU JAPANESE RAMEN
fcorgid: 00D41000002ID1mEAE
Source Envelope:
Document Pages: 47 Signatures: 8
Certificate Pages: 6 Initials: 1
AutoNav: Enabled
EnvelopeId Stamping: Enabled
Time Zone: (UTC-08:00) Pacific Time (US & Canada)

Status: Completed

Envelope Originator:
Rachel Lopez
550 Nwport Ctr Dr
Ste 300
Newport Beach, CA 92660
r.lopez@irvinecompany.com
IP Address: 13.110.14.8

Record Tracking

Status: Original
12/28/2020 3:28:19 PM

Holder: Rachel Lopez
r.lopez@irvinecompany.com

Location: DocuSign

Signer Events	Signature	Timestamp
Jennie Y. Chae yhkchae@yahoo.com Security Level: Email, Account Authentication (None)	DocuSigned by: Jennie Y. Chae 29C0265F948B45D...	Sent: 12/28/2020 4:44:19 PM Viewed: 12/29/2020 4:26:54 PM Signed: 12/29/2020 4:27:34 PM
	Signature Adoption: Pre-selected Style Using IP Address: 107.185.168.221	
Electronic Record and Signature Disclosure: Accepted: 12/29/2020 4:26:54 PM ID: 26b59c03-51a4-46ee-b6df-39616d053470		
James Chae jchae@apiis.com President Security Level: Email, Account Authentication (None)	DocuSigned by: James Chae AA85B3CB1F204AD...	Sent: 12/28/2020 4:44:19 PM Viewed: 12/29/2020 9:27:24 AM Signed: 12/29/2020 9:28:30 AM
	Signature Adoption: Pre-selected Style Using IP Address: 107.127.56.93 Signed using mobile	
Electronic Record and Signature Disclosure: Accepted: 12/29/2020 9:27:24 AM ID: be97c3d3-3472-4756-a4a2-8865558cce9c		
Louis Raymond lraymond@irvinecompany.com Assistant Secretary Irvine Company Security Level: Email, Account Authentication (None)	DS LR	Sent: 12/29/2020 4:27:42 PM Viewed: 12/29/2020 4:50:31 PM Signed: 12/29/2020 4:50:46 PM
	Signature Adoption: Pre-selected Style Using IP Address: 174.195.196.126 Signed using mobile	
Electronic Record and Signature Disclosure: Not Offered via DocuSign		
Jennifer Ciccone jciccone@irvinecompany.com Vice President, Operations Irvine Company Security Level: Email, Account Authentication (None)	DocuSigned by: Jennifer Ciccone 1EB89EAC1ABC401...	Sent: 12/29/2020 4:50:54 PM Viewed: 12/30/2020 8:49:53 AM Signed: 12/30/2020 8:49:58 AM
	Signature Adoption: Pre-selected Style Using IP Address: 12.208.120.92	
Electronic Record and Signature Disclosure:		

Signer Events	Signature	Timestamp
Accepted: 5/5/2017 1:23:15 PM ID: 989a7501-7681-40a5-a87b-5416f87938ba		
Christopher Forwood cforwood@irvinecompany.com Assistant Secretary Irvine Company Security Level: Email, Account Authentication (None) **Electronic Record and Signature Disclosure:** Not Offered via DocuSign	DocuSigned by: Christopher Forwood 698F6758CB5842E... Signature Adoption: Pre-selected Style Using IP Address: 68.5.7.184	Sent: 12/30/2020 8:50:04 AM Viewed: 12/30/2020 9:38:11 AM Signed: 12/30/2020 9:38:53 AM

In Person Signer Events	Signature	Timestamp

Editor Delivery Events	Status	Timestamp

Agent Delivery Events	Status	Timestamp

Intermediary Delivery Events	Status	Timestamp

Certified Delivery Events	Status	Timestamp

Carbon Copy Events	Status	Timestamp
Amy Bustos abustos@irvinecompany.com Security Level: Email, Account Authentication (None) **Electronic Record and Signature Disclosure:** Accepted: 9/6/2019 9:44:33 AM ID: 29e28ea5-c117-4062-bdd7-b885dad7e815	COPIED	Sent: 12/29/2020 4:27:42 PM
Rachel Lopez rlopez@irvinecompany.com Security Level: Email, Account Authentication (None) **Electronic Record and Signature Disclosure:** Not Offered via DocuSign	COPIED	Sent: 12/29/2020 4:27:42 PM
Melanie Arguello marguello@irvinecompany.com Security Level: Email, Account Authentication (None) **Electronic Record and Signature Disclosure:** Not Offered via DocuSign	COPIED	Sent: 12/30/2020 9:38:59 AM
Mica Fisher mfisher@irvinecompany.com Director, Property Management Irvine Company Security Level: Email, Account Authentication (None) **Electronic Record and Signature Disclosure:** Not Offered via DocuSign	COPIED	Sent: 12/30/2020 9:38:59 AM
Lease Admin retailleaseadmin@irvinecompany.com Security Level: Email, Account Authentication (None) **Electronic Record and Signature Disclosure:** Not Offered via DocuSign	COPIED	Sent: 12/30/2020 9:38:59 AM

Carbon Copy Events	Status	Timestamp
Amy Bustos abustos@irvinecompany.com Security Level: Email, Account Authentication (None) **Electronic Record and Signature Disclosure:** Accepted: 9/6/2019 9:44:33 AM ID: 29e28ea5-c117-4062-bdd7-b885dad7e815	COPIED	Sent: 12/30/2020 9:38:59 AM
Brandon Mucha bmucha@irvinecompany.com Security Level: Email, Account Authentication (None) **Electronic Record and Signature Disclosure:** Not Offered via DocuSign	COPIED	Sent: 12/30/2020 9:38:59 AM
Kindra Gladish kgladish@irvinecompany.com Irvine Company Security Level: Email, Account Authentication (None) **Electronic Record and Signature Disclosure:** Not Offered via DocuSign	COPIED	Sent: 12/30/2020 9:38:59 AM
Lauren Carlson lrcarlson@irvinecompany.com Irvine Company Security Level: Email, Account Authentication (None) **Electronic Record and Signature Disclosure:** Not Offered via DocuSign	COPIED	Sent: 12/30/2020 9:38:59 AM
Jerry Cyncynatus jcyncynatus@irvinecompany.com Assistant Secretary Irvine Company Security Level: Email, Account Authentication (None) **Electronic Record and Signature Disclosure:** Not Offered via DocuSign	COPIED	Sent: 12/30/2020 9:38:59 AM

Witness Events	Signature	Timestamp

Notary Events	Signature	Timestamp

Envelope Summary Events	Status	Timestamps
Envelope Sent	Hashed/Encrypted	12/28/2020 4:44:19 PM
Certified Delivered	Security Checked	12/30/2020 9:38:11 AM
Signing Complete	Security Checked	12/30/2020 9:38:53 AM
Completed	Security Checked	12/30/2020 9:38:59 AM

Payment Events	Status	Timestamps

Electronic Record and Signature Disclosure

ELECTRONIC RECORD AND SIGNATURE DISCLOSURE

From time to time, Irvine Company (we, us or Company) may be required by law to provide to you certain written notices or disclosures. Described below are the terms and conditions for providing to you such notices and disclosures electronically through your DocuSign, Inc. (DocuSign) Express user account. Please read the information below carefully and thoroughly, and if you can access this information electronically to your satisfaction and agree to these terms and conditions, please confirm your agreement by clicking the 'I agree' button at the bottom of this document.

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At any time, you may request from us a paper copy of any record provided or made available electronically to you by us. For such copies, as long as you are an authorized user of the DocuSign system you will have the ability to download and print any documents we send to you through your DocuSign user account for a limited period of time (usually 30 days) after such documents are first sent to you. After such time, if you wish for us to send you paper copies of any such documents from our office to you, you will be charged a $0.00 per-page fee. You may request delivery of such paper copies from us by following the procedure described below.

Withdrawing your consent

If you decide to receive notices and disclosures from us electronically, you may at any time change your mind and tell us that thereafter you want to receive required notices and disclosures only in paper format. How you must inform us of your decision to receive future notices and disclosure in paper format and withdraw your consent to receive notices and disclosures electronically is described below.

Consequences of changing your mind

If you elect to receive required notices and disclosures only in paper format, it will slow the speed at which we can complete certain steps in transactions with you and delivering services to you because we will need first to send the required notices or disclosures to you in paper format, and then wait until we receive back from you your acknowledgment of your receipt of such paper notices or disclosures. To indicate to us that you are changing your mind, you must withdraw your consent using the DocuSign 'Withdraw Consent' form on the signing page of your DocuSign account. This will indicate to us that you have withdrawn your consent to receive required notices and disclosures electronically from us and you will no longer be able to use your DocuSign Express user account to receive required notices and consents electronically from us or to sign electronically documents from us.

All notices and disclosures will be sent to you electronically

Unless you tell us otherwise in accordance with the procedures described herein, we will provide electronically to you through your DocuSign user account all required notices, disclosures, authorizations, acknowledgements, and other documents that are required to be provided or made available to you during the course of our relationship with you. To reduce the chance of you inadvertently not receiving any notice or disclosure, we prefer to provide all of the required notices and disclosures to you by the same method and to the same address that you have given us. Thus, you can receive all the disclosures and notices electronically or in paper format through the paper mail delivery system. If you do not agree with this process, please let us know as described below. Please also see the paragraph immediately above that describes the consequences of your electing not to receive delivery of the notices and disclosures electronically from us.

How to contact Irvine Company:

You may contact us to let us know of your changes as to how we may contact you electronically, to request paper copies of certain information from us, and to withdraw your prior consent to receive notices and disclosures electronically as follows:

To contact us by email send messages to: helpdesk@irvinecompany.com

To advise Irvine Company of your new e-mail address

To let us know of a change in your e-mail address where we should send notices and disclosures electronically to you, you must send an email message to us at helpdesk@irvinecompany.com and in the body of such request you must state: your previous e-mail address, your new e-mail address. We do not require any other information from you to change your email address..

In addition, you must notify DocuSign, Inc to arrange for your new email address to be reflected in your DocuSign account by following the process for changing e-mail in DocuSign.

To request paper copies from Irvine Company

To request delivery from us of paper copies of the notices and disclosures previously provided by us to you electronically, you must send us an e-mail to helpdesk@irvinecompany.com and in the body of such request you must state your e-mail address, full name, US Postal address, and telephone number. We will bill you for any fees at that time, if any.

To withdraw your consent with Irvine Company

To inform us that you no longer want to receive future notices and disclosures in electronic format you may:

i. decline to sign a document from within your DocuSign account, and on the subsequent page, select the check-box indicating you wish to withdraw your consent, or you may;

ii. send us an e-mail to helpdesk@irvinecompany.com and in the body of such request you must state your e-mail, full name, IS Postal Address, telephone number, and account number. We do not need any other information from you to withdraw consent.. The consequences of your withdrawing consent for online documents will be that transactions may take a longer time to process..

Required hardware and software

Operating Systems:	Windows2000? or WindowsXP?
Browsers (for SENDERS):	Internet Explorer 6.0? or above
Browsers (for SIGNERS):	Internet Explorer 6.0?, Mozilla FireFox 1.0, NetScape 7.2 (or above)
Email:	Access to a valid email account
Screen Resolution:	800 x 600 minimum
Enabled Security Settings:	• Allow per session cookies • Users accessing the internet behind a Proxy Server must enable HTTP 1.1 settings via proxy connection

** These minimum requirements are subject to change. If these requirements change, we will provide you with an email message at the email address we have on file for you at that time providing you with the revised hardware and software requirements, at which time you will have the right to withdraw your consent.

Acknowledging your access and consent to receive materials and conduct transactions electronically under California law.

To confirm to us that you can access this information electronically, which will be similar to other electronic notices and disclosures that we will provide to you, please verify that you were able to read this electronic disclosure and that you also were able to print on paper or electronically save this page for your future reference and access or that you were able to e-mail this disclosure and consent to an address where you will be able to print on paper or save it for your future reference and access. Further, if you consent to receiving notices and disclosures exclusively in electronic format on the terms and conditions described above, please let us know by clicking the 'I agree' button below.

By checking the I Agree box, I confirm that:

- I can access and read this Electronic CONSENT TO ELECTRONIC RECEIPT OF ELECTRONIC CONSUMER DISCLOSURES document; and
- I can print on paper the disclosure or save or send the disclosure to a place where I can print it, for future reference and access; and

- Until or unless I notify Irvine Company as described above, I consent to receive from exclusively through electronic means all notices, disclosures, authorizations, acknowledgements, and other documents that are required to be provided or made available to me by Irvine Company during the course of my relationship with you.
- I agree and consent that electronic signatures are acceptable for any transaction, agreement, document, disclosure and/or notice exchanged or sent via electronic means pursuant to this disclosure.
- I agree that the laws of the State of California shall govern and apply, without reference to its or any other choice of law principals, to the information, transaction and/or documents exchanged and/or executed hereinunder, including without limitation the Uniform Electronic Transactions Act (Civil Code section 1633.1 et seq.).

LEASE

BETWEEN

Tarpon Property Ownership 2 LLC,

a Delaware limited liability company

Landlord

and

Global BB Group, Inc.,

a California corporation

Tenant

dba: Yoshiharu Ramen

Project

Goodman Commerce Center Eastvale

Date: _____, 2019

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RETAIL LEASE

This Lease ("Lease") is entered into as of the date set forth in Section 1.1 by and between Landlord and Tenant.

ARTICLE 1 - BASIC LEASE PROVISIONS

1.1 Effective Date: _____, 2019

1.2 Landlord: Tarpon Property Ownership 2 LLC, a Delaware limited liability company

1.3 Tenant: Global BB Group, Inc., a California corporation

1.4 Tenant's Trade Name: Yoshiharu Ramen. (Article 9)

1.5 Project: The Station at Goodman Commerce Center Eastvale, located at the southeast corner of Cantu Galleano Ranch Road and Hamner Avenue, in the City of Eastvale, State of California.

1.6 Premises: 4910 Hamner Avenue, Suite 150 in Building CR-5, at the Project. (Article 2)

1.7 Floor Area of Premises: Approximately One Thousand Four Hundred Ninety Three (1,493) square feet. (Article 2)

1.8 Term: One Hundred Twenty (120) months, with two (2) "Option Term(s)" (as hereinafter defined) of sixty (60) months each. (Article 3)

1.9 Time to Complete Tenant's Work: One Hundred Eighty (180) days following the "Delivery Date" (as hereinafter defined). (Article 4)

1.10 Commencement Date: The date upon the expiration of the period set forth in Section 1.9 following the Delivery Date. (Article 3)

1.11 Minimum Annual Rent: (Article 5)

Period Following Commencement Date	Dollars Per Square Foot Per Annum	Dollars Per Annum	Dollars Per Month
Months 1 – 12:	$54.00	$80,622.00	$6,718.50
Months 13 – 24:	$55.62	$83,040.66	$6,920.06
Months 25 – 36:	$57.29	$85,531.88	$7,127.66
Months 37 – 48:	$59.01	$88,097.84	$7,341.49
Months 49 – 60:	$60.78	$90,740.77	$7,561.73

Months 61 – 72	$62.60	$93,462.99	$7,788.58
Months 73 – 84	$64.48	$96,266.88	$8,022.24
Months 85 – 96	$66.41	$99,154.89	$8,262.91
Months 97 – 108	$68.41	$102,129.54	$8,510.79
Months 109 – 120	$70.46	$105,193.42	$8,766.12

In the event the Option Term(s) is/are exercised, Minimum Annual Rent for the Option Term(s) be determined as set forth in Section 3.2(b).

1.12 Percentage Rent: None. (Article 5)

1.13 Radius Restriction Area: Two (2) miles. (Article 9)

1.14 Use of Premises: The Premises shall be used for the retail operation of a full service, first class "Japanese Ramen" operation including, but not limited to, the sale of Japanese style noodles, Japanese appetizers, rice bowls, sushi rolls and other items consistent with the menu items sold throughout the Yoshiharu chain for consumption both on and/or off-premises as permitted by law ("Use") and operating under the trade name specified in Section 1.4 above. The Premises shall be used as set forth herein and for no other use or purpose. In no event shall the Premises be used in violation of the existing exclusive use or prohibited use restrictions applicable to the Project as of the Effective Date. A list of such exclusive and prohibited use restrictions is attached hereto as Exhibit F. (Article 9)

1.15 Initial Promotional Assessment: One Dollar ($1.00) per square foot of Floor Area of the Premises per annum. (Article 13)

1.16 Promotional Charge: One Dollar ($1.00) per square foot of Floor Area of the Premises per annum, subject to adjustment as provided in Article 13.

1.17 Insurance Limits: Two Million Dollars ($2,000,000.00). (Article 14)

1.18 Security Deposit: Eight Thousand Seven Hundred Sixty Six and 12/100 Dollars ($8,766.12). (Article 20)

1.19 Guarantor: James Chae. (Exhibit E)

1.20 Broker(s): Landlord's Broker: SRS Real Estate Partners. Tenant's Broker: New Star Realty & Inv. (Article 20)

1.21 Notices:

(a) To Landlord: 18201 Von Karman Avenue, Suite 1170, Irvine, California 92612, Attention: Legal Affairs; with a copy to: 18201 Von Karman Avenue, Suite 1170, Irvine,

California 92612, Attention: Property Manager; Landlord's e-mail address: usnotices@goodman.com.

(b) To Tenant: 6940 Beach Boulevard, Suite D705 Buena Park, California, 90621, Attention: J. Chin; Tenant's phone number: (714) 694-2400; Tenant's e-mail address: JChin@yoshiharuramen.com; with a copy to: JChae@yoshiharuramen.com. (Article 20)

1.22 Payment Address: via wire to Account Name: Tarpon Property Ownership 2 LLC, Account Number: 000195359, Federal Routing Code: 021001088 at HSBC Bank USA, 452 Fifth Avenue, New York, NY 10018. (Article 5)

1.23 Declarations: Collectively, as each of the following is recorded in the official records of Riverside County, California (the "Official Records"): (a) that certain Declaration of Covenants, Conditions and Restrictions and Reservation of Easements for Goodman Commerce Center Eastvale recorded March 4, 2016 as Document No. 2016–0086605, in the Official Records, as amended by that certain Amendment to Declaration of Covenants, Conditions, and Restrictions and Reservation of Easements for Goodman Commerce Center Eastvale recorded October 4, 2016 as Document No. 2016–0433196 in the Official Records, by that certain Second Amendment to Declaration of Covenants, Conditions and Restrictions and Reservation of Easements for Goodman Center Eastvale recorded May 8, 2017, as Document No. 2017-0182788 in the Official Records and by that certain Third Amendment to Declaration of Covenants, Conditions and Restrictions and Reservation of Easements for Goodman Center Eastvale recorded December 19, 2017 as Document No. 2017-0532142 in the Official Records (collectively, the "Master Declaration"), (b) that certain Declaration of Access Easement and Maintenance Agreement recorded December 19, 2017, as Document No. 2017-0532145 in the Official Records ("Access Declaration"), and (c) that certain Amended and Restated Construction, Operation and Reciprocal Easement Agreement recorded July 20, 2018, as Document No. 2018-292859, in the Official Records ("COREA" and collectively, with the Master Declaration and Access Declaration, the "Declarations").

1.24 Construction Allowance: Subject to the reimbursement requirements of Exhibit C-1, an amount equal to Thirty Dollars ($30.00) per square foot of Floor Area within the Premises. Based upon the current known Floor Area of the Premises, the Construction Allowance will equal Forty Four Thousand Seven Hundred Ninety Dollars ($44,790.00), which amount shall be subject to adjustment based upon the final Floor Area of the Premises. (Exhibit C-1)

1.25 Outdoor Seating Area: The "Common Outdoor Seating Area" depicted on Exhibit B.

ARTICLE 2 - PREMISES

2.1 Premises. Landlord leases to Tenant and Tenant leases from Landlord, for the "Term" (as defined in Article 3) and upon the covenants and conditions set forth in this Lease, the premises described in Section 1.6 ("Premises"). Notwithstanding anything contained in this Lease to the contrary, the Premises shall be deemed to include the roof, floor slab and foundations, and structural and exterior walls which are a part of or immediately adjacent to the Premises. So long as the same is done in compliance with all Applicable Laws, Declarations, and the other provisions of this Lease, Tenant may also seat its customers in the Common Outdoor Seating Area depicted on Exhibit B. Landlord and Tenant shall jointly maintain the Common Outdoor Seating Area in first-

class condition. Tenant shall pay, as a Common Area Cost, Tenant's pro rata share of all costs incurred by Landlord in furnishing, maintaining, refreshing and renovating the Common Outdoor Seating Area (including replacements thereof).

2.2 Reservation. Landlord reserves the right to use the exterior walls, floor, roof and plenum in, above and below the Premises for the installation, repair, maintenance, use and replacement of pipes, ducts, utility lines and systems, structural elements serving the Project and for such other purposes as Landlord deems necessary. In exercising its rights reserved herein, Landlord shall not unreasonably interfere with the operation of Tenant's business on the Premises.

2.3 Floor Area. The term "Floor Area", as used in this Lease, shall mean all areas designated by Landlord for the exclusive use of a tenant measured from the exterior surface of exterior walls (and extensions, in the case of openings) and from the center of interior demising walls, and shall include, but not be limited to, restrooms, mezzanines, warehouse or storage areas, clerical or office areas and employee areas, and private areas such as janitors closet, day porter, security room, management office, etc. The Premises contain approximately the number of square feet of Floor Area specified in Section 1.7. Landlord shall have the right during the first ninety (90) days following the "Commencement Date" (as hereinafter defined), to cause the Floor Area of the Premises to be re-measured by a licensed architect. Upon determination of the actual Floor Area of the Premises in the manner set forth above, the Minimum Annual Rent and all other charges payable by Tenant under this Lease which are determined with reference to the Floor Area of the Premises shall be adjusted accordingly.

ARTICLE 3 - TERM

3.1 Term. This Lease shall be effective from and after the Effective Date specified in Section 1.1. The term of this Lease ("Term") shall commence on the Commencement Date, as defined in Section 1.10, above. The Term shall continue, unless sooner terminated in accordance with the provisions of this Lease, for the number of months specified in Section 1.8 from the first day of the month following the Commencement Date (unless the Commencement Date occurs on the first day of a calendar month, in which event the number of months in the Term shall include the month in which the Commencement Date occurs).

3.2 Extension Option.

(a) Provided that Tenant is not in default of any monetary or material non-monetary provision of this Lease at the time of exercise of an option to extend provided herein or at any time thereafter prior to the commencement of the applicable "Option Term" (as hereinafter defined), Tenant shall have the option to extend the Term for the additional period(s) set forth in Section 1.8 of this Lease (each such period being referred to herein as an "Option Term") only by giving Landlord written notice at least nine (9) months, but not more than twelve (12) months, before the expiration of the then applicable Term. Should Tenant fail to timely exercise any Option Term(s), then all subsequent Option Term(s) shall be void, and of no further force or effect. All of the terms applicable to the initial Term shall be applicable to the Option Term(s), except that the Minimum Annual Rent payable during each Option Term shall be as set forth in Section 1.11 above. The option to extend the Term pursuant hereto by the Option Term(s) shall be personal to the original Tenant signatory to this Lease and shall not be exercisable by or for the benefit of any assignee or

subtenant of Tenant other than an assignee in connection with a "Permitted Transfer" pursuant to Section 12.4 below. All references in this Lease to the "Term" shall be deemed to mean the initial Term as extended by the Option Term(s), as applicable. In the event Tenant exercises an option to extend the Option Term, such extension shall be conditioned upon Landlord and Tenant being able to reach an agreement, within ninety (90) days of the date Landlord receives Tenant's extension notice, for a "front-of-house" cosmetic refurbishment of the Premises to the extent deemed reasonably necessary by Landlord, which refurbishment shall be at Tenant's cost. Such refurbishment shall include such cosmetic changes as may be needed to maintain the Premises in a first-class condition, which may include updating of wall finishes, repair or replacement of worn flooring, updating of exterior entry, the cleaning and painting of air conditioning registers, the replacement of any discolored ceiling tiles and other similar cosmetic refurbishing. Notwithstanding the foregoing, in the event Tenant has refurbished the Premises within twenty-four (24) months of the expiration of the initial Term, Tenant shall not be required to refurbish the Premises at the commencement of the Option Term, except to conform to the new prototype. Landlord and Tenant shall use reasonable efforts and act in good faith in order to mutually agree prior to the end of the ninety (90)-day period on the scope of the refurbishment.

(b) If exercised as provided above, the Minimum Annual Rent payable during each Option Term shall be determined as follows:

(i) Effective on the first day of the applicable Option Term, Minimum Annual Rent shall be increased (but not decreased) to an amount equal to the greater of (i) the Fair Market Rent of the Premises as of the commencement of the Option Term, as determined by Landlord, the amount of which Landlord shall notify Tenant of prior to the commencement of the Option Term, or (ii) one hundred and three percent (103%) of the Minimum Annual Rent in effect on the last day of the immediately preceding Term. In no event shall the Minimum Annual Rent as determined pursuant to this subparagraph (b) be less than one hundred and three percent (103%) of that in effect on the last day of the immediately preceding Term. Thereafter, for each year of the applicable Option Term, the Minimum Annual Rent shall increase by three percent (3%) over the prior year's Minimum Annual Rent.

(ii) If Tenant objects to Landlord's determination of the Fair Market Rent of the Premises for the Option Term, Tenant shall notify Landlord in writing, within fifteen (15) days after receipt of Landlord's notice of the Fair Market Rent determination that Tenant disagrees with Landlord's determination of Fair Market Rent. In the event that Landlord and Tenant are unable to agree upon the Fair Market Rent of the Premises, then the Fair Market Rent shall be determined by appraisal in the manner provided below. Until the appraisal procedures are finalized, Tenant shall pay to Landlord the minimum monthly amount of Minimum Annual Rent that would be due during such Option Term. After the determination of the appraisers is final, Tenant shall promptly make payment to Landlord for any underpayment of Minimum Annual Rent owing for prior months.

(iii) The "Fair Market Rent" of the Premises shall be determined as follows: The Premises shall be appraised by an MAI appraiser chosen by Landlord ("First Appraisal") and the appraisal report forwarded to Tenant. If the First Appraisal is deemed unacceptable by Tenant, then Tenant shall so advise Landlord in writing within ten (10) working days after receipt of the First Appraisal and Tenant shall have the right to engage an MAI appraiser to appraise the Premises ("Second Appraisal") and the appraisal report forwarded to Landlord. In the event Landlord shall

deem the Second Appraisal to be unacceptable, then Landlord shall advise Tenant within ten (10) working days after receipt of the Second Appraisal, and the first appraiser and second appraiser shall together choose a third MAI appraiser who shall appraise the Premises ("Third Appraisal") and forward the appraisal report to Landlord and Tenant. The cost of the First Appraisal shall be borne by Landlord, and the cost of the Second Appraisal shall be borne by Tenant. The cost of the Third Appraisal shall be shared equally between Landlord and Tenant. The Fair Market Rent for the Premises shall be the average of the two (2) closest appraisals. Each of the appraisers shall appraise the Premises for its highest and best retail use.

ARTICLE 4 - POSSESSION AND CONSTRUCTION

4.1 Delivery Date. The term "Delivery Date", as used in this Lease, shall mean the date Landlord notifies Tenant in writing that possession of the Premises is available to Tenant so that Tenant's contractor may commence the construction of "Tenant's Work" (as specified in Exhibit C). Notwithstanding the foregoing, in the event Tenant has failed to deliver to Landlord the "Delivery Items" (as hereinafter defined) by the Delivery Date, Landlord shall have the right to delay "physical turnover" of the Premises to Tenant until Tenant has delivered the Delivery Items to Landlord; provided, however, for all purposes of this Lease, the Delivery Date shall be deemed to have occurred when Landlord was ready to deliver "physical turnover" of the Premises to Tenant pursuant to the terms of this Lease even though Landlord elected not to do so pending receipt of the Delivery Items. Tenant shall be required to re-key the Premises at its sole cost and expense following Landlord's delivery of the Premises to Tenant.

4.2 Delivery of Possession. Tenant shall accept possession of the Premises from Landlord upon the Delivery Date and shall diligently complete construction of the Tenant's Work on or before the Commencement Date. Tenant shall deliver each of the following to Landlord prior to the Delivery Date: (a) executed copies of policies of insurance or certificates thereof (as required under Article 14); (b) final plans and specifications for Tenant's Work, as approved by Landlord (as specified in Exhibit C); (c) a copy of Tenant's building permit, if issued by such date; and (d) the "Initial Deposit Check" (as defined below) (the "Delivery Items"). Tenant shall pay the Security Deposit, first month's Common Area Costs and first month's Minimum Annual Rent to Landlord on the date Tenant signs this Lease (the "Initial Deposit Check"). Tenant agrees to accept possession of the Premises on the Delivery Date in its present "AS IS" condition, and shall, subject to the terms and conditions of this Lease, hold Landlord harmless from any liability or claims relating to the condition of the Premises.

4.3 Tenant's Construction. Tenant shall commence construction of Tenant's Work upon the Delivery Date and delivery of physical possession of the Premises to Tenant, and shall diligently prosecute same to completion. Tenant shall deliver to Landlord a copy of the certificate of occupancy for the Premises issued by the appropriate governmental agency upon completion of Tenant's Work.

ARTICLE 5 - RENTAL

5.1 Minimum Annual Rent. Tenant shall pay the sum specified in Section 1.11 ("Minimum Annual Rent") in the monthly installments specified ("Minimum Monthly Rent"), in advance, on or before the first (1st) day of each month, without prior notice or demand and without

offset, withholding, right of recoupment, or deduction (except as expressly and specifically provided in this Lease), commencing on the Commencement Date. Should the Commencement Date be a day other than the first (1st) day of a calendar month, then the Minimum Monthly Rent for the first partial month shall be equal to one-thirtieth (1/30th) of the Minimum Monthly Rent for each day from the Commencement Date to the end of the partial month. The Minimum Annual Rent payable under Section 1.11 and this Article 5 shall be adjusted on each of the dates and to the amounts specified in Section 1.11.

5.2 Intentionally Deleted.

5.3 Additional Rent. Tenant shall pay, as "Additional Rent", without offset or deduction, all sums required to be paid by Tenant to Landlord pursuant to this Lease in addition to Minimum Annual Rent. Landlord shall have the same rights and remedies for the non-payment of Additional Rent as it has with respect to the non-payment of Minimum Annual Rent.

5.4 Place of Payment. Tenant shall pay Minimum Annual Rent and Additional Rent to Landlord at the address set forth in Section 1.22 (the "Payment Address"), or to such other address and/or person as Landlord may from time to time designate in writing to Tenant. Landlord shall have the right to require Tenant to make payments of Minimum Annual Rent and Additional Rent via electronic funds transfer conducted by the Automated Clearing House or similar network. Tenant agrees to cooperate with Landlord to complete all necessary forms in order to accomplish such method of electronic payment.

5.5 Late Payments. If Tenant fails to pay when the same is due any Minimum Annual Rent or Additional Rent, the unpaid amounts shall bear interest at the "Interest Rate" (as hereinafter defined), from the date the unpaid amount was initially due, to and including the date of payment. In addition, if any installment of Minimum Annual Rent or Additional Rent is not received by Landlord from Tenant within five (5) days after the date when due, Tenant shall immediately pay to Landlord a late charge equal to the greater of (a) five percent (5%) of the delinquent amount or (b) Two Hundred Fifty Dollars ($250.00). Landlord and Tenant agree that this late charge represents a reasonable estimate of the costs and expenses Landlord will incur and is fair compensation to Landlord for its loss suffered by reason of late payment by Tenant.

ARTICLE 6 - TENANT FINANCIAL DATA

6.1 Recordation of Sales. Tenant shall furnish or cause to be furnished to Landlord a statement of the monthly Gross Sales of Tenant within ten (10) days after the close of each calendar quarter and a statement of the annual Gross Sales of Tenant within thirty (30) days after the close of each calendar year. Such statements shall be in a form mutually acceptable to Landlord and Tenant. Such statements shall be certified as an accurate accounting of Tenant's Gross Sales by an authorized representative of Tenant. The term "Gross Sales", as used in this Lease, shall mean the gross selling price of all merchandise or services sold or rented in or from the Premises by Tenant, its subtenants, licensees and concessionaires (including, but not limited to, food and beverages; provided, however, this reference to food and beverages shall not be deemed to permit the sale of food or beverages from the Premises if not otherwise expressly permitted by this Lease), whether for cash or on credit and whether made by store personnel or by machines or whether made by catalogue or internet sale (from on or off the Premises), excluding therefrom the following: (i) sales taxes, excise taxes or gross

receipts taxes imposed by governmental entities upon the sale of merchandise or services, but only if collected from customers separately from the selling price and paid directly to the respective governmental entities; and (ii) proceeds from the sale of fixtures, equipment or property which are not stock in trade (the "Exclusions from Gross Sales"). Tenant shall use its reasonable good faith efforts to maximize Gross Sales from the Premises.

6.2 Books and Records. For a period of five (5) years following the close of each calendar year, Tenant shall keep at the Premises or at any other location in the County in which the Premises are located, full and accurate books of account and records relative to transactions from the Premises in accordance with generally accepted accounting principles consistently applied.

6.3 Intentionally Omitted.

6.4 Financial Statements. Within fifteen (15) days after Landlord's written request (which requests may not be made more than once per calendar year), Tenant shall furnish Landlord with financial statements or other reasonable financial information reflecting Tenant's and Guarantor's current financial condition, certified by Tenant or its financial officer. If Tenant or Guarantor is a publicly-traded corporation, delivery of Tenant's or Guarantor's, as the case may be, last published financial information shall be satisfactory for purposes of this Section.

ARTICLE 7 - TAXES

7.1 Real Property Taxes.

(a) As used in this Lease, the term "Taxes" shall include any form of tax or assessment, license fee, license tax, possessory interest tax, tax or excise on rental, or any other levy, charge, expense or imposition imposed by any Federal, state, county or city authority, or any political subdivision thereof, or any school, agricultural, lighting, drainage or other improvement, special assessment or community facilities district on any interest of Landlord or Tenant in the Project. The term "Taxes" shall not include Landlord's general income taxes, inheritance, estate or gift taxes. Taxes shall include the reasonable costs of any third party consultant retained by Landlord to verify that the Taxes being assessed by the governmental agency are correct.

(b) From and after the Commencement Date, Tenant shall pay to Landlord a share of Taxes pursuant to Section 7.1(c). Taxes for any partial year shall be prorated. Landlord, at its option, may collect Tenant's payment of its share of Taxes after the actual amount of Taxes are ascertained or in advance, monthly or quarterly, based upon estimated Taxes. If Landlord elects to collect Tenant's share of Taxes based upon estimates, Tenant shall pay to Landlord from and after the Commencement Date, and thereafter on the first (1st) day of each month or quarter during the Term (as determined by Landlord), an amount estimated by Landlord to be the monthly or quarterly Taxes payable by Tenant. Landlord may periodically adjust the estimated amount. If Landlord collects Taxes based upon estimated amounts, then following the end of each calendar year or, at Landlord's option, its fiscal year or the fiscal tax year, Landlord shall furnish Tenant with a statement covering the year just expired showing the total Taxes for the Project for such year, the total Taxes payable by Tenant for such year, and the payments previously made by Tenant with respect to such year, as set forth above. If the actual Taxes payable by Tenant for such year exceed Tenant's prior payments, Tenant shall pay to Landlord the deficiency within ten (10) days after its receipt of Landlord's statement. If Tenant's payments exceed the actual Taxes payable for that year, Tenant

shall be entitled to offset the excess against the next payment(s) of Taxes and/or other Additional Rent that become due to Landlord; provided that Landlord shall refund to Tenant the amount of any overpayment for the last year of the Term.

(c) If the Premises and underlying realty are part of a larger parcel(s) for assessment purposes ("larger parcel"), Tenant's share of the Taxes may, at Landlord's option, be determined by multiplying all of the Taxes on the larger parcel(s), excluding Taxes on the "Common Area" (as hereinafter defined), by a fraction, the numerator of which shall be the Floor Area of the Premises and the denominator of which is the number of square feet of Floor Area in the larger parcel(s) as of the commencement of the applicable calendar or fiscal year (as the case may be), exclusive of the Floor Area of the Other Stores and exclusive of the "Joint Use Facilities" (as hereinafter defined). Notwithstanding anything contained in this Article 7 to the contrary, in the event Landlord reasonably determines that the improvements comprising the Premises have a value greater than the value of a majority of the other premises in the Project or within the land covered by the applicable tax bill, Landlord shall have the right to make such reasonable adjustments to Tenant's share of the Taxes so that Tenant pays Taxes on the value of the improvements comprising the Premises which is in excess of the value of the majority of other premises in the Project or within the land covered by the applicable tax bill.

7.2 Other Property Taxes. Tenant shall pay, prior to delinquency, all taxes, assessments, license fees and public charges levied, assessed or imposed upon its business operation, trade fixtures, merchandise and other personal property in, on or upon the Premises. If any such items of property are assessed with property of Landlord, then the assessment shall be equitably divided between Landlord and Tenant (and Tenant shall pay Landlord such equitable share within thirty (30) days following receipt of reasonable evidence of such taxes, assessments, fees or charges).

7.3 Contesting Taxes. If Landlord elects to contest (either formally or informally through negotiations) any Taxes levied or assessed against the Project during the Term, Tenant shall not be required to pay any portion of the costs or expenses incurred by Landlord in connection with such contest. However, if Landlord is successful in such contest (whether by settlement or otherwise), Landlord may deduct from the portion of any refund received which is payable to Tenant, Tenant's share of the costs and expenses incurred by Landlord in connection with such contest, determined pursuant to the formula set forth in Section 7.1(c) for the allocation of Taxes. Landlord shall pay to Tenant that portion of the total refund remaining, if any, which is attributable to Tenant's share of Taxes prorated in the same manner as set forth in Section 7.1(c).

ARTICLE 8 - UTILITIES

Tenant agrees to pay directly to the appropriate utility company prior to delinquency all charges for utility services supplied to Tenant for which there is a separate meter and/or submeter to the Premises. Tenant agrees to pay to Landlord its share of all charges for utility services supplied to the Premises for which there is no separate meter or submeter upon billing by Landlord of Tenant's share based on the reasonable estimates of Landlord or, at Landlord's election, Tenant shall pay Landlord's cost for installing separate meters and/or submeters and shall thereafter pay based upon such meters or submeters. Landlord shall have the right at any time and from time to time during the Term to either continue to contract with the existing provider of any utility service for the Premises or to contract with a different company to provide such service. Tenant shall be responsible for the

payment of all sewer connection and/or hook-up fees for sewer services supplied to the Premises and any other charges imposed in connection with the commencement of said services. Tenant shall be solely responsible for the cost of maintaining, repairing and replacing any grease trap exclusively serving the Premises, provided, however, any grease trap not exclusively serving the Premises shall be deemed part of the Common Utility Facilities (as defined in Section 11.4) and the costs associated with maintaining, repairing and replacing such facility shall be prorated with other Common Area Costs in accordance with Section 11.5. If Landlord or an entity affiliated with Landlord ("Landlord's Affiliated Entity") elects, in their sole discretion, to furnish any utility services to the Premises (which utility service, in the case of electricity, may be, but is not required to be, generated from solar panels or other alternative energy equipment located at the Project), Tenant shall purchase its requirements thereof from Landlord or Landlord's Affiliated Entity, as applicable, so long as the rates charged by Landlord or Landlord's Affiliated Entity are competitive with those offered directly by the local public utility. In the event that any utilities are furnished by Landlord or Landlord's Affiliated Entity, whether sub-metered or otherwise, then and in that event Tenant shall pay Landlord or Landlord's Affiliated Entity, as applicable, for such utilities, including a reasonable administrative charge for Landlord's or Landlord's Affiliated Entity's supervision of such utilities. In connection therewith, Landlord shall have the right, but not the obligation, to develop, implement, maintain, and operate an in-house solar power and/or alternative energy program (the "In-House Energy Program") for the Project. In addition, in the event Landlord elects, in its sole discretion, to purchase any electricity from Landlord's Affiliated Entity or a private party (as opposed to a regulated public utility company) (which utility service may be, but is not required to be, generated by solar panels or other alternative energy equipment located at the Project), Tenant shall purchase its requirements thereof from Landlord, Landlord's Affiliated Entity, or such third party, as applicable, so long as the rates charged by Landlord, Landlord's Affiliated Entity, or such third party are competitive with those offered directly by the local public utility. Regardless of the entity which supplies any of the utility services, neither Landlord nor Landlord's Affiliated Entity shall be liable in damages for any failure or interruption of any utility or service. No failure or interruption of any utility or service shall entitle Tenant to terminate this Lease or discontinue making payments of Minimum Annual Rent or Additional Rent. At Landlord's option, Landlord may estimate Tenant's utility costs for each calendar year, in which event, Tenant shall pay to Landlord in monthly installments one-twelfth (1/12th) of the annual estimate on the first (1st) day of each calendar month, subject to an annual reconciliation. Landlord may adjust the utility estimates charged to Tenant at the end of any calendar quarter on the basis of Landlord's experience and reasonably estimated costs.

ARTICLE 9 - TENANT'S CONDUCT OF BUSINESS

9.1 Permitted Trade Name and Use. Tenant shall use the Premises solely under the trade name specified in Section 1.4 and shall not use the Premises under a different trade name without Landlord's prior written consent, which consent shall not be unreasonably withheld; provided, however, Tenant may, without seeking Landlord's prior written consent (but with prior written notice to Landlord), change the trade name under which its business in the Premises are operated to any trade name under which Tenant operates all or substantially all of its stores in the state in which the Project is located (the "Project State"), so long as Tenant operates no less than ten (10) such stores under such new trade name in the Project State. Tenant shall use the Premises solely for the use specified in Section 1.14 and for no other use or purpose. Notwithstanding anything to the contrary contained herein, in no event shall the Premises be used in violation of any exclusive use or use restriction provisions applicable to the Project as of the Effective Date.

9.2 Covenant to Open and Operate. Tenant covenants to open for business to the public under the Trade Name with the Premises fully fixturized and stocked with merchandise and inventory on or before the Commencement Date and thereafter, subject to temporary closures for casualty, condemnation, remodel, or "Force Majeure Events" (as hereinafter defined) which prevent Tenant from conducting its normal business operations in the Premises, to operate continuously and uninterruptedly in the entirety of the Premises throughout the Term the business described in Section 1.14.

9.3 Hours of Business. From and after the Commencement Date, Tenant shall keep the entire Premises continuously open for business during those days and hours as are customary and usual for the type of business operated by Tenant including, but not limited to, all holidays except Thanksgiving Day, Christmas Day, New Year's Day and Easter Day; provided, however, in no event shall Tenant be open for business less than Monday through Friday from 10:00 a.m. to 9:00 p.m., Saturday from 10:00 a.m. to 6:00 p.m., and Sunday from 11:00 a.m. to 6:00 p.m. (it being agreed and understood that Tenant may, subject to applicable laws and governmental limitations, be open for business from the Premises at times which are earlier or later than the operating hours listed in this Section 9.3 [i.e., "after hours"], so long as Tenant pays its share [together with other tenants that are also open during the subject after hours periods] of all extra costs and expenses incurred by Landlord in connection with such after-hours usage). Tenant shall have its window displays, exterior signs and exterior advertising displays adequately illuminated continuously during those hours and days that the Premises are required to be open for business to the public.

9.4 Hours for Deliveries. Tenant shall require all deliveries (exclusive of United Parcel Service and U.S. Postal Service), loading, unloading and services to the Premises to be completed between 7:00 a.m. and 10:00 a.m. each day. All deliveries, loading, unloading and services to the Premises shall be accomplished within the service areas of the Project (or within such other locations as Landlord shall reasonably designate).

9.5 Tenant's Signs. Tenant shall be permitted to use the standard interior window signage used from time to time in its other stores in the Project State, subject to all governmental requirements, the sign criteria (the "Sign Criteria") for the Project attached hereto as Exhibit D, and Landlord's prior written approval, which approval shall not be unreasonably withheld; provided, however, such signage shall be professionally prepared and maintained in a neat manner and shall not, at any time, occupy more than twenty-five percent (25%) of the storefront windows or doors. Tenant shall not affix upon the exterior (or interior windows or doors) of the Premises any sign, advertising placard, name, insignia, trademark, descriptive material or other like item (collectively, the "Exterior Signs"), unless the Exterior Signs (i) comply with all governmental requirements, (ii) comply with the Sign Criteria, and such other sign criteria for the Project as may be promulgated by Landlord from time to time, and (iii) are approved by Landlord, which approval shall not be unreasonably withheld. All of the Exterior Signs shall be erected by Tenant at its sole cost and expense, and Tenant shall maintain all of its Exterior Signs in first-class condition and repair during the Term (which obligation shall include replacement to the extent necessary to keep such Exterior Signs in a first-class condition). Upon expiration or termination of this Lease, Tenant shall promptly remove all such Exterior Signs at its own expense and reimburse Landlord for the cost to repair and repaint any damage and discoloration caused by such removal or original installation. In no event shall Tenant be allowed to use advertising media such as, without limitation, sign twirlers or bicycle advertising at the Project.

9.6 Radius Restriction. During the Term, neither Tenant nor any entity affiliated with Tenant shall own, operate or have any financial interest in any business similar to the business of Tenant, as set forth in Section 1.14, if such other business is opened after the Effective Date and its front door or storefront opening is located within the Radius Restriction set forth in Section 1.13. Without limiting Landlord's remedies, if Tenant violates this covenant, Landlord, for so long as Tenant is operating the other business, may (a) terminate this Lease upon written notice to Tenant, or (b) increase the Minimum Annual Rent in effect during the period of the violation of this covenant by twenty-five percent (25%).

9.7 Compliance With Law. Tenant, at Tenant's sole expense, shall comply with all applicable local, state and federal statutes, regulations, rules, codes, including building codes, ordinances and other requirements of governmental authorities now or hereafter in effect (the "Applicable Laws") pertaining to the use or condition of the Premises and the conduct of Tenant's business. Tenant shall give to Landlord immediate written notice upon Tenant's becoming aware that the use or condition of the Premises are in violation of any Applicable Laws.

ARTICLE 10 - MAINTENANCE, REPAIRS AND ALTERATIONS

10.1 Landlord's Maintenance Obligations. Landlord shall maintain in good condition and repair the structural components and foundations, roofs and exterior surfaces of the exterior walls of all buildings (exclusive of doors, door frames, door checks, windows, window frames and, unless Landlord elects to include cleaning of the storefronts and storefront awnings of tenants of the Project as part of Common Area maintenance pursuant to Section 11.4 below, storefronts and storefront awnings). It is acknowledged by Tenant that the cost of some of Landlord's maintenance obligations referenced in the preceding sentence shall be prorated and paid as Common Area Costs. In connection with the foregoing, Landlord shall have the right, upon reasonable notice to Tenant, to require Tenant to close for business for a maximum period of three (3) days per year so that Landlord may tent or otherwise fumigate the Premises to attempt to eradicate any insects or pests of which Landlord becomes aware.

10.2 Landlord's Right of Entry. Landlord, its agents, contractors, servants and employees may enter the Premises following reasonable prior notice to Tenant and Landlord's good faith efforts to coordinate such entry with Tenant's on-site management so as to minimize interference with Tenant's business operations (except in a case of emergency): (a) to examine the Premises; (b) to perform any obligation or exercise any right or remedy of Landlord under this Lease; (c) to make repairs, alterations, improvements or additions to the Premises or to other portions of the Project as Landlord deems necessary or desirable; (d) to cure any Tenant default (after Landlord has provided Tenant notice and an opportunity to cure such default pursuant to Article 17); (e) to perform work necessary to comply with laws, ordinances, rules or regulations of any public authority or of any insurance underwriter; (f) to perform work that Landlord deems necessary to prevent waste or deterioration in connection with the Premises should Tenant fail to commence such repairs or, after commencing same, fail to diligently pursue such repairs to completion within three (3) days after written demand by Landlord; and (g) to show the Premises to prospective purchasers, tenants and/or occupants. If Landlord makes any repairs which Tenant is obligated to make pursuant to the terms of this Lease, Tenant shall pay the cost of such repairs to Landlord, as Additional Rent, promptly upon receipt of a bill from Landlord for same. Landlord shall be entitled to obtain an administration fee of fifteen percent (15%) on all such repairs billed to Tenant. In exercising its right of entry herein

provided, Landlord shall not materially and unreasonably interfere with the operation of Tenant's business on the Premises. In addition, during the last one hundred eighty (180) days of the Term or earlier termination of this Lease, Landlord shall have the right to go upon the Premises to show same to prospective tenants during normal business hours and upon reasonable notice to Tenant.

10.3 Tenant's Maintenance Obligations. Except for the portions and components of the Premises to be maintained by Landlord as set forth in Section 10.1, Tenant, at its expense, shall keep the Premises and all utility facilities and systems exclusively serving the Premises, including, without limitation, any rooftop equipment used by Tenant in accordance with the terms of this Lease ("Tenant Utility Facilities") in first class order, condition and repair and shall make replacements necessary to keep the Premises and Tenant Utility Facilities in such condition; provided, however, Tenant shall have no right to spray paint and/or tint the exterior or interior of the windows or doors without Landlord's prior written consent. Tenant shall also be responsible for assisting Landlord in maintaining the Common Outdoor Seating Area by busing tables, picking up trash, and wiping off tables and furniture. All replacements shall be of a quality equal to or exceeding that of the original. Tenant shall contract with a service company approved by Landlord for the regular (but not less frequently than quarterly) maintenance, repair and/or replacement (when necessary) of the heating, ventilating and air conditioning equipment serving the Premises (the "HVAC System") and shall provide Landlord with a copy of any service contract within ten (10) days following its execution, provided, however, at the option of Landlord, Landlord may contract with a service company of its own choosing (or provide such service itself) for the maintenance, repair and/or replacement of the HVAC System and bill Tenant periodically for the cost of same (including reasonable reserves for repair and/or replacement of the HVAC System) or based upon estimates in a manner similar to the way in which Common Area Costs are estimated and billed. Landlord shall be entitled to obtain an administration fee of fifteen percent (15%) on all of the HVAC System expenses billed to Tenant. Tenant shall be required to utilize Landlord's roofing contractor in the event Tenant desires to penetrate the roof of the Premises or for any repairs, alterations or improvements permitted to be made to the roof of the Premises by Tenant pursuant to the terms of this Lease; provided, however, if Landlord and Tenant reasonably determine that Landlord's roofing contractor's rates are not reasonably competitive, Tenant shall have the right to utilize any other licensed and reputable roofing contractor reasonably acceptable to Landlord. As part of its maintenance obligations hereunder, Tenant shall keep the Premises free of mold, and any conditions that could reasonably be expected to give rise to mold on the Premises, including without limitation, observed or suspected instances of water leakage or mold growth ("Mold Conditions"). Tenant shall promptly repair and properly remove any Mold Conditions occurring within the Premises, and Tenant shall, at Landlord's request, provide Landlord with copies of all maintenance schedules, reports and notices prepared by, for or on behalf of Tenant concerning Mold Conditions. All replacements shall be of a quality equal to or exceeding that of the original. If the Term shall be longer than five (5) full calendar years, then Landlord may, at any time after the expiration of the fourth (4th) full calendar year and prior to the commencement of the next to last full calendar year of the Term, require Tenant, at Tenant's cost, to make cosmetic changes to the Premises as necessary to maintain the Premises as a first-class store. Such refurbishment or renovation shall be as reasonably specified by Landlord by written notice to Tenant, and may include new carpeting, painting, new wall covering, new interior and exterior signs and new tenant fixtures. All such work by Tenant shall be in accordance with Section 10.4 and shall be completed within six (6) months after the date of Landlord's notice.

10.4 Alterations. After initially opening the Premises for business, Tenant shall not make or cause to be made to the Premises or the Tenant Utility Facilities any addition, renovation, alteration, reconstruction or change (collectively, "Alterations") (i) involving structural changes or additions, (ii) affecting the exterior storefront, plumbing, electrical or life safety systems, fire sprinkler systems, exterior walls, floor slab, or roof of the Premises, or (iii) requiring or resulting in any penetration of the roof (including, without limitation, the installation of satellite dishes or other rooftop communication devices), demising walls or floor slab of the Premises, without first obtaining the written consent of Landlord, which consent shall not be unreasonably withheld. Tenant shall provide Landlord with not less than ten (10) days' prior written notice of the commencement of any Alterations in the Premises and Landlord shall have the right to enter upon the Premises to post customary notices of non-responsibility with respect thereto. Subject to Section 20.8, all improvements to the Premises by Tenant including, but not limited to, light fixtures, floor coverings, partitions, and other items comprising Tenant's Work pursuant to Exhibit C, but excluding signs and trade fixtures which shall at all times remain the property of Tenant, shall be deemed to be the property of Landlord upon installation thereof. Within thirty (30) days after the completion of any Alterations, Tenant shall deliver to Landlord a set of "as built" plans depicting the Alterations as actually constructed or installed. If Tenant shall make any permitted Alterations, Tenant shall carry "Special Form – Causes of Loss" or "Builder's All Risk" insurance in an amount reasonably determined by Landlord covering the construction of such Alterations and such other insurance as Landlord may reasonably require. Any Alterations to the Premises or the Tenant Utility Facilities which are required by reason of any present or future law, ordinance, rule, regulation or order of any governmental authority having jurisdiction over the Premises or the Project or of any insurance company insuring the Premises, and regardless of whether or not such Alteration pertains to the nature, construction or structure of the Premises or to the use made thereof by Tenant, shall be at the sole cost of Tenant regardless of whether the work is performed by Landlord or Tenant.

10.5 Trash Removal; Pest Control; Odor and Noise Control. Tenant shall deposit trash and rubbish only within receptacles approved by Landlord. Tenant shall cause trash receptacles to be emptied at Tenant's cost and expense; provided, however, at Landlord's option, Landlord may provide trash removal services, the cost of which shall be paid for by Tenant either (a) as a Common Area Cost, or (b) pursuant to an equitable proration of said costs by Landlord. If any event of pest or vermin infestation is found in the Premises or anywhere else in the Project that may be directly or indirectly related to Tenant's or Tenant's employees or customers use of the Premises or the operation of Tenant's business, Tenant, at Tenant's expense, shall have a bonded professional pest and sanitation control operator immediately remedy such event of infestation. Throughout the Term Tenant shall, at Tenant's sole expense, maintain the Premises in a clean, sanitary and quiet manner and shall take such steps as may be necessary, in the reasonable discretion of Landlord, to keep the Premises and/or contiguous other tenant-occupied premises and the Project free of nuisances, odors and loud sounds, including music associated with Tenant's business or from the operation of any instrument, apparatus, equipment, radio, television or amplification system. Upon Tenant's receipt of notice of any complaint of odor or noise that may be resulting from, directly or indirectly, the operation of Tenant's business, Tenant, at Tenant's sole expense, shall take such steps as may be necessary to immediately remedy such odor or noise.

ARTICLE 11 - COMMON AREA

11.1 Definition of Common Area. The term "Common Area", as used in this Lease, shall mean all areas within the exterior boundaries of the Project (or areas immediately adjacent to the Project such as, but not limited to, landscaped medians), now or later made available for the general use of Landlord and other persons entitled to occupy Floor Area in the Project.

11.2 Use of Common Area. The use and occupancy by Tenant of the Premises shall include the non-exclusive use of the Common Area (except those portions of the Common Area on which have been constructed or placed permanent or temporary kiosks, displays, carts and stands and except areas used in the maintenance or operation of the Project) in common with Landlord and the other tenants of the Project and their customers and invitees.

11.3 Control of and Changes to Common Area. Landlord shall have the sole and exclusive control of the Common Area, and the right to make changes to the Common Area. Landlord's rights shall include, but not be limited to, the right to (a) restrain the use of the Common Area by unauthorized persons; (b) utilize from time to time any portion of the Common Area for promotional, entertainment and related matters; (c) place permanent or temporary kiosks, displays, carts and stands in the Common Area and to lease same to tenants; (d) temporarily close any portion of the Common Area for repairs, improvements or Alterations, to discourage non-customer use, to prevent dedication or an easement by prescription or for any other reason deemed sufficient in Landlord's reasonable judgment; and (e) renovate, upgrade or change the shape and size of the Common Area or add, eliminate or change the location of improvements to the Common Area including, without limitation, buildings, parking areas, roadways and curb cuts, and to construct buildings on the Common Area. Landlord, at any time, may change the shape, size, location, number and extent of the improvements shown on Exhibit A and eliminate, add or relocate any improvements to any portion of the Project, and may add land and/or improvements to and/or withdraw land and/or improvements from the Project.

11.4 Common Area Costs. The term "Common Area Costs", as used in this Lease, shall mean all costs and expenses incurred by Landlord in (a) operating, managing, policing, insuring, repairing, replacing and maintaining the Common Area and the on-site management and/or security offices as may be located in the Project from time to time (which offices shall hereinafter be referred to as the "Joint Use Facilities"), (b) maintaining, repairing and replacing the exterior surface of exterior walls (and storefronts and storefront awnings if Landlord has elected to include the cleaning of same as part of Common Area maintenance) and maintaining, repairing and replacing roofs of the buildings from time to time constituting the Project, (c) operating, insuring, repairing, replacing and maintaining all utility facilities and systems (and the costs of the electricity or other utility charges utilized in connection with the operation of the Common Area) including, without limitation, sanitary sewer lines and systems, fire protection lines and systems, security lines and systems and storm drainage lines and systems not exclusively serving the premises of any tenant or store ("Common Utility Facilities"), Common Area furniture and equipment, seasonal and holiday decorations, Common Area lighting fixtures, Project sign monuments or pylons (but not the tenant identification signs thereon) and directional signage, and (d) all costs incurred by Landlord under any REA, CC&Rs or OEA affecting the Project. Common Area Costs shall include the actual costs incurred by Landlord for personnel (whether employees of Landlord or third party contractors) involved in the management and operation of the Project. Common Area Costs shall include, without limitation, the

following (provided, however, Landlord does not represent or warrant to Tenant that it will provide all of the services or insurance set forth below): Expenses for maintenance, landscaping, repaving, resurfacing, repairs, replacements, painting, lighting, cleaning, trash removal, security (provided, however, Landlord shall determine in its sole and absolute discretion the level of security, if any, to be provided at the Project), management offices, non-refundable contributions toward reserves for replacements, maintenance and/or repairs such as, but not limited to, major parking lot repairs and repainting of buildings, fire protection and similar items; depreciation or rental on equipment; charges, surcharges and other levies related to the requirements of any Federal, state or local governmental agency; expenses related to the Common Utility Facilities; Taxes on the improvements and land comprising the Common Area; rental loss insurance, comprehensive or commercial general liability insurance on the Common Area; standard "special form – causes of loss" or "all risks" fire and extended coverage insurance with, at Landlord's option, an earthquake, flood and/or "terrorism" endorsements covering the Common Areas; environmental insurance, in a form and issued by a carrier acceptable to Landlord in its sole and absolute discretion; the cost of any deductibles or self-insured retentions relating to the insurance maintained by Landlord pursuant hereto; costs of management of the Project (whether such management services are provided by Landlord or a third party contractor); and a sum (the "Supervision Fee") payable to Landlord, or other person or entity designated by Landlord, for administration and overhead in an amount equal to twelve percent (12%) of the Common Area Costs, Tenant's share of Taxes pursuant to Section 7.1 and Tenant's share of insurance premiums pursuant to Section 14.5. Common Area Costs shall specifically include capital expenditures for the replacement of Common Areas; provided, however, Tenant shall only be obligated to pay for the cost of capital expenditures for replacing Common Areas based on the cost of such replacement amortized over the useful life of the Common Area item being replaced (with an interest factor reasonably determined by Landlord, but in no event in excess of the Interest Rate), which useful life shall be determined by Landlord in its sole discretion. If Landlord or Landlord's Affiliated Entity elects, in their sole discretion, to furnish any utility services to the Common Area (which utility service, in the case of electricity, may be, but is not required to be, generated from solar panels or other alternative energy equipment located at the Project), the costs thereof shall be Common Area Costs, but Landlord shall not have the right to include in such costs rates that are not competitive with those offered directly by the local public utility. Common Area Costs shall also include all costs incurred by Landlord in (i) developing, implementing, maintaining, and operating any In-House Energy Program for the Project, and (ii) maintaining, repairing, and replacing any solar panels and/or other equipment relating thereto. In addition, in the event Landlord elects, in its sole discretion, to purchase any electricity used in connection with the Common Area from Landlord's Affiliated Entity or a private party (as opposed to a regulated public utility company) (which utility service may be, but is not required to be, generated by solar panels or other alternative energy equipment located at the Project), the costs thereof shall be Common Area Costs so long as the rates charged by Landlord, Landlord's Affiliated Entity, or such third party are competitive with those offered directly by the local public utility.

11.5 Proration of Common Area Costs. The Common Area Costs shall be prorated in the following manner:

(a) From and after the Commencement Date, Tenant shall pay to Landlord, on the first (1st) day of each calendar month, an amount estimated by Landlord to be the monthly amount of Tenant's share of the Common Area Costs (which share shall be determined pursuant to

the provisions of Section 11.5(c) or (d)). The estimated monthly charge may be adjusted periodically by Landlord on the basis of Landlord's reasonably anticipated costs.

(b) Following the end of each calendar year or, at Landlord's option, its fiscal year, Landlord shall furnish to Tenant a statement covering the calendar or fiscal year (as the case may be) just expired, showing by cost category the actual Common Area Costs for that year, the total Floor Area of the Project, the amount of Tenant's share of the Common Area Costs for that year, and the monthly payments made by Tenant during that year for the Common Area Costs. If Tenant's share of the Common Area Costs exceeds Tenant's prior payments, Tenant shall pay to Landlord the deficiency within ten (10) days after receipt of such annual statement. If Tenant's payments for the calendar year exceed Tenant's actual share of the Common Area Costs, and provided Tenant is not in arrears as to the payment of any Minimum Annual Rent or Additional Rent (provided, however, in the event Tenant is in arrears as to the payment of any Minimum Annual Rent or Additional Rent, Landlord shall have the right to offset such excess against such amounts in arrears), Tenant may offset the excess against payments of Common Area Costs next due Landlord. An appropriate proration of Tenant's share of the Common Area Costs as of the Commencement Date and the expiration date of the Term shall be made.

(c) Portions of the Project are, or may be, owned or leased from time to time by various persons or entities occupying freestanding facilities or other facilities containing in excess of ten thousand (10,000) square feet of Floor Area which maintain, repair and/or replace their own facilities and, therefore, contribute to the Common Area Costs on a basis other than that described herein (collectively, "Other Stores"). The contributions received from the Other Stores towards the Common Area Costs shall be credited against the total Common Area Costs and the balance thereof shall be prorated in the following manner: Tenant's share of the Common Area Costs shall be determined by multiplying the Common Area Costs that remain after applying the contributions paid by the Other Stores by a fraction, the numerator of which is the number of square feet of Floor Area in the Premises and the denominator of which is the number of square feet of Floor Area in the Project as of the commencement of the applicable calendar or fiscal year (as the case may be), exclusive of the Floor Area of the Other Stores and exclusive of the Joint Use Facilities. Notwithstanding the foregoing, if any owner or tenant of a portion of the Project separately maintains its own Common Area, Common Area Costs shall not include costs relating to the Common Area so maintained by such owner or tenant, and the Floor Area on such owner's or tenant's parcel shall not be included in the denominator for purposes of calculation of Tenant's share of Common Area Costs.

(d) Notwithstanding anything contained in this Section 11.5 to the contrary, at Landlord's option: (i) Landlord shall have the right to allocate certain Common Area Costs to less than all of the occupants in the Project, in which event Tenant's share of such costs (the "Cost Pool") shall be as follows: (A) in the event Tenant is one of the occupants participating in such Cost Pool, its share of such Common Area Costs shall be calculated in the manner set forth in Section 11.5(c), but the denominator used to determine such share shall exclude those occupants not participating in such Cost Pool; or (B) in the event Tenant is not one of the occupants participating in such Cost Pool, its share of such Common Area Costs shall be calculated in the manner set forth in Section 11.5(c), but the denominator used to determine such share shall exclude those occupants participating in such Cost Pool; or (ii) Landlord shall have the right to cause Tenant to directly pay for any extraordinary expenses resulting from Tenant's operations from the Premises (e.g., a restaurant user with an

outdoor patio may be directly responsible for the extraordinary costs incurred by Landlord in cleaning the Common Area directly adjacent to such outdoor patio area).

(e) Under no circumstances shall Landlord be liable to Tenant or to any other person by reason of (i) any theft, burglary, robbery, assault, trespass, unauthorized entry, vandalism, or any other act of any third person occurring in or about the Premises or the Project or (ii) any claim that Landlord has provided inadequate security at the Project, and Tenant shall indemnify, defend and hold Landlord harmless from and against any and all losses, liabilities, judgments, costs and expenses (including but not limited to reasonable attorneys' fees and other costs of investigation or defense) which Landlord may suffer by reason of any claim asserted by any person arising out of, or related to, any of the foregoing.

11.6 Governmental Impositions; Security Costs. Notwithstanding anything to the contrary contained in this Lease, Tenant shall, at Tenant's sole cost and expense, be solely responsible for any and all additional charges, costs and expenses imposed by any governmental authority for services to the Premises or the Project to the extent resulting from activities, conduct, operations or other uses at the Premises or due to the particular use or operations at the Premises (as determined by the applicable governmental authority or as reasonably determined by Landlord). For example, and without limitation, in the event a charge for services is imposed by the local Police Department for service calls resulting from loitering or other activities within or due to activities conducted at the Premises, Tenant shall be solely responsible for such charges. Such charges, if billed directly to Tenant by the subject governmental authority, shall be paid to such governmental authority within ten (10) days following such billing. In the event Landlord is charged for such service(s), Tenant shall pay Landlord for such charge(s) within ten (10) days following written notice from Landlord, which written notice shall be accompanied by the bill from the governmental authority. In addition to the foregoing, to the extent that, in Landlord's reasonable opinion, the conduct of Tenant's business causes the need for security services or measures or lighting at the Project which are in addition to those otherwise provided by Landlord, Tenant shall alone bear the incremental costs for such services or measures or lighting. These costs shall be paid by Tenant to Landlord within ten (10) days following written notice from Landlord of such costs.

11.7 Parking. Tenant agrees to cooperate to the extent reasonably possible with all present or future programs intended to manage parking, transportation or traffic in and around the Project or Premises (and shall fully comply with all such parking, transportation and traffic programs which are non-voluntary obligations of the Premises or Project as imposed by any governmental entity or authority) and in connection therewith, Tenant shall use reasonable efforts and take responsible action for the transportation planning and management of all employees located at the Premises by working directly with Landlord, any governmental transportation management organization or any other transportation-related committees or entities. Such programs may include, without limitation: (i) restrictions on the number of peak-hour vehicle trips generated by Tenant or its employees; (ii) increased vehicle occupancy; (iii) implementation of an in-house ridesharing program and an employee transportation coordinator; (iv) working with employees and any Project or area-wide ridesharing program manager; (v) instituting employer-sponsored incentives (financial or in-kind) to encourage employees to rideshare; (vi) the requirement that Tenant supply Landlord annually with an employee survey, in the form required by the applicable governing authority, (vii) the requirement that Tenant provide information to its employees on carpooling, bus routes and schedules, and bicycling information, and (viii) utilizing flexible work shifts for employees. Tenant agrees to pay its

proportionate share of the costs of any transportation management program adopted by the Project pursuant to the requirements of any governmental entity or authority (including, but not limited to, any transportation management fees), which proportionate share shall be reasonably determined by Landlord for each category of costs incurred in connection with such program based on either (a) the Floor Area of the Premises in relation to the Floor Area of the premises of all tenants or occupants participating in the transportation management program or (b) the number of employees of Tenant in relation to the number of employees of all tenants or occupants participating in the transportation management program. Landlord may, from time to time, designate specific areas for parking by Tenant's employees and/or the employees of other tenants of the Project located within the Project. In such event, Tenant shall park (and shall require its employees to park) its/their cars and other permitted vehicles only in the employee parking areas, if any, designated by Landlord. In the event Tenant or any of its employees park in violation of the foregoing, Landlord may attach violation stickers or notices to such vehicles. In the event Tenant or its employees fail to park their vehicles in the designated parking areas as determined by Landlord, and such violation occurs two (2) or more times with respect to any particular vehicle, then for each additional time that such vehicle is parked in violation of the foregoing provisions of this Section, Landlord may charge Tenant Fifty and 00/100 Dollars ($50.00) per day for each such additional occurrence and/or tow such vehicle away from the Project and charge Tenant or the owner of such vehicle therefor. All amounts due hereunder shall be payable by Tenant within ten (10) days after demand by Landlord.

ARTICLE 12 - ASSIGNMENT AND SUBLETTING

12.1 Landlord's Consent Required. Tenant shall not assign, sublet, enter into franchise, license or concession agreements, change ownership or voting control, mortgage, encumber, pledge, hypothecate or otherwise transfer (including any transfer by operation of law) all or any part of this Lease or Tenant's interest in the Premises (collectively, a "Transfer"; and any such transferee shall hereinafter be referred to as a "Transferee") without first procuring the written consent of Landlord, which consent shall not be unreasonably withheld, subject to the terms, covenants and conditions contained in this Lease and to the right of Landlord to elect to terminate this Lease as provided in Section 12.2.

12.2 Procedures. Should Tenant desire to enter into a Transfer, other than any Transfer which is expressly stated in this Article 12 not to require the prior written consent of Landlord, Tenant shall request, in writing, Landlord's consent to the proposed Transfer at least sixty (60) days before the intended effective date of the proposed Transfer (which request shall be accompanied by a payment of One Thousand Five Hundred Dollars [$1,500.00] to reimburse Landlord for costs incurred in connection with reviewing such proposed Transfer), which request shall include any information reasonably requested by Landlord to evaluate the proposed Transfer. In addition, Tenant shall be responsible for all attorneys' fees reasonably incurred by Landlord in connection with any such Transfer. Within thirty (30) days after receipt of Tenant's request for consent to the proposed Transfer together with all of the above required information, Landlord shall respond and shall have the right either to: (i) consent to the proposed Transfer; (ii) refuse to consent to the proposed Transfer; or (iii) terminate this Lease, such termination to be effective thirty (30) days after Tenant's receipt of Landlord's notice electing to so terminate. If Landlord shall exercise its termination right hereunder, Landlord shall have the right to enter into a lease or other occupancy agreement directly with the proposed Transferee, and Tenant shall have no right to any of the rents or other consideration payable by such proposed Transferee under such other lease or occupancy agreement.

A consent to one (1) Transfer by Landlord shall not be deemed to be a consent to any subsequent Transfer to any other party.

12.3 Standard for Consent. Tenant agrees that Landlord may refuse its consent to the proposed Transfer on any reasonable grounds, and (by way of example and without limitation) Tenant agrees that it shall be reasonable for Landlord to withhold its consent if any of the following situations exist or may exist: (a) the proposed Transferee proposes to change the use of the Premises from the permitted use pursuant to Section 9.1; (b) the proposed Transferee's financial condition, net worth or liquidity is less than the financial condition, net worth or liquidity of Tenant as of the Effective Date or the date of the request for transfer, whichever is greater, or is inadequate to support all of the financial and other obligations of Tenant under this Lease; (c) the business reputation or character of the proposed Transferee is not reasonably acceptable to Landlord; (d) the proposed Transferee is not likely to conduct on the Premises a business of a quality substantially equal to that conducted by Tenant; (e) Tenant is in default under this Lease; (f) the projected gross receipts payable by the proposed Transferee are not expected to exceed the gross receipts of the Tenant; (g) Landlord has received unacceptable references from prior landlords regarding the proposed Transferee; or (h) the proposed Transferee has a past history of litigation, bankruptcy or other insolvency proceedings. The presence of one negative factor among the items enumerated above shall be deemed reasonable justification for Landlord's withholding consent.

12.4 Intentionally Omitted.

12.5 No Release; Form. No Transfer or Permitted Transfer, whether with or without Landlord's consent, shall relieve Tenant (hereinafter referred to in this Section 12.5 as "Transferor") from its covenants and obligations under this Lease. Transferor shall be bound by the following after any Transfer or Permitted Transfer: (a) Any act of Landlord, or its successors or assigns, consisting of a waiver of any of the terms or conditions of this Lease, the giving of any consent to any matter or thing relating to this Lease, or the granting of any indulgence or extension of time to the Transferee may be done without notice to Transferor and without releasing Transferor from any of its obligations hereunder; (b) the obligations of Transferor hereunder shall not be released by any modification of this Lease, regardless of whether Transferor consents thereto or receives notice thereof, and (c) Transferor unconditionally guarantees, without deduction by reason of setoff, defense or counterclaim, to Landlord and its successors and assigns the full and punctual payment, performance and observance by Tenant, of all of the amounts, terms, covenants and conditions in this Lease contained on Tenant's part to be paid, kept, performed and observed. Any Transfer shall be evidenced by an instrument in form and content satisfactory to Landlord and executed by Tenant and the Transferee, and no Transfer shall be effective, at Landlord's sole discretion, until the Transferee delivers to Landlord certificates of insurance sufficient to satisfy the requirements of Section 14.2, below.

12.6 Transfer Rent. Except for a Permitted Transfer, if Tenant shall enter into a Transfer hereunder, Tenant shall pay to Landlord as Additional Rent fifty percent (50%) of any "Transfer Premium" (as hereinafter defined). In the event of a subletting, "Transfer Premium" shall mean all rent, additional rent or other consideration which is of a type properly and typically categorized as rent payable to a landlord under a lease which is payable by such subtenant to Tenant or on behalf of Tenant in connection with the subletting in excess of the rent, additional rent and oth[redacted]

of the Premises are subleased, and less the reasonable costs actually incurred by Tenant to secure the sublease. In the event of any Transfer other than a subletting, "Transfer Premium" shall mean any consideration paid by the assignee to Tenant in connection with such Transfer which Landlord reasonably determines is allocable to the leasehold value of this Lease, less the reasonable costs actually incurred by Tenant to secure the Transfer. If part of the transfer premium shall be payable by the Transferee or subtenant other than in cash, then Landlord's share of such non-cash consideration shall be in such form as is reasonably satisfactory to Landlord.

12.7 Rights. If Landlord withholds or conditions its consent and Tenant believes that Landlord did so contrary to the terms of this Lease, Tenant's sole remedy shall be to prosecute an action for declaratory relief to determine if Landlord properly withheld or conditioned its consent, and Tenant hereby waives all other remedies.

ARTICLE 13 - PROMOTIONAL CHARGE; ADVERTISING

13.1 Initial Promotional Assessment. Tenant shall pay to Landlord an Initial Promotional Assessment in the amount specified in Section 1.15 to defray the advertising, promotion, decoration and public relations expenses related to the Project and/or related to Tenant's store opening, to be incurred by Landlord. The Initial Promotional Assessment shall be paid by Tenant when Tenant first delivers to Landlord the Tenant-executed counterparts of this Lease.

13.2 Promotional Charge. At Landlord's option, Tenant shall either maintain membership in a merchants' association ("Association") or participate in a promotional service ("Service") to be provided by Landlord. If Landlord has established the Service during the Term hereof, it may thereafter cause it to be abolished and establish the Association. In the alternative, if Landlord has established the Association, it may at any time during the Term cause it to be abolished and establish the Service. In either case, Tenant agrees to sign any documents necessary to accomplish such change. Tenant agrees to pay to Landlord, as Tenant's share of the Association or Service, as the case may be, an annual charge ("Promotional Charge") as set forth in Section 1.16. At Landlord's election, Landlord shall have the right to become a member of, or participant in, such Association or Service. Commencing with the first anniversary of the Commencement Date and on each anniversary of the Commencement Date thereafter, the Promotional Charge shall be increased by five cents ($.05) per square foot of Floor Area in the Premises.

13.3 Advertising. Tenant shall expend each calendar year for advertising and promotions a sum not less than one percent (1%) of its Gross Sales for the calendar year. Tenant shall designate the location of the Premises by reference to the Project by name in its advertising. The advertising shall be in newspapers, tabloids, direct mailings, print, digital media, social media or other media covering the trade area served by the Project.

ARTICLE 14 - INSURANCE

14.1 Tenant's Insurance. Tenant, at its sole cost and expense, commencing on the Delivery Date, or the date Tenant is given earlier access to the Premises, and continuing during the Term, shall procure, pay for and keep in full force and effect the following types of insurance, in at least the amounts and in the forms specified below:

(a) Commercial general liability insurance with coverage limits of not less than the combined single limit for bodily injury, personal injury, death and property damage liability per occurrence specified in Section 1.17 or the limit carried by Tenant, whichever is greater, insuring against any and all liability of the insureds with respect to the Premises or arising out of Tenant's Work or Alterations, or the maintenance, use or occupancy of the Premises or related to the exercise of any rights of Tenant pursuant to this Lease, subject to increases in amount as Landlord may reasonably require from time to time. All such liability insurance shall specifically insure the performance by Tenant of the indemnity agreement as to liability for injury to or death of persons and injury or damage to property set forth in Section 14.6. Further, all such liability insurance shall include, but not be limited to, personal injury, blanket contractual, cross-liability and severability of interest clauses, products/completed operations, broad form property damage, independent contractors, and, if alcoholic beverages are served, sold, consumed or obtained in the Premises, liquor law liability.

(b) Workers' compensation coverage as required by law, including employer's liability coverage, with a limit of not less than One Million Dollars ($1,000,000.00) and, by endorsement, waiver by Tenant's insurer of any right of subrogation against Landlord and Landlord's property manager by reason of any payment pursuant to such coverage.

(c) Business interruption or loss of income insurance in amounts sufficient to insure Tenant's business operations for a period of not less than one (1) year.

(d) Plate glass insurance covering all plate glass on the Premises at full replacement value. Tenant shall have the option either to insure this risk or to self-insure.

(e) Insurance covering all of Tenant's Work, Tenant's leasehold improvements (or any other leasehold improvements or mechanical, electrical, plumbing, utility or HVAC System facilities located within the Premises) and Alterations permitted under Article 10 and all furniture, fixtures, equipment and other personal property located in or at the Premises, in an amount not less than their full replacement value from time to time, including replacement cost endorsement, providing protection against any peril included within the classification Fire and Extended Coverage, sprinkler damage, vandalism, theft, burglary, malicious mischief, earthquake, flood (and special flood if the Project is located within a 100 year flood zone) and such other additional perils as covered in a "special form – causes of loss" or "all risks" standard insurance policy or as Landlord may reasonably require. Any policy proceeds shall be used for the repair or replacement of the property damaged or destroyed unless this Lease shall cease and terminate under the provisions of Article 15.

(f) Any insurance policies designated necessary by Landlord with regard to Tenant's, or Tenant's contractors', construction of Tenant's Work, as well as with regard to the construction of Alterations including, but not limited to, contingent liability and "all risks" builders' risk insurance, in amounts acceptable to Landlord.

(g) Commercial Automobile Liability Insurance with a limit of not less than One Million Dollars ($1,000,000.00), covering owned, non-owned and hired vehicles.

14.2 Policy Form. All policies of insurance required of Tenant herein shall be issued by insurance companies with a general policy holder's rating of not less than "A" and a financial rating

of not less than Class "X", as rated in the most current available "Best's Key Rating Guide", and which are admitted and qualified to do business in the Project State. All such policies, except for the Workers' Compensation coverage, shall name and shall be for the mutual and joint benefit and protection of Landlord, Tenant and Landlord's agents and mortgagee(s) or beneficiary(ies) as additional insureds. With respect to commercial general liability insurance and excess/umbrella liability insurance, Tenant shall name Landlord, Landlord's property manager, Landlord's lender and such other persons and entities as may from time to time be designated by Landlord in writing as additional insureds per a CG 2026 1185 additional insured endorsement with primary insurance wording, or an equivalent endorsement form acceptable to Landlord. The policies described in subparagraphs (d) and (e) of Section 14.1 shall also name Landlord and Landlord's lender as loss payees (in a form acceptable to Landlord or Landlord's lender), and Landlord shall furnish to Tenant the names and addresses of such lender. Prior to Tenant, its agents or employees entering the Premises for any purpose, Tenant shall furnish certificates of insurance evidencing the required insurance, as well as the required additional insured and waiver of subrogation endorsements (along with executed copies of the insurance policies if requested by Landlord). Thereafter, insurance certificates and endorsements (and executed copies of the insurance policies if requested by Landlord) shall be delivered to Landlord within thirty (30) days prior to the expiration of the term of each policy. All policies of insurance delivered to Landlord must contain a provision that the company writing the policy will give to Landlord thirty (30) days' prior written notice of any cancellation or lapse or the effective date of any reduction in the amounts of insurance. All policies required of Tenant herein shall be endorsed to read that such policies are primary policies and any insurance carried by Landlord or Landlord's property manager shall be noncontributing with such policies. No policy required to be maintained by Tenant shall have a deductible or self-insured retention greater than Twenty-Five Thousand Dollars ($25,000.00) unless approved in writing by Landlord.

14.3 Blanket Policies. Notwithstanding anything to the contrary contained in this Article 14, Tenant's obligation to carry insurance may be satisfied by coverage under a so called blanket policy or policies of insurance; provided, however, that the coverage afforded Landlord will not be reduced or diminished and the requirements set forth in this Lease are otherwise satisfied by such blanket policy or policies.

14.4 Increased Premiums Due to Use of Premises. Tenant shall not do any act in or about the Premises which will tend to increase the insurance rates upon the Premises or the Project of which the Premises are a part. Tenant agrees to pay to Landlord, upon demand, the amount of any increase in premium for insurance resulting from Tenant's use of the Premises, whether or not Landlord shall have consented to the act on the part of Tenant. If Tenant installs upon the Premises any electrical equipment which constitutes an overload of the electrical lines servicing the Premises, Tenant, at its own expense, shall make whatever changes are necessary to comply with the requirements of the insurance underwriters and any appropriate governmental authority.

14.5 Reimbursement of Insurance Premiums by Tenant. Landlord, at all times from and after the Delivery Date, shall maintain in effect during the Term a policy or policies of insurance covering the building of which the Premises are a part (including boiler and machinery) in an amount not less than eighty percent (80%) of the full replacement cost (exclusive of the cost of excavations, foundations and footings) or the amount of insurance Landlord's mortgagee(s) or beneficiary(ies) may require Landlord to maintain, whichever is the greater, providing protection against any peril

generally included in the classification "Special Form – Causes of Loss" or "Fire and Extended Coverage", loss of rental income insurance and such other additional insurance as covered in a "special form – causes of loss" or "all risks" standard insurance policy, with earthquake coverage insurance, terrorism insurance, flood insurance and/or environmental insurance if deemed necessary by Landlord in Landlord's sole discretion or if required by Landlord's mortgagee(s) or beneficiary(ies) or by any Federal, state, county, city or local authority. From and after the Commencement Date, Tenant agrees to pay to Landlord its share of the cost to Landlord of this insurance, including reasonable reserves for deductibles and any self-insured retention. The cost of such insurance for any partial year of the Term shall be prorated. Payment shall be made in the same manner set forth for payment of Taxes in Section 7.1(b). Tenant's share of the premiums for this insurance shall be a fractional portion of the premiums, the numerator of which shall be the Floor Area of the Premises and the denominator of which is the number of square feet of Floor Area covered by this insurance as of the commencement of the applicable calendar or fiscal year (as the case may be), exclusive of the Floor Area of the Other Stores and exclusive of the Joint Use Facilities. Tenant acknowledges that Landlord shall have the right to maintain commercially reasonable deductibles and/or self-insured retentions in connection with any insurance carried by Landlord pursuant to this Lease, as determined by Landlord in its reasonable business judgment. In the event of an insurance loss covered by the insurance carried by Landlord pursuant to this Lease, Tenant shall be required to pay its share of such deductibles or self-insured retentions, as determined pursuant to this Section 14.5 or Section 11.5, as applicable. Landlord's obligation to carry insurance under this Lease may be brought within the coverage of any so called blanket policy and/or umbrella policy or policies of insurance carried and maintained by Landlord. Notwithstanding anything to the contrary set forth herein, Landlord shall have the right to self-insure any or all of the insurance required to be maintained by Landlord under this Lease.

14.6 Indemnity. "Landlord" for the purposes of this Section 14.6 shall mean and include Landlord and Landlord's directors, officers, shareholders, members, partners, agents and employees. To the fullest extent permitted by law, Tenant covenants with Landlord that Landlord shall not be liable for any damage or liability of any kind or for any injury to or death of persons or damage to property of Tenant or any other person occurring from and after the Delivery Date (or such earlier date if Tenant is given earlier access to the Premises) from any cause whatsoever related to the use, occupancy or enjoyment of the Premises or the Project by Tenant, its employees, agents, members, managers, subtenants, licensees, contractors or invitees, or any other person thereon or holding under Tenant. Tenant shall pay for, defend (with an attorney approved by Landlord), indemnify, and save Landlord harmless against and from any real or alleged damage or injury and from all claims, judgments, liabilities, costs and expenses, including attorneys' fees and costs, arising out of or in any way connected with Tenant's use of the Premises, the Project and its facilities, or any maintenance, repairs, Alterations or improvements (including original improvements and fixtures specified as Tenant's Work) which Tenant may make or cause to be made upon the Premises, or any other activity, work, or thing done, permitted or suffered by Tenant in or about the Premises or the Project, any breach of this Lease by Tenant and any loss or interruption of business or loss of rental income resulting from any of the foregoing; provided, however (and though Tenant shall in all cases accept any tender of defense of any action or proceeding in which Landlord is named or made a party and shall, notwithstanding any allegations of negligence or misconduct on the part of Landlord, defend Landlord as provided herein), Tenant shall not be liable for such damage or injury to the extent and in the proportion that the same is ultimately determined to be attributable to the gross negligence or misconduct of Landlord. The obligations to indemnify set forth in this Section 14.6 shall include all

of Landlord's attorneys' fees, litigation costs, investigation costs and court costs and all other costs, expenses and liabilities incurred by Landlord or its counsel from the first notice that any claim or demand is to be made or may be made. Tenant's indemnity obligations under this Section 14.6 shall survive the expiration or termination of this Lease.

14.7 Waiver of Subrogation. Landlord and Tenant each waive any rights each may have against the other on account of any loss or damage occasioned to Landlord or Tenant, as the case may be, their respective property, the Premises or its contents, or to other portions of the Project arising from any liability, loss, damage or injury caused by fire or other casualty for which property insurance is carried or required to be carried pursuant to this Lease. The insurance policies obtained by Landlord and Tenant pursuant to this Lease (excluding commercial general liability insurance) shall contain endorsements waiving any right of subrogation which the insurer may otherwise have against the non-insuring party. If Landlord has contracted with a third party for the management of the Project, the waiver of subrogation by Tenant herein shall also run in favor of such third party.

14.8 Failure by Tenant to Maintain Insurance. If Tenant refuses or neglects to secure and maintain insurance policies complying with the provisions of this Article 14, or to provide copies of policies or certificates or copies of renewal policies or certificates within the time provided in Section 14.2, Landlord may, after providing written notice to Tenant of its intention to do so, secure the appropriate insurance policies and Tenant shall pay, upon thirty (30) days following demand, the cost of same to Landlord.

ARTICLE 15 - DAMAGE

15.1 Insured Casualty. In the case of damage by fire or other perils covered by the insurance specified in Section 14.5, the following provisions shall apply:

(a) Within a period of sixty (60) days after all applicable permits have been obtained (which permits Landlord shall promptly apply for and diligently seek), Landlord shall commence such repair, reconstruction and restoration of the Premises as Landlord, in its reasonable business judgment, deems necessary, and shall diligently prosecute the same to completion; provided, however, that Tenant, at its cost, shall repair and restore all items of Tenant's Work and replace its stock in trade, trade fixtures, furniture, furnishings and equipment. Tenant shall commence this work promptly upon delivery of possession of the Premises to Tenant and shall diligently prosecute same to completion.

(b) Notwithstanding the foregoing, if the Premises are totally destroyed, or if the Project is destroyed to an extent of at least fifty percent (50%) of the then full replacement cost thereof as of the date of destruction, then (i) if the destruction occurs during the last two (2) years of the Term, Landlord and Tenant shall each have the right to terminate this Lease, and (ii) if the destruction occurs prior to the last two (2) years of the Term, Landlord shall have the right to terminate this Lease. In each case, the termination right shall be exercised by the terminating party giving written notice to the other party within thirty (30) days after the date of destruction.

15.2 Uninsured Casualty. If the Premises or the Project are damaged as a result of any casualty not covered by the insurance required to be carried under Section 14.5, Landlord, within one hundred twenty (120) days following the date of such damage, shall use its reasonable good faith efforts to commence to repair, reconstruct or restore the Premises to the extent provided herein and

shall diligently prosecute the same to completion, or Landlord may elect within said one hundred twenty (120) days not to so repair, reconstruct or restore the damaged property, in which event, at Landlord's option, this Lease shall cease and terminate upon the expiration of such one hundred twenty (120) day period. In the event Landlord elects to restore the Premises, Tenant shall have the same repair, restoration and replacement obligations it has pursuant to Section 15.1(a).

15.3 Distribution of Proceeds. In the event of the termination of this Lease pursuant to this Article 15, all proceeds from the Fire and Extended Coverage and/or property insurance carried by Tenant pursuant to Article 14 and all insurance covering Tenant's Work and Tenant's leasehold improvements, but excluding proceeds for trade fixtures, merchandise, signs and other personal property, shall be disbursed and paid to Landlord, and all proceeds from Fire and Extended Coverage and/or property insurance carried by Landlord shall be retained by Landlord.

15.4 Abatement. In the event of repair, reconstruction and restoration, as provided in this Article 15, and provided Tenant has maintained the business interruption or loss of income insurance required pursuant to Article 14, to the extent that the proceeds of such business interruption or loss of income insurance may be exhausted during the period of repair, reconstruction and restoration, Minimum Annual Rent payable hereunder shall be thereafter abated proportionately with the degree to which Tenant's use of the Premises is impaired during the remainder of the period of repair, reconstruction and restoration; provided, however, the amount of Minimum Annual Rent abated pursuant to this Section 15.4 shall in no event exceed the amount of loss of rental income insurance proceeds actually received by Landlord. Tenant shall continue the operation of its business on the Premises during any such period to the extent reasonably practicable from the standpoint of prudent business management, and the obligation of Tenant to pay Additional Rent shall remain in full force and effect. Tenant shall not be entitled to any compensation or damages from Landlord for loss of use of the whole or any part of the Premises or the building of which the Premises are a part, Tenant's personal property or any inconvenience or annoyance occasioned by such damage, repair, reconstruction or restoration.

15.5 Waiver of Termination. Tenant waives any statutory rights of termination which may arise by reason of any partial or total destruction of the Premises.

ARTICLE 16 - EMINENT DOMAIN

16.1 Taking. The term "Taking", as used in this Article 16, shall mean an appropriation or taking under the power of eminent domain by any public or quasi public authority or a voluntary sale or conveyance in lieu of condemnation but under threat of condemnation.

16.2 Total Taking. In the event of a Taking of the entire Premises or the entire Common Area, this Lease shall terminate and expire as of the date possession is delivered to the condemning authority and Landlord and Tenant shall each be released from any liability accruing pursuant to this Lease after the date of such termination.

16.3 Partial Taking. If there is a Taking of a material portion of the Premises or the Common Area and, regardless of the amount taken, the Premises are not, in Tenant's sole but reasonable business judgment, suitable for the continued operation of Tenant's business, either Landlord or Tenant may terminate this Lease, upon giving notice in writing of such election to the other party within thirty (30) days after receipt by Tenant from Landlord of written notice that a

portion of the Premises and/or the Common Area has been so appropriated or taken. In each case, the termination of this Lease shall be effective as of the date Tenant is required to vacate all or a portion of the Premises and/or the Common Area.

16.4 Award. The entire award or compensation in any such condemnation proceeding, whether for a total or partial Taking, or for diminution in the value of the leasehold or for the fee, shall belong to and be the property of Landlord. Without derogating the rights of Landlord under the preceding sentence, Tenant shall be entitled to recover from the condemning authority such compensation as may be separately awarded by the condemning authority to Tenant or recoverable from the condemning authority by Tenant in its own right for the taking of trade fixtures and equipment owned by Tenant and for the expense of removing and relocating its trade fixtures and equipment.

16.5 Continuation of Lease. In the event of a Taking, if Landlord and Tenant elect not to terminate this Lease as provided above (or have no right to so terminate), Landlord agrees, at Landlord's cost and expense as soon as reasonably possible after the Taking, to restore the Premises and/or the Common Area necessary for Tenant to reasonably operate from the Premises (to the extent of the condemnation proceeds) on the land remaining to a complete unit of like quality and character as existed prior to the Taking and, thereafter, Minimum Annual Rent and Additional Rent payable by Tenant hereunder shall be reduced on an equitable basis, taking into account the relative value of the portion taken as compared to the portion remaining, and Landlord shall be entitled to receive the total award or compensation in such proceedings.

16.6 Waiver of Right to Terminate. Tenant hereby waives the provisions of any Applicable Laws, which allow Tenant to terminate this Lease in the event of a partial Taking of the Premises.

ARTICLE 17 - DEFAULTS BY TENANT

17.1 Events of Default. Should Tenant at any time be in default with respect to any payment of Minimum Annual Rent, Additional Rent or any other charge payable by Tenant pursuant to this Lease, or the delivery of an estoppel certificate pursuant to the terms of Section 18.3 of this Lease, for a period of five (5) days after written notice from Landlord to Tenant, or should Tenant be in default in the prompt and full performance of any other of its promises, covenants or agreements herein contained for more than thirty (30) days (provided, however, if the default cannot be rectified or cured within such thirty (30) day period, the default shall be deemed to be rectified or cured if Tenant, within such thirty (30) day period, shall have commenced to rectify or cure the default and shall thereafter diligently and continuously prosecute same to completion) after written notice thereof from Landlord to Tenant specifying the particulars of the default, then Landlord may treat the occurrence of any one (1) or more of the foregoing events as a breach of this Lease and, in addition to any or all other rights or remedies of Landlord by law provided, Landlord shall have the right, at Landlord's option, without further notice or demand of any kind to Tenant or any other person, (a) to declare the Term ended and to re-enter and take possession of the Premises and remove all persons therefrom, or (b) without declaring this Lease terminated and without terminating Tenant's right to possession, to re-enter the Premises and occupy the whole or any part for and on account of Tenant and to collect any unpaid rentals and other charges which have become payable or which may thereafter become payable, or (c) even though it may have re-entered the Premises as provided in

clause (b) above, to thereafter elect to terminate this Lease and all of the rights of Tenant in or to the Premises. In addition, Landlord has the remedy described in California Civil Code Section 1951.4 (Landlord may continue this Lease in effect after Tenant's breach and abandonment and recover rent as it becomes due), if Tenant has the right to sublet or assign, subject only to reasonable limitations. Any notice required to be given by Landlord above shall be in lieu of, and not in addition to, any notice required under the laws of the Project State. In addition, notices to pay-or-quit or perform-or-quit, as set forth in California Code of Civil Procedure Section 1161 (or any successor statute), may, at Landlord's discretion, be delivered pursuant to Section 20.1, below, or pursuant to California Code of Civil Procedure Section 1162.

17.2 Landlord Remedies. Should Landlord elect to terminate this Lease pursuant to the provisions of Section 17.1(a) or (c) above, Landlord may, in addition to all other remedies which may be available under applicable law and/or equity, recover from Tenant, as damages, the following: (a) the worth at the time of award of any unpaid rental which had been earned at the time of the termination, plus (b) the worth at the time of award of the amount by which the unpaid rental which would have been earned after termination until the time of award exceeds the amount of rental loss Tenant proves could have been reasonably avoided, plus (c) the worth at the time of award of the amount by which the unpaid rental for the balance of the Term after the time of award exceeds the amount of rental loss that Tenant proves could be reasonably avoided, plus (d) any other amounts necessary to compensate Landlord for all the detriment proximately caused by Tenant's failure to perform its obligations under this Lease or which, in the ordinary course of things, would be likely to result therefrom plus, at Landlord's election, any other amounts in addition to or in lieu of the foregoing as may be permitted from time to time by the laws of the Project State. As used in subparagraphs (a) and (b) above, the "worth at the time of award" is computed by allowing interest at the Interest Rate. As used in subparagraph (c) above, the "worth at the time of award" is computed by discounting such amount at the discount rate of the Federal Reserve Bank situated nearest to the location of the Project at the time of award plus one percent (1%). In addition to the foregoing rights and remedies, Landlord shall have the right, but not the obligation, without further notice to Tenant, to incur any expense necessary to perform the obligations of Tenant which Tenant has failed to perform or to otherwise cure Tenant's default, and Tenant shall pay to Landlord the cost thereof upon written demand by Landlord. Additionally, Landlord shall have the right to remedy any default of an emergency nature in the event Tenant fails to commence to cure any default creating an emergency situation promptly upon being given notice which is reasonable under the circumstances, and Landlord shall have the right to remedy such a default without notice (if the giving of notice is not reasonably practicable) in the event of an emergency. Landlord's right to perform Tenant's obligations pursuant to this Section shall not be deemed to: (i) impose any obligation on Landlord to do so; (ii) render the Landlord liable to the Tenant or any third party for an election not to do so; (iii) relieve the Tenant from any performance obligation hereunder; (iv) relieve the Tenant from any indemnity obligation as provided in this Lease, or (v) cure Tenant's default or limit in any manner any of Landlord's rights and remedies under this Lease including, without limitation, Landlord's right to terminate the Lease due to such default by Tenant.

17.3 Definition of Rental. For purposes of this Article 17 only, the term "rental" shall be deemed to be Minimum Annual Rent, Additional Rent and all other sums required to be paid by Tenant pursuant to the terms of this Lease. All sums, other than Minimum Annual Rent, shall, for the purpose of calculating any amount due under the provisions of Section 17.2(c) above, be computed on the basis of the average monthly amount accruing during the immediately preceding

sixty (60) month period, except that if it becomes necessary to compute these sums before the sixty (60) month period has occurred, then these sums shall be computed on the basis of the average monthly amount accruing during the shorter period.

17.4 Form of Payment after Default. If Tenant fails to timely pay any amount due under this Lease and Landlord serves a notice of default, Landlord shall have the right to require that any subsequent amounts paid by Tenant to Landlord under this Lease (to cure a default or otherwise) be paid in the form of a money order, cashier's or certified check drawn on an institution acceptable to Landlord, or other form approved by Landlord, despite any prior practice of accepting payments in a different form. Landlord may accept Tenant's payments without waiving any rights under this Lease, including rights under a previously served notice of default. If Landlord accepts payments after serving a notice of default, Landlord may, nevertheless, commence and/or pursue an action to enforce Landlord's rights and remedies under the previously served notice of default without giving Tenant any further notice or demand.

ARTICLE 18 - SUBORDINATION, ATTORNMENT AND TENANT'S CERTIFICATE

18.1 Subordination. Upon written request of Landlord, Landlord's mortgagee, the beneficiary of a deed of trust of Landlord or a lessor of Landlord, Tenant will subordinate its rights pursuant to this Lease in writing to the lien of any mortgage, deed of trust or the interest of any lease in which Landlord is the lessee (or, at Landlord's option, cause the lien of said mortgage, deed of trust or the interest of any lease in which Landlord is the lessee to be subordinated to this Lease) and to all advances made or hereafter to be made upon the security thereof.

18.2 Attornment. In the event any proceedings are brought for foreclosure, or in the event of the exercise of the power of sale under any mortgage or deed of trust made by Landlord encumbering the Premises, or should a lease in which Landlord is the lessee be terminated, Tenant shall attorn to the purchaser or lessor under such lease upon any foreclosure, sale or lease termination and recognize the purchaser or lessor as Landlord under this Lease, provided that the purchaser or lessor shall acquire and accept the Premises subject to this Lease.

18.3 Estoppel Certificates. Tenant agrees, upon not less than ten (10) days prior notice by Landlord, to execute, acknowledge and deliver to Landlord, a statement in writing in such form as may reasonably be required by Landlord or Landlord's lender or transferee ("Tenant's Certificate").

ARTICLE 19 - MATTERS OF RECORD

Tenant agrees that (a) as to its leasehold estate, it and all persons in possession or holding under it will conform to and will not violate the terms of any covenants, conditions, restrictions, easements, ground leases, mortgages or deeds of trust currently of record, including but not limited to, the Declarations (collectively, "Agreements"), and (b) this Lease is subordinate to the Agreements and any amendments or modifications thereto; provided, however, if the Agreements are not of record as of the date of this Lease, then this Lease shall automatically become subordinate to the Agreements upon recordation so long as the Agreements do not materially interfere with or prevent Tenant from using the Premises for the use set forth in Section 1.14, and do not materially diminish the rights or materially increase the obligations of Tenant under this Lease. Tenant further agrees to execute and return to Landlord, within twenty (20) days of written demand by Landlord, an agreement in recordable form subordinating this Lease to the Agreements.

ARTICLE 20 - MISCELLANEOUS

20.1 Notices. Every notice, demand or request (collectively "Notice") required hereunder or by law to be given by either party to the other shall be in writing. Notices shall be given by personal service or by United States certified or registered mail, postage prepaid, return receipt requested, or by same-day or overnight private courier, addressed to the party to be served at the address indicated in Article 1 or such other address as the party to be served may from time to time designate in a Notice to the other party; provided, however, in order for any Notice to be effective against Landlord, any such Notice, approval, consent request or demand made to Landlord other than by email shall also be delivered via email to usnotices@goodman.com. Notice personally served shall be effective when delivered to (or refused by) the party upon whom such Notice is served. If served by registered or certified mail, Notice shall be conclusively deemed served on the date shown on the return receipt, but if delivery is refused or the Notice is unclaimed, Notice shall conclusively be deemed given forty-eight (48) hours after mailing. If served by private courier, Notice to the addressee shall be effective when delivered to (or refused by) the party upon whom such Notice is served. Copies of any Notiee shall be sent to the addresses, if any, designated for service of copies of Notices in Article 1.

20.2 Security Deposit. The Security Deposit shall be held by Landlord as security for the faithful performance by Tenant of all of the terms, covenants and conditions of this Lease to be kept and performed by Tenant during the Lease Term. If Tenant defaults with respect to any provision of this Lease, including but not limited to the provisions relating to the payment of rent, Landlord may (but shall not be required to) use, apply or retain all or any part of the Security Deposit for the payment of any rent or any other sum in default (either past or future rent or other sum in default) or for the payment of any amount which Landlord may spend or become obligated to spend by reason of Tenant's default, or to compensate Landlord for any other loss or damage which Landlord may suffer by reason of Tenant's default. If any portion of the Security Deposit is so used or applied, Tenant shall, within five (5) days after written demand therefor, deposit cash with Landlord in an amount sufficient to restore the Security Deposit to its original amount. Landlord shall not be required to keep the Security Deposit separate from its general funds, and Tenant shall not be entitled to interest on the Security Deposit. If Tenant shall fully and faithfully perform every provision of this Lease to be performed by it, the Security Deposit, or any balance thereof, shall be returned to Tenant (or, at Landlord's option, to the last assignee of Tenant's interest hereunder) within thirty (30) days following the expiration of the Lease Term. Tenant hereby waives any and all rights with regard to the Security Deposit set forth in California Civil Code Section 1950.7, or any similar, related or successor provision of law. The Security Deposit is not to be characterized as rent unless and until so applied by Landlord in respect of a default. In the event Tenant fails to occupy the Premises in accordance with the terms of this Lease, Landlord's remedies shall include, without limitation thereto, retention of all sums deposited herewith or otherwise paid pursuant to this Lease. In the event of bankruptcy or other debtor-creditor proceedings against Tenant, Landlord may elect to apply such Security Deposit first to all attorneys' fees and costs incurred by Landlord and then either to (i) the payment of rent and other sums due Landlord for all periods prior to the filing of bankruptcy proceedings, or (ii) the payment of rent and other sums due to Landlord for all periods after the filing of bankruptcy proceedings.

20.3 Relocation. Landlord shall have the right to relocate the Premises to another part of the Project in accordance with the following: (a) the new Premises shall be substantially the same in

size, decor, and nature as the Premises described in this Lease and shall be placed in that condition by Landlord at its cost, (b) the physical relocation of the Premises shall be accomplished by Landlord at its cost, (c) all incidental costs incurred by Tenant as a result of the relocation including, without limitation, costs incurred in changing addresses on stationery, business cards, directories, advertising, and other such items shall be paid by Landlord in a sum not to exceed One Thousand Dollars ($1,000.00), (d) Landlord shall give Tenant at least ninety (90) days' notice of Landlord's intention to relocate the Premises, and (e) Landlord shall diligently pursue the relocation of the Premises and Minimum Annual Rent and all other sums and charges payable under this Lease shall abate during the period of such relocation.

20.4 Hazardous Materials and Mold Conditions. Tenant, at its sole cost and expense, shall comply with all federal, state and local laws and regulations relating to the storage, use, handling and disposal of hazardous, toxic or radioactive matter (collectively, "Hazardous Materials"), and all laws, regulatory standards and guidelines (including, but not limited to, Landlord's elected guidelines) applicable to the presence of Mold Conditions. Tenant shall notify Landlord and provide to Landlord a copy or copies of any environmental entitlements or inquiries related to the Premises. The clean-up and disposal of any Hazardous Materials or Mold Conditions located or released onto or about the Project by Tenant or its agents, contractors or employees shall be performed by Tenant at Tenant's sole cost and expense and shall be performed in accordance with all applicable laws, rules, regulations and ordinances, pursuant to a site assessment and removal/remediation plan prepared by a licensed and qualified geotechnical engineer and submitted to and approved in writing by Landlord prior to the commencement of any work. The foregoing notwithstanding, Landlord in Landlord's sole and absolute discretion may elect, by written notice to Tenant, to perform the clean-up and disposal of such Hazardous Materials or Mold Conditions from the Premises and/or the Project. In such event, Tenant shall pay to Landlord the actual cost of same upon receipt from Landlord of Landlord's written invoice therefor. Notwithstanding any other term or provision of this Lease, Tenant shall permit Landlord or Landlord's agents or employees to enter the Premises at any time, upon reasonable notice, to inspect, monitor and/or take emergency or long-term remedial action with respect to Hazardous Materials or Mold Conditions on or affecting the Premises or to discharge Tenant's obligations hereunder with respect to such Hazardous Materials or Mold Conditions when Tenant has failed, after demand by Landlord, to do so. All costs and expenses incurred by Landlord in connection with performing Tenant's obligations hereunder shall be reimbursed by Tenant to Landlord within thirty (30) days of Tenant's receipt of written request therefor. In all events, Tenant shall indemnify Landlord in the manner elsewhere provided in this Lease from any release of Hazardous Materials or Mold Conditions on the Premises occurring while Tenant is in possession, or elsewhere if caused by Tenant or persons acting under Tenant. The within covenants shall survive the expiration or earlier termination of the Term.

20.5 Project Remodeling. Landlord shall have the right, at any time and from time to time during the Term, upon not less than sixty (60) days' prior written notice to Tenant, to remodel, renovate, reduce or expand, in any manner, the Project or a portion thereof, which work may include the addition or removal of shops and/or the addition or removal of buildings to, or from, the Project. If such remodel, renovation or expansion will materially and adversely affect Tenant's operations from the Premises, as reasonably determined by Landlord, or if Landlord shall need to utilize the Premises in connection with the remodel, renovation or expansion, Landlord shall have the following options: (a) cause Tenant to vacate the Premises during the period necessary for Landlord to effect the remodel, renovation or expansion, or during the period during which Tenant will be unable to

reasonably operate from the Premises, during which period Tenant shall have no obligation to pay Minimum Annual Rent or Additional Rent, or (b) terminate this Lease, in which event Landlord shall pay to Tenant, within sixty (60) days following the date Tenant vacates the Premises, the unamortized cost of all permanently affixed leasehold improvements (the cost of which shall be evidenced by invoices and proofs of payment of same) installed in the Premises by Tenant (and paid for by Tenant without any contribution from Landlord), which amortization shall be determined on a straight line basis over the initial Term, and upon payment by Landlord, Tenant shall provide Landlord with a bill of sale for said permanently affixed leasehold improvements.

20.6 Failure to Substantially Complete Premises. Notwithstanding anything to the contrary contained herein, (a) if for any reason whatsoever the Delivery Date has not occurred on or before the last day of the twenty-fourth (24th) month following the Effective Date, or (b) if Landlord should at any time postpone or abandon the development or construction of the Project or that portion of the Project in which the Premises are located, then Landlord may elect to terminate this Lease by giving thirty (30) days' notice of such election to Tenant. If such notice is given, this Lease and the rights and obligations of the parties pursuant to this Lease shall cease and terminate. If this Lease is terminated pursuant to this Section 20.6, neither party shall have any further or additional rights, remedies, claims or liability arising out of this Lease or the termination of this Lease.

20.7 Force Majeure. Any prevention, delay or stoppage due to strikes, lockouts, labor disputes, acts of God, terrorism, inability to obtain labor or materials or reasonable substitutes therefor, governmental restrictions, governmental regulations, governmental controls, judicial orders, enemy or hostile governmental action, civil commotion, fire or other casualty, and other causes (except financial) beyond the reasonable control of the party obligated to perform ("Force Majeure Events"), shall excuse the performance by that party for a period equal to the prevention, delay or stoppage, except the obligations imposed with regard to Minimum Annual Rent and Additional Rent to be paid by Tenant pursuant to this Lease. With respect to Landlord's obligations under this Lease, Force Majeure Events shall be deemed to include lawsuits or administrative proceedings filed against Landlord or the governmental entity with jurisdiction over the Project challenging the discretionary entitlements and/or approvals for the Project.

20.8 Termination and Holding Over. Upon the expiration or earlier termination of the Term, Tenant shall peaceably and quietly surrender the Premises broom clean and in the same condition as the Premises were upon delivery of the same to Tenant by Landlord, reasonable wear and tear and any damage to the Premises which Tenant is not required to repair pursuant to Article 15 or Article 16 excepted. Unless otherwise instructed in writing by Landlord, Tenant, at its sole cost, shall (i) remove from the Premises all of Tenant's trade fixtures, furniture, equipment, personal property, and any other improvement to the Premises installed by, or on behalf of Tenant and/or unique or specific to Tenant's use of the Premises, such as, but not limited to, skylights, counters and cabinets, roof top exhaust and equipment, the hood and cooking equipment, automated teller machine(s), security deposit boxes, and a vault or other built-in safe; (ii) remove its signs and patch, texture and paint the Premises façade to match existing color; (iii) demolish and remove any and all improvements, additions and Alterations (unless at the time Landlord gives its consent to such Alterations, Landlord expressly agrees in writing that Tenant does not have to demolish and remove such Alterations upon termination of this Lease), including any improvements which may be affixed to the Premises and considered permanent in nature; and (iv) immediately repair any damage occasioned to the Premises, including repairs to the roof and roofing membrane, such repairs to be

performed under the direction of a Landlord approved structural engineer utilizing a Landlord approved, licensed, roofing contractor, by reason of such demolition and/or removal so as to leave the Premises in the condition required herein. All of Tenant's work under this Section shall be subject to Landlord's prior written approval. At Landlord's election, any property left in the Premises by Tenant after the expiration or earlier termination of the Term shall become the property of Landlord without any cost to Landlord, or Landlord may remove same from the Premises and dispose of all or any portion of such property, in which latter event Tenant shall, upon demand, pay to Landlord the actual expense of such removal and disposition together with the cost of repair of any and all damage to the Premises resulting from or caused by such removal. Tenant waives any and all rights it may have under California Civil Code §1980 et seq. and any successor statutes. Should Tenant hold over in the Premises beyond the expiration or earlier termination of this Lease, the holding over shall not constitute a renewal or extension of this Lease or give Tenant any rights under this Lease. In such event, Landlord may, in its sole discretion, treat Tenant as a tenant at will, subject to all of the terms and conditions in this Lease, except that Minimum Monthly Rent shall be an amount equal to one and one-half (1-1/2) times the sum of Minimum Monthly Rent which was payable by Tenant immediately preceding the expiration or earlier termination of this Lease, and either party shall have the right to terminate this Lease upon no less than thirty (30) days written notice to the other party.

20.9 Attorneys' Fees. The following terms shall govern this Lease with regard to attorneys' fees:

(a) In the event of any litigation regarding any rights and obligations under this Lease, the prevailing party shall be entitled to recover all of its reasonable attorneys' fees, court costs and expenses, all of which, whether incurred prior to or after commencement of such proceedings, shall be deemed to have accrued on the date of commencement of such proceedings, and shall include post-judgment fees, costs or expenses incurred on any appeal, or in collection of any judgment, in addition to any other relief which may be granted. Attorneys' fees shall not be computed in accordance with any court fee schedule, but shall be such as to fully reimburse the prevailing party for all attorneys' fees incurred. The term "prevailing party" shall mean the party receiving substantially the relief desired, whether by settlement, summary judgment or other pretrial motion, judgment, arbitrator's award, referee's decision, appeal or otherwise.

(b) If Landlord, without fault on Landlord's part, is made a party to any litigation instituted by Tenant or by any third party against Tenant, or by or against any transferee or other occupant of the Premises, or otherwise arising out of or resulting from any act or transaction of Tenant or of any transferee or occupant, Tenant shall reimburse Landlord upon demand for all costs and expenses, including reasonable attorneys' fees, incurred by Landlord in connection with such litigation. Tenant shall fully reimburse Landlord for any and all reasonable fees, costs and expenses that Landlord may incur in the event Landlord is required to become a witness in, be required to produce documents in connection with, or otherwise be required to participate in any litigation or other proceeding (including bankruptcy and reorganization proceedings) by, against or otherwise involving Tenant, and such fees, costs and expenses shall be deemed Additional Rent for the purposes of this Lease.

(c) In the event that Landlord places the enforcement of this Lease or pursues the collection of any rental due or to become due hereunder, or places the recovery of possession of the

Premises in the hands of an attorney, whether or not suit is commenced or judgment entered, or due to any bankruptcy petition filed by Tenant or Tenant's guarantor, if any, Tenant shall pay to Landlord upon demand all of Landlord's reasonable attorneys' fees and costs, and failure to pay shall be deemed a material default. Landlord shall be entitled to include in any default notice a demand for payment of attorneys' fees and costs, and the parties agree that Three Hundred Fifty and 00/100 Dollars ($350.00) is a reasonable minimum amount for each occurrence. However, the actual attorneys' fees and costs shall be due upon demand.

20.10 Miscellaneous Provisions.

(a) Waiver. No provision of this Lease shall be deemed waived by Landlord or Tenant unless such waiver is in writing signed by the waiving party. The waiver by Landlord or Tenant of any breach of any of the provisions of this Lease shall not be deemed a waiver of such provision or of any subsequent breach of the same or any other provision of this Lease. No delay or omission in the exercise of any right or remedy of Landlord upon any default by Tenant, no matter how long the same may continue, shall impair such right or remedy or be construed as a waiver. Landlord's acceptance of any payments of rental due under this Lease shall not be deemed a waiver of any default by Tenant under this Lease (including Tenant's recurrent failure to timely pay rental), other than Tenant's nonpayment of the accepted sums, and no endorsement or statement on any check or accompanying any check or payment shall be deemed an accord and satisfaction. Landlord's or Tenant's consent to or approval of any act requiring Landlord's or Tenant's consent or approval shall not be deemed to waive or render unnecessary Landlord's or Tenant's consent to or approval of any subsequent act. No act or conduct of Landlord, including, without limitation, the acceptance of the keys to the Premises, shall constitute an acceptance of the surrender of the Premises by Tenant before the expiration of the initial Term, or extended Term, as applicable. Only a written notice from Landlord to Tenant shall constitute acceptance of the surrender of the Premises and accomplish a termination of this Lease.

(b) Entire Agreement. It is understood that there are no oral or written agreements or representations between the parties hereto affecting this Lease and this Lease supersedes and cancels any and all previous negotiations, arrangements, representations, brochures, agreements and understandings, if any, between Landlord and Tenant. No provision of this Lease may be amended except by an agreement in writing signed by Landlord and Tenant.

(c) Governing Law. This Lease shall be governed by and construed in accordance with the laws of the Project State without giving effect to the choice of law provisions thereof.

(d) Binding on Successors. Subject to the terms of this Lease, all rights and obligations of Landlord and Tenant under this Lease shall extend to and bind the respective heirs, executors, administrators and the permitted concessionaires, successors, subtenants and assignees of the parties. If there is more than one (1) Tenant hereunder, each shall be bound jointly and severally by the terms, covenants and agreements contained in this Lease.

(e) Authority. If Tenant or Landlord is a corporation, partnership or limited liability company, each individual executing this Lease on behalf of the corporation, partnership or limited liability company (in his/her representative capacity only) represents and warrants that he or

she is duly authorized to execute and deliver this Lease on behalf of the corporation, partnership or limited liability company and that this Lease is binding upon the corporation, partnership or limited liability company. Furthermore, Tenant and its authorized officer(s) represent that the corporation or limited liability company (as the case may be) is in good standing with the Secretary of State where the Project is located. This Lease may be signed electronically.

(f) Rules and Regulations. Tenant shall observe faithfully and comply with, and shall cause its employees and invitees to observe faithfully and comply with, reasonable and nondiscriminatory rules and regulations governing the Project as may from time to time be promulgated by Landlord.

(g) Waiver of Redemption. Tenant waives any and all rights of redemption granted under any present and future laws in the event Landlord obtains the right to possession of the Premises by reason of the violation by Tenant of any of the covenants and conditions of this Lease or otherwise.

(h) Brokers. Tenant represents and warrants that it has not had any dealings with any realtors, brokers or agents in connection with the negotiation of this Lease, except as may be specifically set forth in Section 1.20, and agrees to pay any realtors, brokers or agents not referenced in Section 1.20 and to hold Landlord harmless from the failure to pay any realtors, brokers or agents and from any cost, expense or liability for any compensation, commission or charges claimed by any other realtors, brokers or agents claiming by, through or on behalf of Tenant with respect to this Lease and/or the negotiation hereof.

(i) Memorandum. Neither this Lease nor any memorandum hereof shall be recorded by either party hereto.

(j) Landlord Assignment. Should Landlord sell, exchange or assign this Lease (other than a conditional assignment as security for a loan), then Landlord, as transferor, shall be relieved of any and all obligations on the part of Landlord accruing under this Lease from and after the date of such transfer provided that Landlord's successor in interest shall assume such obligations from and after such date. Written notice of any such transfer shall be given to Tenant.

(k) Interest. Except where another rate of interest is specifically provided for in this Lease, any amount due from either party to the other under this Lease which is not paid when due, shall bear interest at the rate per annum ("Interest Rate") equal to the prime interest rate published from time to time by the Wall Street Journal plus two (2) percentage points (but in no event to exceed the maximum lawful rate) from the date such amount was originally due to and including the date of payment.

(l) Landlord Default. If Landlord fails to perform any of the covenants, provisions or conditions contained in this Lease on its part to be performed within thirty (30) days after written notice of default (or if more than thirty (30) days shall be required because of the nature of the default, if Landlord shall fail to diligently proceed to commence to cure the default after written notice), then Landlord shall be liable to Tenant for all damages sustained by Tenant as a direct result of Landlord's breach and Tenant shall not be entitled to terminate this Lease as a result thereof. Notwithstanding the foregoing or anything contained in this Lease to the contrary, it is expressly understood and agreed that any judgment against Landlord resulting from any default or

other claim under this Lease shall be satisfied only out of the net rents, issues, profits and other income actually received from the operation of the Project, and Tenant shall have no claim against Landlord (as Landlord is defined in Section 14.6) or any of Landlord's personal assets for satisfaction of any judgment with respect to this Lease.

(m) Lender Rights. If any part of the Premises are at any time subject to a first mortgage or a first deed of trust, and this Lease or the rentals due from Tenant hereunder are assigned by Landlord to a mortgagee, trustee or beneficiary ("Assignee" for purposes of this clause (m) only) and Tenant is given written notice of the assignment including the post office address of Assignee, then Tenant shall also give written notice of any default by Landlord to Assignee, specifying the default in reasonable detail and affording Assignee a reasonable opportunity to make performance for and on behalf of Landlord. If and when Assignee has made performance on behalf of Landlord, the default shall be deemed cured.

(n) Mechanics' Liens. Tenant shall pay all costs for work performed by or on account of it and shall keep the Premises and the Project free and clear of mechanics' liens or any other liens. Tenant shall give Landlord immediate notice of any lien filed against the Premises or the Project as a result of any work of improvement performed by or on behalf of Tenant. Tenant shall immediately cause any lien to be discharged or removed of record by either paying the amount thereof or recording a statutory lien release bond in an amount equal to one hundred twenty-five percent (125%) of the amount of said lien, or such other amount as may be adequate to cause the lien to be released as an encumbrance against the Premises and the Project. If Tenant shall fail to do so within five (5) days after written demand by Landlord to cause the effect of said claim, stop notice or lien to be removed, rescinded or dismissed, in addition to such other remedies it may have, Landlord shall have the right (but not the obligation) to use whatever means in its discretion it may deem appropriate to cause said claim, stop notice, or lien to be rescinded, discharged, compromised, dismissed or removed including, without limitation, (a) posting a bond pursuant to California Civil Code Sections 8424 and/or 8510; or (b) paying a sum sufficient to discharge, in full, any and all such claims, demands, or liens. Any such sums paid by Landlord, including attorneys' fees and bond premiums, shall be immediately due and payable to Landlord by Tenant.

(o) Waiver of Trial by Jury/Judicial Reference.

(A) Landlord and Tenant desire and intend that any disputes arising between them with respect to or in connection with this Lease be subject to expeditious resolution in a court trial without a jury. Therefore, to the extent allowable under applicable law, Landlord and Tenant each hereby waive the right to trial by jury of any cause of action, claim, counterclaim or cross-complaint in any action, proceeding or other hearing brought by either Landlord against Tenant or Tenant against Landlord on any matter whatsoever arising out of, or in any way connected with, this Lease, the relationship of Landlord and Tenant, Tenant's use or occupancy of the Premises or any claim of injury or damage, or the enforcement of any remedy under any law, statute, or regulation, emergency or otherwise, now or hereafter in effect.

(B) In the event that the jury waiver provisions of Section 20.10(o)(A) are not enforceable under California Law, then the provisions of this Section 20.10(o)(B) shall apply. Landlord and Tenant agree that any disputes arising in connection with this Lease (including but not limited to a determination of any and all of the issues in such dispute, whether of fact or of Law, and

including any action where Tenant names as a party to any dispute an employee or agent of Landlord) shall be resolved (and a decision shall be rendered) by way of a general reference as provided for in Part 2, Title 8, Chapter 6 (§ 638 et. seq.) of the California Code of Civil Procedure, or any successor California statute governing resolution of disputes by a court appointed referee. Nothing within this Section 20.10(o)(B) shall apply to an unlawful detainer action

(p) No Exclusive. Landlord reserves the absolute right to effect such other tenancies in the Project as Landlord, in the exercise of its sole business judgment, shall determine to best promote the interests of the Project. Tenant does not rely on the fact, nor does Landlord represent, that any specific tenant or number of tenants shall, during the Term of this Lease, occupy any space in the Project (notwithstanding the depiction of any tenants on any of the exhibits attached hereto).

(q) Service Charge. Tenant acknowledges that Tenant's failure to submit any required document, certificate, report, statement of Gross Sales, insurance policy or certificate as and when required in this Lease will cause Landlord to incur additional costs of administration, and agrees that in the event Tenant fails to submit any required document, certificate, report, statement of Gross Sales, insurance policy or certificate as and when required in this Lease, Tenant shall pay to Landlord a "Service Charge" in the amount of One Hundred Dollars ($100.00) for each week or portion thereof that said failure continues. Tenant agrees that such Service Charge shall not constitute damages, and that neither Tenant's payment of such Service Charge nor Landlord's acceptance of such payment shall result in a cure of any default under this Lease, or waiver of any default under this Lease by Landlord.

(r) Signs. Landlord shall have the right, but not the obligation, at Landlord's sole cost and expense, to design and install "Coming Soon" signs for Tenant to be displayed in or about the Project prior to Tenant's opening for business from the Premises.

(s) Food User. In the event Tenant is a food user, Tenant agrees that it will not "hose off" or wash its mats or other kitchen equipment outside of the Premises. Instead, Tenant shall be required to "hose off" or wash its mats or other kitchen equipment within the Premises (i) in an interior area dedicated for such purpose so that the water and debris from such mats and/or kitchen equipment enters the sewer system located within the Premises; and (ii) in compliance with applicable laws including, without limitation, any applicable Construction Site Best Management Practices (BMPs), Stormwater Pollution Prevention Plans (SWPPPs) and/or Water Pollution Control Programs (WPCPs). Tenant shall be responsible for any fines levied on Landlord or Tenant for a violation of the foregoing requirement.

(t) Index. As used in this Lease, the term "Index" shall mean the Consumer Price Index published by the United States Department of Labor, Bureau of Labor Statistics (the "Bureau") "All Items" for All Urban Consumers in the Los Angeles-Riverside-Orange County metropolitan area, (1982-84=100). Should the Bureau discontinue the publication of the Index, publish the same less frequently or alter the same in some other manner, the most nearly comparable index or procedure as determined by Landlord shall be substituted therefor.

(u) Guaranty. Concurrently with Tenant's delivery to Landlord of executed originals of this Lease, Tenant shall cause the person or entity ("Guarantor") set forth in Section 1.19

to deliver to Landlord not less than three (3) originally executed counterparts of a guaranty in the form of the Guaranty attached hereto as Exhibit E.

(v) Sale of Parcel. In the event Landlord sells a pad or parcel within the Project after the date of this Lease, following the date of such transfer, Landlord shall not be obligated to enforce the terms of this Lease against such transferred pad or parcel owner (the "Parcel Owner"), which rights must be enforced by Tenant against the Parcel Owner, and Landlord shall not be in default under this Lease for the failure of the Parcel Owner to comply with the terms of this Lease following the date of such transfer to the Parcel Owner.

(w) Payment of Disputed Sums. Numerous charges are and may be due from Tenant to Landlord, including, without limitation, Minimum Annual Rent, Additional Rent, utilities and other items of a similar nature. If at any time there is a dispute between the parties as to the amount due Landlord for any such charges, the amount demanded by Landlord shall be paid by Tenant until the resolution of the dispute between the parties or by litigation. Failure by Tenant to pay the disputed sums until such resolution shall constitute a default under the terms of this Lease.

(x) Receipt of Deposited Sums. No payment by Tenant or receipt by Landlord of a lesser amount than the rental herein stipulated shall be deemed to be other than on account of the rental, nor shall any endorsement or statement on any check or any letter accompanying any check or payment as rental be deemed an accord and satisfaction; and Landlord may accept such check or payment without prejudice to Landlord's right to recover the balance of such rental or pursue any other remedy in this Lease. No endorsement on any check nor letter accompanying any check or payment of rental, or partial payment thereof, shall prevent Landlord from treating such payment as on account of the earliest delinquent sum owed Landlord, at Landlord's sole election, and Tenant waives the benefit of any contrary court decision or statute, including, without limitation, California Civil Code Section 1479 and California Commercial Code Section 3311. In connection with the foregoing, Landlord shall have the absolute right, in Landlord's sole discretion, to apply any payment received from Tenant to any account then not current and due or delinquent.

(y) CASp. This provision is intended to comply with the terms of California Civil Code Section 1938 which provides that a commercial property owner or lessor shall state on every lease form or rental agreement executed on or after July 1, 2013, whether the premises being leased or rented has undergone inspection by a Certified Access Specialist ("CASp"), and, if so, whether the premises has or has not been determined to meet all applicable construction–related accessibility standards pursuant to California Civil Code Section 55.53. Pursuant to California Civil Code Section 1938, Landlord hereby advises Tenant that the Premises has not undergone an inspection by a CASp and effective January 1, 2017, the following language is included in the Lease as required by Section 1938(e) of the California Civil Code: "A Certified Access Specialist (CASp) can inspect the subject premises and determine whether the subject premises comply with all of the applicable construction-related accessibility standards under state law. Although state law does not require a CASp inspection of the subject premises, the commercial property owner or lessor may not prohibit the lessee or tenant from obtaining a CASp inspection of the subject premises for the occupancy or potential occupancy of the lessee or tenant, if requested by the lessee or tenant. The parties shall mutually agree on the arrangements for the time and manner of the CASp inspection, the payment of the fee for the CASp inspection, and the cost of making any repairs necessary to correct violations of construction-related accessibility standards within the premises." Tenant shall be

responsible, at its sole cost and expense, for the payment of any fee for a CASp inspection requested by Tenant.

(z) Energy Usage. Tenant shall comply with all energy usage reporting requirements of Landlord relating to Tenant's use of the Premises, consistent with applicable laws.

(aa) Severability. If any provision of this Lease or its application is found to be invalid or unenforceable, such determination shall not affect the other provisions of this Lease and they shall remain valid and enforceable.

(bb) Exhibits. All of the exhibits referenced in this Lease are incorporated herein by this reference.

(Remainder of page left blank intentionally; signature page follows)

IN WITNESS WHEREOF, Landlord and Tenant have duly executed this Lease on the day and year first above written.

LANDLORD:

Tarpon Property Ownership 2 LLC,
a Delaware limited liability company

By:_____
Name: _____
Its:_____

By:_____
Name: _____
Its:_____

TENANT:

Global BB Group, Inc.,
a California corporation

By:_____
Name: James Chae
Its: CEO

By:_____
Name: _____
Its:_____

IF TENANT IS A CORPORATION, LIMITED LIABILITY COMPANY, PARTNERSHIP OR OTHER ENTITY, OR IS COMPRISED OF ANY OF THEM, EACH INDIVIDUAL EXECUTING THIS LEASE FOR SUCH ENTITY REPRESENTS THAT HE OR SHE IS DULY AUTHORIZED TO EXECUTE AND DELIVERY THIS LEASE ON BEHALF OF SUCH ENTITY AND THAT THIS LEASE IS BINDING UPON SUCH ENTITY IN ACCORDANCE WITH ITS TERMS.

EXHIBIT A – SITE PLAN

EXHIBIT B – PREMISES

EXHIBIT C – CONSTRUCTION PROVISIONS

EXHIBIT C-1 – CONSTRUCTION ALLOWANCE

EXHIBIT D – SIGN CRITERIA

EXHIBIT E – GUARANTY OF LEASE

EXHIBIT F – EXCLUSIVE AND PROHIBITED USE RESTRICTIONS

[see attached]

EXHIBIT A

SITE PLAN

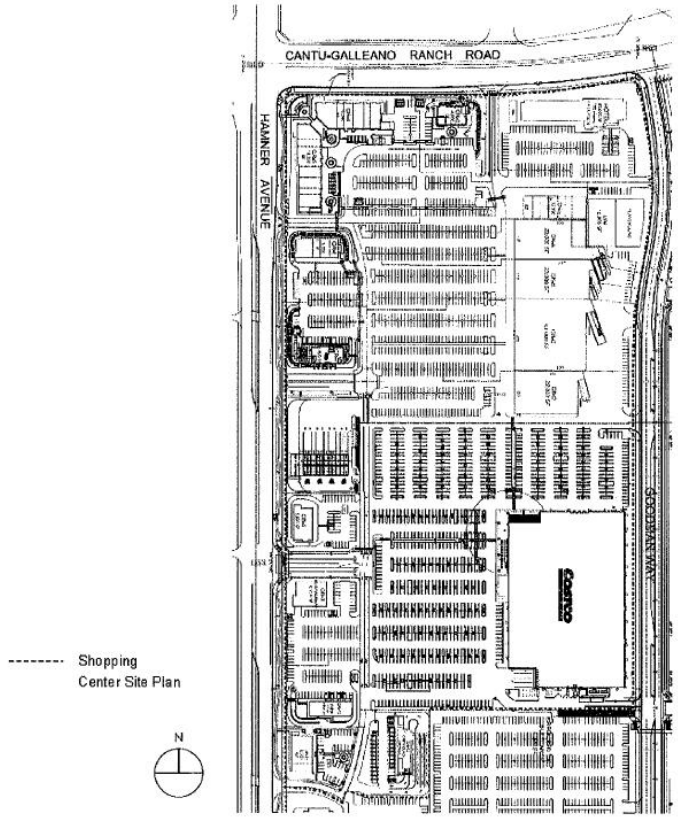
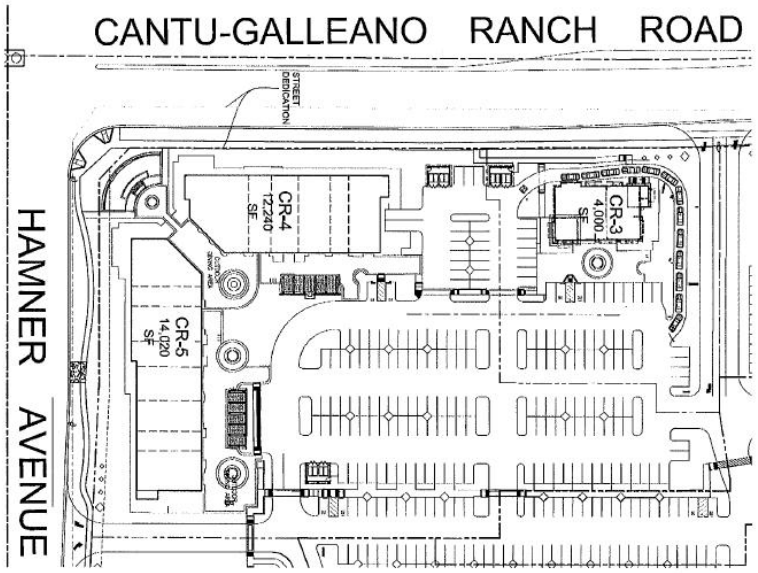


EXHIBIT B

PREMISES



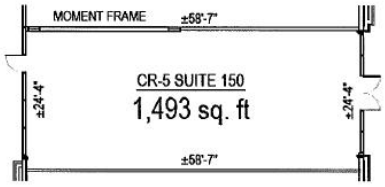


EXHIBIT C

CONSTRUCTION – LANDLORD'S WORK AND TENANT'S WORK

I. LANDLORD'S WORK

The following is a general description of the construction to be provided by Landlord (sometimes herein referred to as "Landlord's Work"). Selection of structural systems, materials and finishes will be by Landlord or its duty licensed architects, engineers, and contractors.

A detailed set of working drawings for Landlord's Work will be available for review by Tenant and Tenant's architect, engineer or contractor ("Landlord's Plans"). If the work described in Tenant's Working Drawings requires additions or changes to Landlord's Plans, or additions or changes to Landlord's construction obligations under this Section I, and if Landlord approves in writing such additions or changes, Tenant must pay Landlord any increased costs resulting from the additions or changes, including any and all architectural, engineering, inspection, construction and related costs. Landlord may require Tenant to perform and pay for any modifications to Landlord's structural systems, materials and finishes required by Tenant's Working Drawings.

Any reference to construction by Landlord to Code requirements ("Code") mean Code requirements of applicable governmental authority for normal restaurant / merchandising use, as existing at the Effective Date.

Landlord will provide per Landlord's Plans only the following improvements to the structure to be constructed by Landlord, and Landlord may select the manufacturer as to all materials and equipment that Landlord is obligated to supply. Landlord's Work does not include any improvements or facilities other than the following:

STOREFRONT:	Aluminum storefront system with tempered glass as required by International Building Code., Front entrance door(s) will include a one-cylinder lock keyed from outside only.
DEMISING WALLS:	Demising walls to be provided per Landlord's Plans and will be framed with metal studs, unfinished gypsum board, insulation, tape and wall finish and fire caulking. Any cross partitions or additional demising walls inside the Premises, or any other gypsum board, will not be a part of Landlord's Work.
CEILINGS:	Ceilings exposed to the roof deck over the entire Premises. Ceiling heights should be a minimum 16' to bottom of trusses clear height.
WATER and SEWER:	CR-5 Suite #150 – 1" water line in ceiling and 4" sanitary sewer waste line extending into the Premises as shown on Landlord's Plans. Landlord shall also provide a separate 4" grease interceptor service line also stubbed per Landlord's Plans.

HVAC:	CR-5 Suite #150 - One (1) 7.5-ton roof-mounted air conditioning unit, engineered to condition approximately 199 square feet per ton, together with heating elements, supply and return grills stubbed from the unit to the bottom of the trusses and a condensate drain line stubbed below the roof deck, all located where indicated on Landlord's Plans.
ELECTRICAL:	CR-5 Suite #150 – Empty conduit for one (1) 400-amp 120/208V, 3-phase, 4-wire electrical panel service for Tenant's use only. Landlord shall provide power, disconnect, meter base and associated fuses, conduit and wiring with a main 200-amp electrical panel to be surface mounted at located in the Premises per Landlord's Plans.
GAS:	CR-5 Suite #150 – Landlord to provide 2" gas line, stubbed to the interior of the Building per Landlord's Plans. Tenant is responsible for extension from stubbed line to Premises.
INSULATION:	Rigid roof insulation installed by Landlord to comply with City and State Code requirements.
SPRINKLER SYSTEM:	Automatic fire sprinkler system throughout the Premises in accordance with Landlord's Plans, local code and engineering requirements. This system includes uprights only and does not include any drops/sprinkler heads. Tenant is responsible for installing any additional fire or alarm systems, lights, duct detectors, etc., that are required by Code or Landlord. Modifications (additions, relocations, raising or lowering) to Landlord's system to accommodate Tenant's requirements or plans are to be done by Landlord's fire sprinkler contractor but at Tenant's expense in accordance with Code.
FLOORS:	All floors on the ground floor within the interior of the Premises will be uncolored concrete slab(s). Tenant is responsible for complying with Landlord's architectural and structural engineering details and specifications for filling in the Tenant slab cut outs for utilities.
TELEPHONE:	One (1) 2" empty telephone conduit and one (1) 2" CATV empty conduit from the main telephone mounting board for the Building stubbed to the interior of the Premises per Landlord's Plans. It is Tenant's responsibility to make arrangements for telephone wiring from the main telephone mounting board into the Premises and distribution within the Premises.

REAR ACCESS DOOR:	CR-5 Suite #150 – One (1) 3'-0" x 7'-0" storefront clear tempered glass door with a cylinder lock and key.
FIRE ALARM SYSTEM:	1" empty conduit (with pull rope) will be stubbed from Landlord backboard to the interior rear wall of the Premises for each tenant space.
GREASE INTERCEPTOR:	One (1) shared 2000-gallon shared grease interceptor will be provided. Approximate location will be indicated on Landlord's Plans, if applicable. Termination point is located inside the premises per Landlord's Plans.

As part of Landlord's Work, if required by the local governmental authorities Landlord will install a methane gas control system at the Building (and may, at Landlord's option, include any other building(s) and/or improvements in the System), which may include the placement of membrane sheeting (the "Membrane") beneath the Building (and any other building(s) and/or improvements Landlord elects to include) to encapsulate underground portions of such improvements and prevent intrusion of methane gases into such improvements and may include the installation of a venting system (the "Venting System") to vent and push underground methane gases away from such improvements (collectively , the "Methane Control System"). Notwithstanding anything to the contrary set forth in the Lease, in no event shall Tenant or Tenant's employees, representatives, contractors or agents modify, alter, puncture or cause the removal of all or any portion of the Membrane or Venting System, or interfere with the operation of the Venting System. Landlord shall be responsible, at its cost and expense (but subject to reimbursement as a Common Area Maintenance Cost), for the periodic monitoring of the Venting System, as necessary; provided, however, if Tenant or Tenant's employees, representatives, contractors or agents modify, alter, puncture or cause the removal of all or any portion of the Methane Control System without the prior written consent of Landlord, which consent may be withheld in Landlord's sole and absolute discretion, Tenant shall reimburse Landlord for the cost and expense incurred by Landlord in connection with such actions of Tenant or Tenant's employee, representatives, contractors or agents, within (30) days of Tenant's receipt of an invoice therefor. Tenant agrees, at Tenant's sole expense, to indemnify, defend and hold harmless the Landlord for, from and against any and all claims, actions, damages, liabilities, losses (including loss of rents), attorney's fees, costs and expenses whatsoever, including, without limitation, those in respect of loss of life, bodily injury, personal injury, advertising injury or damage to property, arising from Tenant's breach of the provisions of this Paragraph.

II. TENANT WORK

All items of work not specifically included above in Landlord's Work required for the operation of Tenant's business at the Premises must be provided by Tenant at Tenant's expense ("Tenant's Work"). The failure of Tenant to pay when due all costs and expenses relating to Tenant's Work constitutes a default under this Lease in like manner as the failure to pay rent when due. Tenant shall pay for its building (tenant improvement) permit fees, fees for permits for Tenant's exterior Building signs, and power, gas and phone utility connection and meter fees for utilities exclusively

serving the Premises, and the meters (exclusive of the domestic water submeter, if installed by Landlord). Tenant's Work includes, without limitation, the purchase, installation and performance of, and payment for, the following (including any and all applicable architectural and engineering services and fees, and fees, charges and other costs related to governmental permits, licenses and approvals):

SHOP WINDOW BACKGROUNDS:	All show window backgrounds, show windows, show window ceilings, show window lighting installations and display platforms.
SIGNS:	The lettering of sign panels above storefronts on the surface provided by Landlord. Such lettering must be designed by Tenant in accordance with Shopping Center's Sign Criteria and approved by Landlord.
	All penetrations as installed by Tenant to be sealed by Approved Roofing Contractor if on or near roof or parapet. All external penetrations to be caulked, sealed and painted to match.
WALLS AND COLUMNS:	All interior partitions and walls, including cross partitions, if applicable, and finishes on all walls, doors and columns within the Premises.
	Any penetrations to demising walls where the walls are fire rated must be fire caulked prior to finishes. Tenant to waterproof along the demising wall 18" above finished floor where the restrooms and kitchen areas meet the demising walls on either side.
CEILINGS:	Tenant to furnish and install scrim at ceilings. In lieu of scrim, Tenant will be required to use dry fall paint.
INTERIOR PAINTING:	All interior painting and decorations within the Premises, including all interior finish in show windows.
PLUMBING:	All plumbing other than that included in Landlord's Work, including connections to utility systems.
WATER / WATER HEATER:	Tenant to furnish and install a lockout box or cage over the water meter (backflow). Water heater for domestic hot water, where required, by Tenant.
HVAC / EXHAUST SYSTEM:	Ductwork, distribution grilles, diffusers, electrical to the HVAC unit, thermostat and controls.
	Exhaust system must have Grease Guard (or comparable) containment system installed prior to system start up. Kitchen

	exhaust fans are required to have an additional restraining cable in addition to the mechanical lock and spring restraint.
ELECTRICAL:	Electric meter, panel, feeder wire, switch and fuses. Tenant to supply and install breakers at their panel as supplied from sub-feeder. Tenant is responsible for all interior wiring.
GAS:	If Tenant requires gas, Tenant is responsible for extension from the stubbed line to the Premises. If gas has been stubbed to the Shops Parcel and Tenant requires gas, Tenant is responsible for bringing gas to the Premises from the location stubbed by Landlord, and for installing Tenant's separate gas meter. Tenant to furnish and install a lockout box or cage over the gas meter.
TELEPHONE:	Tenant is responsible for telephone wiring from main telephone mounting board for the Shops Parcel into the Premises and distributions within the Premises.
FURNITURE FIXTURE AND SIGNS:	All interiors furniture, furnishings, trade fixtures, signs and related parts.
FLOORS:	Tenant is responsible for complying with Landlord's architectural and structural engineering details and specifications for filling in any areas where sawcut, electrical, plumbing or concrete pour back has been installed.
FLOOR COVERING:	All floor coverings, floor finishes and preparation of floors to receive same. Carpeting or other quality floors, such as glazed or unglazed pavers, ceramic tile, marble, granite, wood, or wood parquet, must be used in Tenant's public areas. Vinyl or linoleum tile may not be used in Tenant's public areas without the prior approval of Landlord, Linoleum, tile, carpet or similar floor coverings may only be affixed in a manner approved by Landlord.
MERCHANDISING FIXTURES AND MISCELLANEOUS EQUIPMENT AND CONNECTIONS:	Electrical and mechanical connections of all floor and wall merchandising fixtures or equipment and related parts (including kitchen and food service equipment, if permitted) and other equipment required by Tenant's business. Tenant responsible to install specified locking dome strainers on all floor sinks and locking drains on all prep and triple sink drains. (Specification – Drain Net or Guardian)

MECHANICAL EQUIPMENT:	All mechanical equipment located within the Premises, including all electrical and mechanical work related thereto.
ALTERATIONS AND ADDITIONS:	Alterations and additions to any wall or floor, including penetration or reinforcements required to accommodate Tenant's Work. The installation of any safes, values and other heavy items must satisfy any load requirements specified by Landlord's architect or engineer.
ROOF PENETRATIONS:	No penetration of the roof is permitted without the prior written approval of Landlord. Roof penetrations, if any, permitted by Landlord must be engineered and installed in accordance with standard project details and roofing specifications ("Roofing Specifications"), with all roofing repairs to be performed by Landlord's original roofing subcontractor or another roofing contractor approved by Landlord (the "Approved Roofing Contractor") and subject to the roofing manufacturer's certification that all roofing warranties and guarantees are in full force and effect, all at Tenant's expense. All flashing, counterflashing and roofing repairs must conform to Roofing Specifications and be performed by the Approved Roofing Contractor. Tenant must temporarily seal roof penetrations until all roof penetrations are complete, approved by Landlord's construction manager and resealed by the Approved Roofing Contractor.
HARDWARE:	All hardware as required by Tenant. No modifications to Landlord door hardware without prior approval by the Landlord.
GREASE INTERCEPTOR:	Tenant to install specified locking dome strainers on all floor sinks and locking drains on all prep and triple sink drains. (Specification: Drain Net or Guardian)
CONTRACTORS:	If Tenant employs any contractor or subcontractor currently under contract to Landlord in the construction of Tenant's Work, Tenant must specifically engage such contractor or subcontractor for such work. Tenant's Work may not be undertaken as a change or addition to Landlord's contract with the respective contractor or subcontractor without Landlord's prior approval. Landlord's consent to the applicable repairs, alterations, additions, replacements, decorations or other improvements may be conditioned on Tenant's use of contractors specified by Landlord
INSPECTION OF	If Tenant or Tenant's employees, representatives, contractors or

AND REPAIR TO, METHANE GAS CONTROL SYSTEM:	agents modify, alter, puncture or cause the removal of all or any portion of the Membrane or Venting System without the prior written consent of Landlord, which consent may be withheld in Landlord's sole and absolute discretion, Tenant shall reimburse Landlord for the cost and expense incurred by Landlord in connection with such actions of Tenant or Tenant's employees, representatives, contractors or agents, within thirty (30) days of an invoice.
CLOSEOUT PACKAGE:	Tenant to provide Landlord with required Closeout Package, the details of which will be provided at or before the pre-construction meeting. As-Builts to be provided to the Landlord, in electronic format, within (14) days of Temporary Certificate of Occupancy / Certificate of Occupancy being issued.

EXHIBIT C-1

CONSTRUCTION ALLOWANCE

Landlord shall provide Tenant with a construction allowance as per Section 1.24 for the costs relating to the design, permitting and construction of the Tenant's Work (with the exception of the costs of any furniture, trade fixtures, equipment or personal property) (the "Permitted Tenant's Work Items"). Provided that (i) Tenant is not in default under this Lease beyond any applicable cure period, (ii) Landlord has received no notice of the filing or threatened filing of any mechanic's or materialman's lien, and (iii) Tenant's Work is substantially complete and Tenant has opened for business to the public from the Premises in accordance with the terms and conditions of the Lease, this construction allowance shall be disbursed to Tenant as provided hereinbelow. All Permitted Tenant's Work Items for which the construction allowance has been made available shall be deemed Landlord's property under the terms of the Lease.

Within forty-five (45) days of application for payment from Tenant, Landlord shall pay ninety percent (90%) of such construction allowance upon Tenant's completion of all construction items which are Tenant's responsibility after Landlord's inspection and acceptance of same (which acceptance shall not be unreasonably withheld). Tenant agrees to give Landlord a minimum of fifteen (15) days prior written request for Landlord to make its inspection. If Tenant requests Landlord to make inspection, and Landlord finds that Tenant's construction items have not been completed, then the next inspection requested by Tenant shall be at Tenant's sole cost and expense, and Tenant agrees to pay, in advance, Landlord's or Landlord's representative(s)'s out-of-pocket expenses (i.e., travel expenses, including, but not limited to, car rentals and hotel costs, if incurred), and an hourly rate of One Hundred Fifty and No/100 Dollars ($150.00) per hour, or will request that the next inspection be done during Landlord's or Landlord's representatives' next scheduled visit (which would be at no extra cost to Tenant). With its request for payment, Tenant agrees to furnish Landlord with:

1) The most current state required Unconditional Final Lien Release from Tenant's contractor, subcontractors and materialmen along with a copy of the contract with Tenant's contractor. Lien releases are to be from the state where the work is performed. In the event the state does not have a standard form, then the State of California's most current lien release form is required.

2) A detailed statement of the cost incurred in the performance of the work described in this Exhibit C with a description of the work performed and the amounts then due and payable to the subcontractors and materialmen.

3) A complete list of all subcontractors and materialmen who have furnished labor and materials with respect to the work.

4) A copy of the recorded Notice of Completion.

5) A copy of the Certificate of Occupancy.

6) A complete set of "as-built drawings" as defined herein.

If Landlord disputes any portion of the request for payment by Tenant due to faulty or incomplete work, then Landlord shall withhold a sum, which, in Landlord's opinion, would be required to correct or complete the disputed work. In this event, Landlord shall submit a written "punch list" to Tenant. The remaining ten percent (10%) shall be paid by Landlord to Tenant upon Landlord's inspection and approval of any outstanding "punch list" items and upon Landlord's receipt of a valid recorded Notice of Completion on the work for which the lien period has expired.

Anything above to the contrary notwithstanding, Landlord shall have no obligation to pay any portion of the construction allowance if (i) Tenant is then in default of any of the terms and provisions of this Lease, including, without limitation, Tenant's failure to open for business or to timely pay rental or any amounts due hereunder, (ii) Tenant has not paid all fees and costs in full to the governing authority in connection with Tenant's Work, including, but not limited to, city, county, environmental, health, sewer, water and communications fees, and/or (iii) the Permitted Tenant's Work Items to be constructed with the construction allowance have not been completed by the first anniversary of the Commencement Date and/or all the required reimbursement documentation set forth in sections (1) to (6) above is not completed and delivered to Landlord by the first anniversary of the Commencement Date.

Time is of the essence with respect to Tenant's satisfaction of the requirements set forth in this Exhibit C-1 for payment of the construction allowance. Notwithstanding anything to the contrary contained in the Lease or this Exhibit C-1, Landlord's obligation to pay (or make any further payment) of the construction allowance shall terminate on the first anniversary of the Commencement Date without further notice and Tenant shall have no further right to payment (or any further payment) of such construction allowance. In the event that prior to the expiration of the first anniversary of the Commencement Date Tenant fails to: (i) complete the Permitted Tenant's Work Items, (ii) deliver the reimbursement documentation required under 1) through 6) of this Exhibit C-1, or (iii) satisfy the condition for payment of the remaining ten percent (10%) of the construction allowance, Tenant shall be deemed to have waived any and all claims that Tenant shall have to payment (or any further payment) of the construction allowance, and Landlord shall be released from any and all liability with respect to the construction allowance.

EXHIBIT D
SIGN CRITERIA

[SEE ATTACHED]

Goodman

Signage Design Criteria

Architects Orange
March 22, 2019 / Version 3.0

THE STATION

LANDLORD **Goodman**
18201 Von Karman Avenue, Suite 1170
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Signage Design Criteria

PROJECT DESCRIPTION

Tenant signage is expected to enhance and extend the spirit of the architectural character of The Station. The signage will clearly express the retail Tenant name and function, while also serving as an expression of the high quality of the commercial and dining environment. The Station's architectural style is that of California modern casual, with metal canopies, intimate pedestrian spaces and an emphasis on landscape and graphic details. With the heart of Eastvale as its anchor and the casual Southern California lifestyle as its muse, The Station embodies the unique blend of high energy and relaxed style that reflects the community around it. Tenant graphic design shall be imaginative, simple and clear. Creative and expressive signage solutions using a variety of materials are strongly encouraged as a means of enhancing customer experience. Signage shall be limited to the logo and/or name of the Tenant. Additional iconyimagery will be considered at the sole discretion of the Landlord, provided it contributes to the overall identity and design of the store. Tenants shall retain the services of a professionally trained graphic designer to create their identity and sign program. The design of signs shall be harmonious with the materials, color, texture, size, scale, shape, height, placement and design of Tenant premises and the Landlord buildings. Strict adherence to these sign design criteria shall insure that the character of the shopping center is maintained and that a lively and evocative environment is created.

PURPOSE OF TENANT SIGNAGE DESIGN CRITERIA

This Signage Design Criteria is provided to guide designers, architects, and Tenants in the development of Tenant identity signs at The Station.

A. The objectives are

1. To generate varied and creative Tenant signage through application of imaginative design treatments, distinctive logos and unique typestyles.
2. To establish signage as a design element that contributes to a premium "shopping district" environment unique to The Station.
3. To provide standards of acceptability for signs in order to facilitate the review and approval process.

B. A map of designated areas is located on the Tenant Signage Area Plan. Tenants and their designers are to refer to that map and select a combination of a minimum of two sign types, and a maximum of four sign types, from the designated area assigned to their store.

C. Any signs fabricated and installed without prior approval in writing from the Landlord will be removed by the Landlord. All costs for removal, including but not limited to patch and repair of the building, will be at the Tenant's expense.

D. The Tenant Signage Design Criteria is part of the Tenant's Lease and the Tenant is required to comply with these requirements.

TENANT SIGNAGE WITHIN THE STATION

The Tenant signage for The Station is divided into three distinct "zones" to assist the Tenant in choosing the appropriate signage type, location, and quantity for their identity. All stores and their corresponding elevations fit within a particular zone. Please refer to the included map for reference. These zones are defined by the character and/or site orientation.

The Station is divided into the following signage zones:

A. Green Zone-Retail Shops
B. Orange Zone-Outparcel National Accounts
C. Blue Zone-Large Box Users

TENANT SIGNAGE ALLOWED WITHIN EACH ZONE

The Tenants in each area must have the required sign types as indicated below. In addition to these two signs, Tenants are allowed to have signs selected from the "optional" signage. A maximum selection of four (4) sign types are allowed per Tenant, as noted, in each district. Operational and regulatory signs are not included in this limit.

Variations from these designated areas require approval from the Landlord prior to submittal to the City for permits. All variations are subject to the Eastvale Design Review Board's approval. The maximum allowable square footage area (maximum sign area and dimensions) of each sign is determined based on the lineal frontage of the store front, its location in The Station, the approved Specific Plan Amendment and the City of Eastvale signage ordinances.

The overall quantity of the brand or trademark identities used per Tenant, through the primary, secondary and optional signage, will be taken under consideration by Landlord on a case-by-case basis.

Note: After approval by the Landlord and prior to fabrication, Tenant shall receive approval of a separate sign permit from the City of Eastvale.

TENANT SIGNAGE AREA GUIDELINES

The primary viewing of the Tenant signage will be from both the pedestrian areas and streets. As such, Tenant signage should respond to the appropriate scale to both the vehicular and pedestrian views. Tenant logos will be encouraged and are recommended. Primary signage to be used on facades that face into the project and that face toward Hamner Avenue and Cantu-Galleano Ranch Road. Secondary signs shall only be used on facades facing into the project.

Green Zone:

Allowable Sign Types:
1. Primary Signage: REQUIRED

a. Reverse pan channel halo lit individual dimensional letters on the canopy
2. Secondary Signage: REQUIRED
   a. Blade sign
3. Optional Signage:
   a. Applied Window Graphics
   b. Wall Mounted Plaques

Orange Zone:

Allowable Sign Types:
1. Primary Signage: REQUIRED
   a. Reverse pan channel halo lit individual dimensional letters on the canopy
   b. Individual dimensional letters with exposed neon on the canopy
2. Secondary Signage: REQUIRED
   a. Blade sign
3. Optional Signage:
   a. Applied Window Graphics
   b. Wall Mounted Plaques

Blue Zone:

Allowable Sign Types:
1. Primary Signage: REQUIRED
   a. Reverse pan channel halo lit individual dimensional letters on the canopy or building facade
   b. Individual dimensional letters with exposed neon on the canopy or the building facade
2. Optional Signage:
   a. Applied Window Graphics
   b. Wall Mounted Plaques

Sign Area Calculation

The Sign Area Calculation is the maximum sign area for each Tenant (aggregate total of all sign faces) for each lineal foot of each store frontage. Signage is limited by the maximum sizes as noted on the sign matrix. Each elevation is calculated separately. The lineal foot of one frontage cannot be combined with an additional frontage to increase the allowable signage on any single elevation. Operational and regulatory signs are not included in the sign area calculations.

NUMBER OF PRIMARY SIGNAGE OPTIONS

A. **Green Zone Tenants: Two primary signs**
   + One facing the main street
   + One facing into the property

B. **Orange Zone Tenants: Two primary signs**
   + One facing the main street
   + One facing into the property

C. **Blue Zone Tenants: Two primary signs and four secondary signs**
   + One primary sign and two secondary signs facing the main street
   + One primary sign and two secondary signs facing into the property

SIGNAGE DETAILS AND SPECIFICATIONS

A. **Suite Number (Operational Sign)**
The suite number or building address shall be applied to the exterior façade as determined by the Landlord. The numbers must be visible to the street and color to contrast to the façade for visibility.

1. Suite number to be 4", "Upper Level" indicator to be 2"
2. Numbers to be mounted to exterior surface of glass to the upper left of the entrance, excluding upper level tenants
3. Suite number to be Neutra Text Font and 3M White 7725-10 vinyl
4. See diagram for suite number location placement
5. If suite number is applied to a non-window surface, final vinyl to be 3M Russet Brown 7725-29 on light surfaces and and 3M White 7725-10 vinyl on dark surfaces

B. **Applied Window Graphics (excluding "Operational Signs")**
1. Only trade name or graphic logo may be used. Store description, advertisements, or tag lines not allowed.
2. Metallic or colored or "etch-look" vinyl graphics are to be used.
3. All applied graphics to be adhered to interior side of glass.
4. Applied window graphics not to exceed 20% of the window area.
5. Applied window graphics are to be submitted to the Landlord and approved in writing prior to installation.

C. **Back Door Signs (Operational Sign)**
Signs placed on the back entrance of Tenant's space for purposes of delivery and employee access.
1. Signs to have uniform typeface: Avenir Regular
2. Signs to have uniform vinyl selections
   a. 3M Russet Brown 7725-29 on light surfaces
   b. 3M White 7725-10 vinyl on dark surfaces

D. Blade Signs
A double-sided sign mounted perpendicular to the building façade. Bracket by Tenant. Usually placed near the storefront entrances. See images for stylistic inspiration reference, with a goal of fitting the "The Station" California modern style.

1. Each Tenant, except for the Blue Zone is required to have one double-faced hanging sign per building entrance.
2. The creative use of logos and shapes is encouraged in the design of the blade sign.
3. Tenants are encouraged to utilize a variety of colors and graphic elements along with typestyle to create an energetic signing solution. Painted flat forms layered to give a 3-dimensional effect are encouraged.
4. Wall mounted or suspended from canopy per Tenant design, subject to Landlord's approval.
5. Signs to be mounted with bottom of sign at a minimum of 8' from finished floor.
6. Recommended blade signs to be 2' x 3' with a projection maximum of 3' from facade, inclusive of bracket.
7. Trade name or logo only, no taglines, slogans, or advertising allowed.
8. Signs to be located next to or near main entry door.

E. Canopy Signs
Made from metal, the canopy projects perpendicular from the storefront façade above the entrance doors and/or display windows and acts as protection against the elements.

1. The name and/or logo of the Tenant is applied to the canopy with individual dimensional letters resting on top of the canopy.
2. When letters are halo-illuminated, letters to have a cloud backplate from back of channel letters.
3. Cloud backplate to be painted the same color as the canopy or complimentary color to the sign.
   a. If the backplate is the same color as the canopy, the letterform height will be used to determine sign height maximum.
   b. If the backplate is a complimentary color to the sign, the backplate height will be used to determine sign height maximum.
4. Transformers and junction boxes to be minimized, hidden, and mounted as close to the canopy as possible.

F. Other Operational Signs
Operational signage indicating hours of operation, telephone numbers, specialty rules and regulations are specific to each Tenant. Operational signs are required. No tag lines or slogans allowed.

1. Maximum letter height of 2".
2. Mounted to interior surface of glass, on or adjacent to entrance door and mounted no higher than 48" from finished floor.
3. Total area of sign shall not exceed 2 square feet.

G. Regulatory Signs
Regulatory signs are not considered optional signs and are not included in the sign area calculation. Examples of regulatory signs include the following:

1. Certificates issued by the County, State or Federal Government
2. Health Department letter grades
3. ADA Signs

H. Primary Signs
When signs are mounted on the supplied Landlord Canopy, please see "Canopy Signs" above.

1. Individual letters – Reverse channel – halo illumination
   a. Reverse channel letters are to be fabricated out of aluminum with a minimum metal thickness of .060 with a painted finish.
   b. All seams are to be welded and ground smooth.
   c. Channel depth to be a minimum of 3".
   d. Letter channels are to have 2" spacers.
   e. Backs of letters to have clear Lexan backs.
   f. GE MaxiMax warm white LED modules required.
   g. Stud mounts are to be threaded anchor bolts with round sleeves and are to be painted the color of the fascia.
   h. Interior of letters to be prepped and painted Spraylat Star Bright White Lacryl Reflective.
   i. The color of the letter face and letter return shall be the same and no multi-colored letter faces allowed.

I. Temporary Signage

1. All temporary signage is subject to approval by Landlord prior to submission for a temporary sign permit.
2. Banner signs. If displayed on the primary building frontage, for first 25 linear feet of building frontage, maximum of two square feet per linear foot of primary building frontage. For every linear foot of building frontage in excess of 25 linear feet but less than 100 feet, maximum of one square foot per linear foot of primary building frontage. For every linear foot of building frontage in excess of 100 feet, maximum of ½ square foot per linear foot of primary building frontage. If displayed on a secondary, parking lot and/or rear frontage, not to exceed ½ square foot per linear foot of secondary, parking lot and/or rear frontage. Sign area is not transferable from one frontage to another. Maximum of one banner per building frontage.
3. No temporary sign shall be approved for consecutive 30-day display periods. A business establishment may reapply for approval of a sign no sooner than 30 days after the end of the previously approved display period for that sign. If associated with a temporary use, all temporary signs shall also be subject to issuance of a temporary use permit.

PROHIBITED SIGN TYPES

A. The following sign types and finishes shall be prohibited at The Station

1. Illuminated sign boxes (can signs).
2. Signs with tag lines, slogans, phone numbers, service description, or advertising of products. Service descriptions are only allowable in Blue Districts and must be approved by the Landlord. Signage must also be approved by the Eastvale City Design Review Board.
3. Monument style signage.
4. Signs with exposed raceways, conduit, junction boxes, transformers visible lamps, tubing, or neon crossovers of any type.
5. Rotating, animated and flashing signs.
6. Pole signs and other signs with exposed structural supports not intended as a design element, except for code-required signs.
7. Pennants, banners, or flags identifying individual Tenants.
8. A-frame sandwich boards.
9. Vehicle signs, except for the identification of a business enterprise or advertisement upon a vehicle used primarily for business purposes, provided the identification is affixed in a permanent manner.
10. Signs attached, painted on, or otherwise affixed to trees, other living vegetation, landscaping or natural materials.
11. Any sign designed to be moved from place to place.
12. Signs attached, painted or otherwise affixed to awnings (other than those indicated in criteria), tents or umbrellas; however, such signs may be permitted in conjunction with special design review by the Landlord and are subject to the City of Eastvale Design Review Board's approval.
13. Balloons and inflatable signs.
14. Any signs, including freestanding signs, advertising the availability of employment opportunities.
15. Signs which emit sound, odor or visible matter, or which bear or contain statements, words or pictures of an obscene, pornographic or immoral character.
16. Back plates behind signage are typically prohibited, but maybe considered on a case-by-case basis. Not to exceed 20% larger than overall max sign dimension and must be an integral part of the sign design.
17. Roof Signs
18. Fence Signs

CALCULATING SIGN AREA

Copy area shall be computed by surrounding each graphic element with a rectangle or square, calculating the area contained within the square, and then computing the sum of the areas. Elements such as swashes, simple lines, back plates or other decorative touches shall be included as part of the copy area.

Sign area shall include the entire name, not individual letters or words.

Letter height shall be determined by measuring the tallest letter of a Tenant's identity inclusive of swashes, ascenders, and descenders.

GENERAL SIGNAGE DESIGN GUIDELINES

A. Design Objective

1. The primary objective of the sign design criteria is to generate high quality, creative Tenant signage. Tenants are encouraged to combine a variety of materials, lighting methods, colors, typestyles, and graphic elements for unique storefront signage at The Station.
2. Primary and secondary signs shall be located above or adjacent to entries or storefronts only; exceptions will be considered for corner Tenants.
3. All sign concepts are to be generated from "camera-ready" logo artwork prepared by a professional graphic designer, and submitted to the Landlord for approval prior to concept development of any sign.
4. Signs that incorporate creative logos or graphic elements along with the business identity are encouraged.
5. Tenant signs to consist of "Trade Name" and/or logo only. Tag lines, bylines, merchandise or service descriptions are not allowed.
6. Signs, copy, and graphic elements shall fit comfortably into sign area, leaving sufficient margins and negative space on all sides. Wall signs shall appear balanced and in scale within the context of the sign space and the building as a whole. Thickness, height, and color of sign lettering shall be visually balanced and in proportion to other signs on the building. In all cases, the copy area shall maintain a margin at least 6" from any edge of the sign face area.
7. Dimensional letters and plaques shall be affixed without visible means of attachment, unless attachments make an intentional design statement and are approved by the Landlord.
8. Any special conditions or deviations from the guidelines in the sign criteria are to be approved in writing by the Landlord prior to submittal to the City. Signage must also be approved by the Eastvale City Design Review Board.

B. Typestyles

Tenants may adopt established typestyles, logos and/or images that are in use on similar buildings operated by them, provided that said images are architecturally compatible and approved by the Landlord. Type may be arranged in multiple lines of copy and may consist of upper and/or lower case letters.

C. Lighting

The use of creative signage lighting is expected and encouraged with the following criteria:

1. Where signs are internally illuminated, light-transmitting surfaces shall be non-gloss, matte materials.
2. Only letters and logos shall transmit light while the back plate or background remains solid opaque. No illuminated backgrounds or boxes are allowed.
3. Power and controls for the Tenant's exterior building mounted sign will be provided through the

Landlord's House electrical panel board lighting control system.

4. Exposed fixtures, shades, or other elements are to contribute to the design of the sign
5. Exposed raceways (unless design elements), conduit, junction boxes, transformers, lamps, tubing, or neon crossovers of any type are prohibited.

D. Colors

1. Signs should be limited to a maximum of two colors per sign, but will be reviewed by the Landlord for approval on a case by case basis.
2. The color of the letter face and letter return shall be the same and no multi-colored letter faces allowed.
3. Color of letter face and returns are to contrast with building colors for good daytime readability.
4. The interior of open channel letters is to be painted dark when against light backgrounds.
5. All sign colors are subject to review and approval by the Landlord as part of the Tenant signage
submittal. Variations from these standards must be approved by the Landlord.

E. Materials

1. Acceptable sign material treatments are:
   a. Dimensional geometric shapes in metal coated or burnished for variety in color and texture
   b. Painted metal
   c. Wood
   d. Screens, grids, or mesh
   e. Etched or brushed metal
   f. Cut, abraded, or fabricated steel or aluminum
   g. Dimensional letter forms with seamless edge treatments
   h. Glass

2. The following materials are prohibited on all signs:
   a. Sintra
   b. Cardboard
   c. Colored plastics or acrylics
   d. Simulated materials, i.e. wood-grained plastic laminate and wall covering
   e. Trim cap retainers

CONSTRUCTION REQUIREMENTS

A. General

1. All signs shall be designed, installed, illuminated, located, and maintained in accordance with the provisions set forth in these regulations and all other applicable codes and ordinances.
2. All signs must meet all standards set forth by The Station Tenant Sign Criteria and must be approved by the Landlord before permit submittal.
3. The Tenant must submit three sets of plans, with Landlord approval signature, to City for approval prior to receiving permits for fabrication.
4. The Landlord does not accept the responsibility of checking for compliance with any codes having jurisdiction over The Station nor for the safety of any sign, but only for aesthetic compliance with this sign criteria and its intent.

B. Fabrication Requirements

1. All sign fabrication work shall be of excellent quality and identical of Class A workmanship. All logo images and typestyles shall be accurately reproduced. Lettering that approximates typestyles shall not be acceptable. The Landlord reserves the right to reject any fabrication work deemed to be below standard.
2. Signs must be made of durable rust-inhibiting materials that are appropriate and complementary to the design of The Station.
3. All formed metal, such as letterforms, shall be fabricated using full-weld construction with all joints ground smooth.
4. All ferrous and non-ferrous metals shall be separated with non-conductive gaskets to prevent electrolysis. In addition to gaskets, stainless steel fasteners shall be used to secure ferrous to non-ferrous metals.
5. Threaded rods or anchor bolts shall be used to mount sign letters, which are spaced out from background panel and must be finished to blend with the adjacent surface. Angle clips will not be permitted.
6. Paint colors and finishes must be reviewed and approved by the Landlord. Color coatings shall exactly match the colors specified on the approved plans.
7. Surfaces with color mixes and hues prone to fading (e.g., pastels, complex mixtures, intense reds, yellows and purples) shall be coated with ultraviolet-inhibiting clear coat in a matte or semi-gloss finish.
8. Joining of materials (e.g., seams) shall be finished in such a way as to be unnoticeable. Visible welds shall be continuous and ground smooth. Rivets, screws, and other fasteners that extend to visible
surfaces shall be flush, filled, and finished so as to be unnoticeable.
9. Finished surfaces of metal shall be free from canning and warping. All sign finishes shall be free of dust, orange peel, drips, and runs. All signs shall have a uniform surface conforming to the highest standards of the industry.
10. All lighting must match the exact specifications of the approved working drawings.
11. Surface brightness of all illuminated materials shall be consistent in all letters and components of

the sign. Light leaks will not be permitted.

12. All conduit, raceways, crossovers, wiring, ballast boxes, transformers, and other equipment necessary for sign connection shall be concealed. All bolts, fastenings and clips shall consist of enameling iron with porcelain enamel finish; stainless steel, anodized aluminum, brass or bronze; or carbon-bearing steel with painted finish. No black iron material will be allowed.
13. Underwriter's Laboratory-approved labels shall be affixed to all electrical fixtures. Fabrication and installation of electrical signs shall comply with UBC, NEC, and local building and electrical codes.
14. Penetrations into building walls, where required, shall be made waterproof by the Tenant's sign contractor.
15. Location of all openings for conduit sleeves and support in sign panels and building walls shall beindicated by the sign contractor on the above shop drawings submitted to the Landlord. Sign contractor shall install same in accordance with the approved drawings.
16. In no case shall any manufacturer's label be visible from the street or from normal viewing angles.

APPROVALS OF TENANT SIGNAGE

A. Artwork Submittals

1. All sign concepts are to be generated from "camera-ready" logo artwork prepared by a professional graphic designer, and submitted to the Landlord for approval prior to development of any signage.

B. Preliminary Drawing Submittal

1. Prior to shop drawings and sign fabrication, Tenant shall submit for Landlord approval three sets of Preliminary drawings reflecting the design of all sign types.
2. Sign preliminary drawing shall show sign and building colors.
3. Sign preliminary drawings are to be submitted concurrently with storefront design and awning design. Partial submittals will not be accepted.
4. Tenant shall then provide, to the city, written Landlord approval and city application in order for the City to process the Tenant's signage package.

C. Shop Drawing Submittal

1. Upon approval of concept plans in writing from Landlord, three complete sets of shop drawings are to be submitted for Landlord approval, including:
   a. Fully-dimensioned and scaled shop drawings @ 1/2"=1'-0" specifying exact dimensions, copy layout, typestyles, materials, colors, means of attachment, electrical specifications, and all other details of construction.
   b. Elevations of storefront @ 1/2"=1'-0" showing design, location, size and layout of sign drawn to scale indicating dimensions, attachment devices and construction detail.
   c. Sample board showing colors and materials including building fascia, letter faces, returns, and other details as requested by the Landlord.
   d. Section through letter and/or sign panel @ 1/2"=1'-0" showing the dimensioned projection of the face of the letter and/or sign panel and the illumination.
   e. Cut-sheets of any external light fixtures, including color.
   f. Full-size line diagram of letters and logo may be requested for approval if deemed necessary by the Landlord.
   g. Colored elevations showing representation of actual signage colors as well as actual building colors. Color call outs to be provided.
2. All Tenant sign shop drawing submittals shall be reviewed by the Landlord for conformance with the sign criteria and with the concept design as approved by the Landlord.
3. Within ten (10) working days after receipt of Tenant's working sign drawings, Landlord shall either approve the submittal contingent upon any required modifications or disapprove Tenant's sign submittal. Approval or disapproval shall remain the sole right and discretion of the Landlord. The Tenant must continue to resubmit revised plans until approval is obtained. A full set of final shop drawings must be approved and stamped by the Landlord prior to permit application or sign fabrication.
4. Requests to establish signs that vary from the provisions of this sign criteria shall be submitted to the Landlord for approval. The Landlord may approve signs that depart from the specific provisions and constraints of this Sign Plan in order to:
   a. Encourage exceptional sign design and creativity.
   b. Accommodate imaginative, unique, and otherwise tasteful signage that is deemed to be within the spirit and intent of the sign criteria.
   c. Approval by landlord does not constitute approval by the City of Eastvale Design Review Board
5. Following Landlord's approval of sign shop drawings and with a wet signature approval attached, Tenant or his agent shall submit to the City of Eastvale sign plans signed by the Landlord and applications for all permits for fabrication and installation by Sign Contractor. Tenant shall furnish the Landlord with a copy of said approved permits prior to installation of Tenant's sign.
6. Signs shall be inspected upon installation to assure conformance. Any work unacceptable shall be corrected or modified at the Tenant's expense as required by the Landlord.

D. All issues not specifically addressed herein shall be addressed pursuant to the Eastvale Municipal Code Chapter 120.05, SEC. 120.05.070.

Helvetica Neue

Helvetica Neue 55 Roman
This is the preferred typeface and
weight for all possible communication

abcdefghijklmnopqrstuvwxyz+
ABCDEFGHIJKLMNOPQRSTUVWXYZ
123456789
Helvetica Neue 55 Roman

Helvetica Neue 75 Bold
This is only used for occasional highlighting

abcdefghijklmnopqrstuvwxyz+
ABCDEFGHIJKLMNOPQRSTUVWXYZ
123456789
Helvetica Neue 75 Bold

Helvetica Neue 45 Light
This is only used in extreme situations when the
versatility or a lighter weight is crucial to the design.

abcdefghijklmnopqrstuvwxyz+
ABCDEFGHIJKLMNOPQRSTUVWXYZ
123456789
Helvetica Neue 45 Light

Finishes Schedule

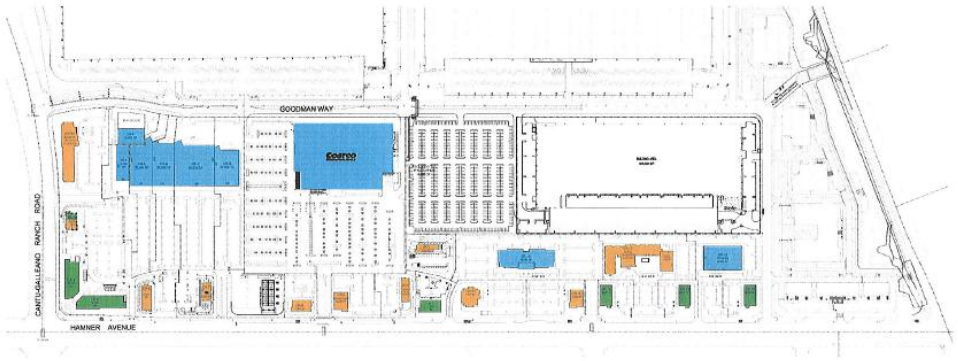
PAINT COLORS ~ MATTHEWS PAINT

P1		SILVER ~ TO MATCH DIBOND SILVER METALLIC ALUMINUM FINISH
P2		GREEN PMS 369C ~ TO MATCH PMS 369C, SEMI-GLOSS FINISH
P3		GREY PMS 446C ~ TO MATCH PMS 369C SEMI-GLOSS FINISH
P4		WHITE ~ MATTHEWS PAINT, SEMI-GLOSS FINISH
P5		BLACK ~ MATTHEWS PAINT, SEMI-GLOSS FINISH

VINYL COLORS ~ AVERY CAST VINYL

V2		GREEN PMS 369C ~ AVERY (956) OPAQUE / AVERY 800-761 TRANS
V3		GREY PMS 446C ~ AVERY (962)
V4		WHITE ~ AVERY (900)
V5		BLACK ~ AVERY (901)

THE STATION



LEGEND

Tenant Signage Zone Reference Plan/ ***Signage Design Criteria*** *8*

THE STATION

THE STATION

TENANT SIGNAGE SIZE MATRIX

SIGN TYPE			
Primary Sign			
Sign and Letter Max Height	36"	48"	74"
Sign Logo Max Height	36"	48"	74"
Max Sign Height, if Letters Stacked	60"	72"	98"
Blade Sign	6 sq ft	Not Allowed	Not Allowed
Wall Mounted Plaque	4 sq ft	4 sq ft	4 sq ft
Display Window Graphics (Green Zone Only)	90 sq ft	Not Allowed	Not Allowed
Storefront Graphics			
Sign Max Coverage	20% of Storefont Window	20% of Storefont Window	20% of Storefont Window
Sign Letter Max Height	6"	8"	10"
Max. Sign Area Calculation	1.5 sq ft / 1 linear ft	1.5 sq ft / 1 linear ft	2.5 sq ft / 1 linear ft
(Sign Area / Linear Store Front)	Front and Back (1 each side)		

GENERAL NOTE:
SEE CHAPTER 4 / GOODMAN COMMERCE CENTER SPECIFIC PLAN FOR ALL GENERAL SIGN STANDARDS AND CALCULATIONS NOT CONTAINED HEREIN.

THE STATION

LEGEND

1. Primary /Canopy Signage
2. Wall mounted plaque
3. Operational Sign
4. Suite Number

LEGEND

1 Secondary Signage

LEGEND

1. Primary /Canopy Signage
2. Blade Sign
3. Operational Sign
4. Suite Number

LEGEND

1 Primary Signage
2 Display Window
3 Suite Number

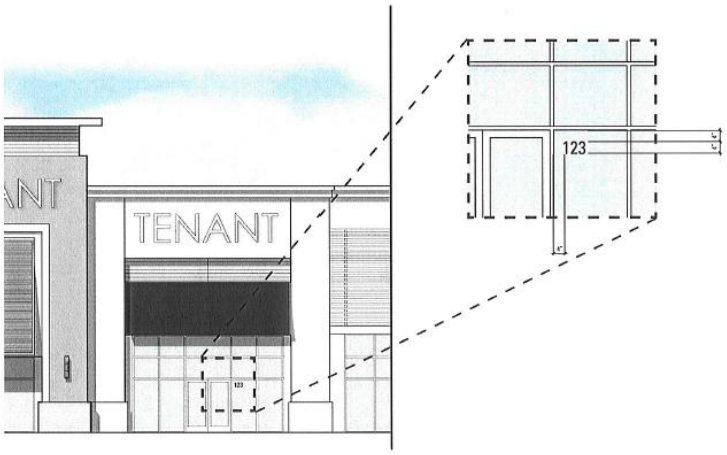
LEGEND

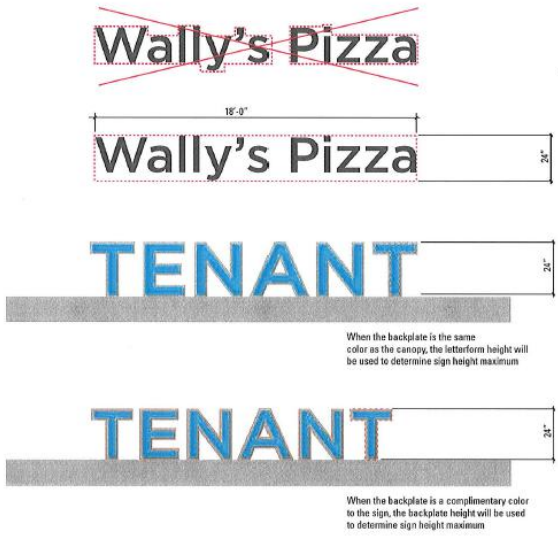
1 Primary Signage
2 Operational Sign
3 Suite Number

LEGEND

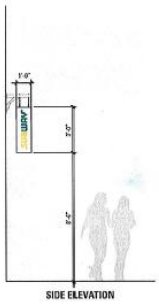
1 Primary Signage

2 Suite Number


TENANT
123

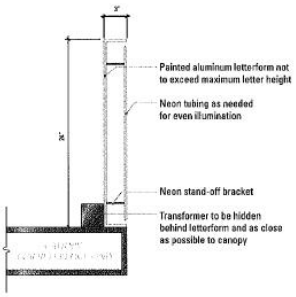

Wally's Pizza
18'-0"
Wally's Pizza
24"
TENANT
24"
When the backplate is the same color as the canopy, the letterform height will be used to determine sign height maximum
TENANT
24"
When the backplate is a complimentary color to the sign, the backplate height will be used to determine sign height maximum

Preferred Blade Sign Dimensions

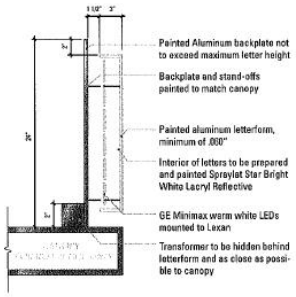


Specific Plan Blade Sign Dimensions

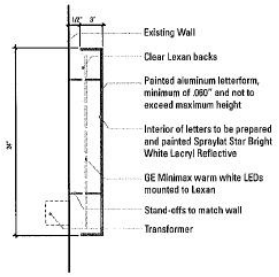
Preferred Blade Sign Dimensions



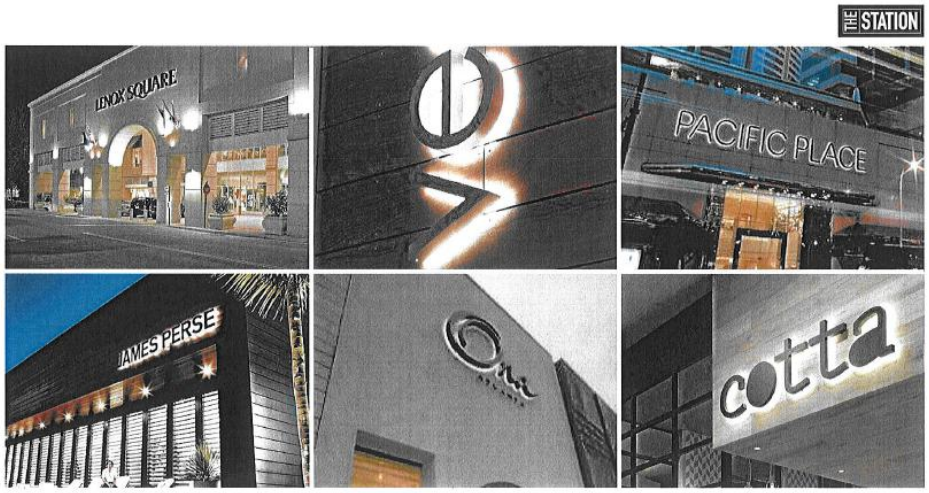
Section - Neon illuminated letters mounted on canopy
Scale: 1 1/2" = 1'-0"



Section - Halo illuminated letters mounted on canopy
Scale: 1 1/2" = 1'-0"



Section - Halo illuminated letters mounted on wall
Scale: 1 1/2" = 1'-0"

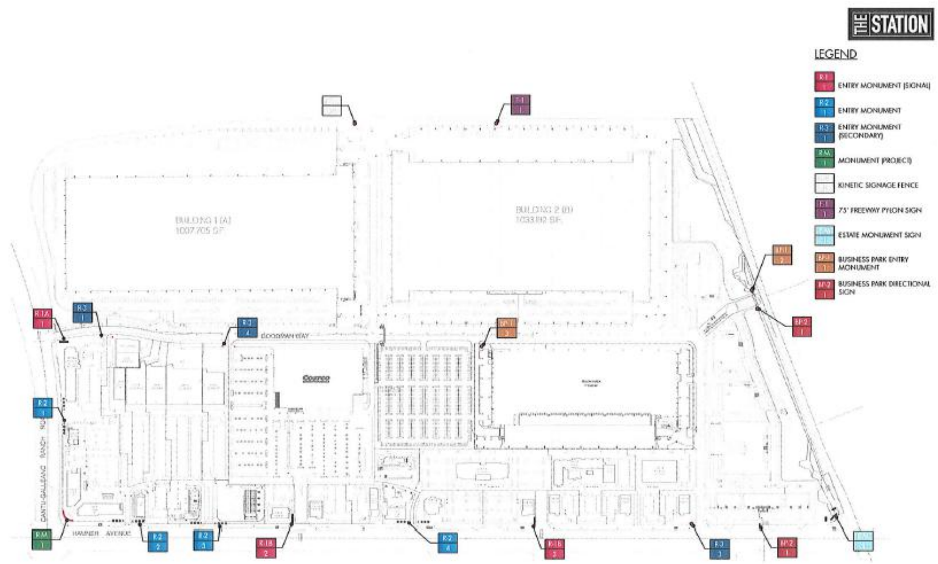

THE STATION
LENOX SQUARE
PACIFIC PLACE
JAMES PERSE
cotta

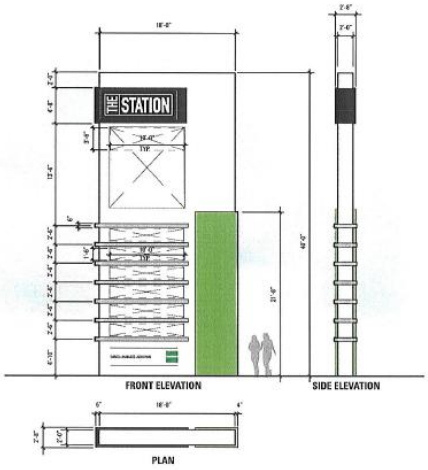
THE STATION

THE STATION

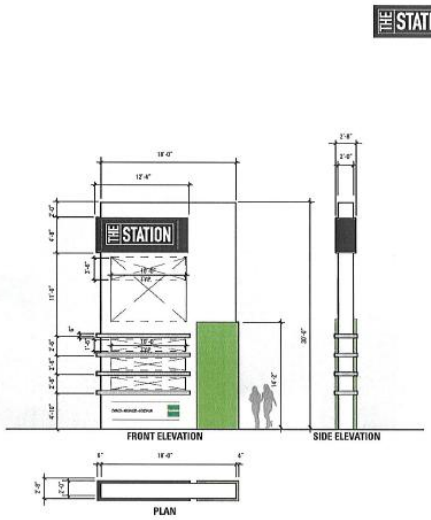

CRESPELLA
ESPRESSO
BIRCH.
coffee
Capital Kitchen
GREAT FOOD • CLASSIC ROCK
Yard House
WORLD'S LARGEST SELECTION OF DRAFT BEER
STARBUCKS
COFFEE
TARBUCKS
PASTAVINO


THE STATION
Cupcake
VENCHY
OAKLAND
Surf Club
OAKLAND
CALIFORNIA
U.S.A.
TINY'S GIANT
SANDWICH
SHOP
the
PIE HOLE
LOS ANGELES

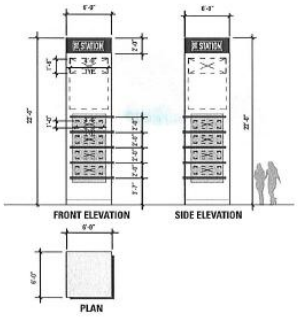

THE STATION
LEGEND
ENTRY MONUMENT (SIGNAL)
ENTRY MONUMENT
ENTRY MONUMENT (SECONDARY)
MONUMENT (PROJECT)
KINETIC SIGNAGE FENCE
75' FREEWAY PYLON SIGN
ESTATE MONUMENT SIGN
BUSINESS PARK ENTRY MONUMENT
BUSINESS PARK DIRECTIONAL SIGN



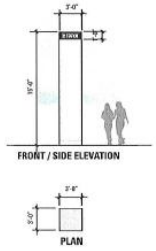
R-1A SIGN PLAN / ELEVATIONS



R-1B SIGN PLAN / ELEVATIONS

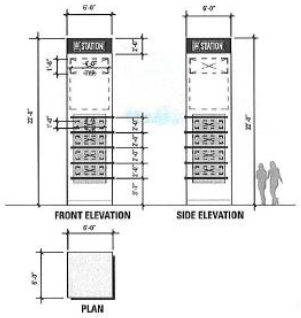


PRIMARY R-2 SIGN PLAN / ELEVATIONS

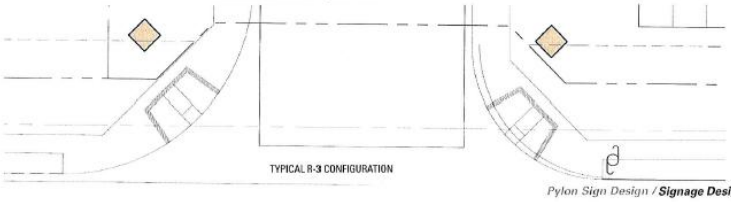


SECONDARY R-2 SIGN PLAN / ELEVATIONS

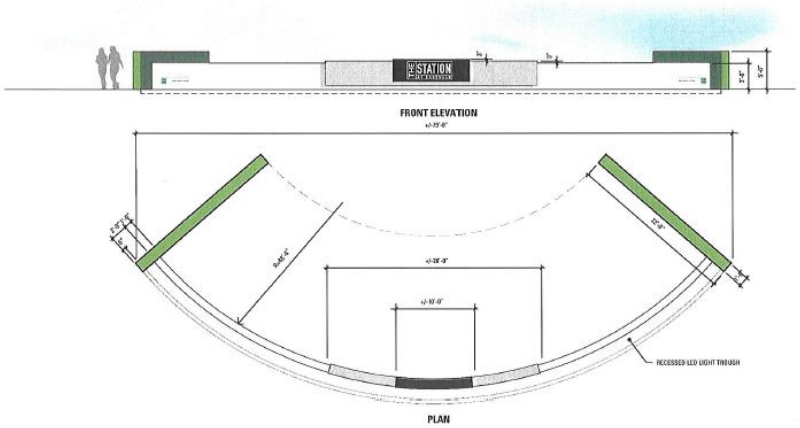
TYPICAL R-2 CONFIGURATION



PRIMARY R-3 SIGN PLAN / ELEVATIONS

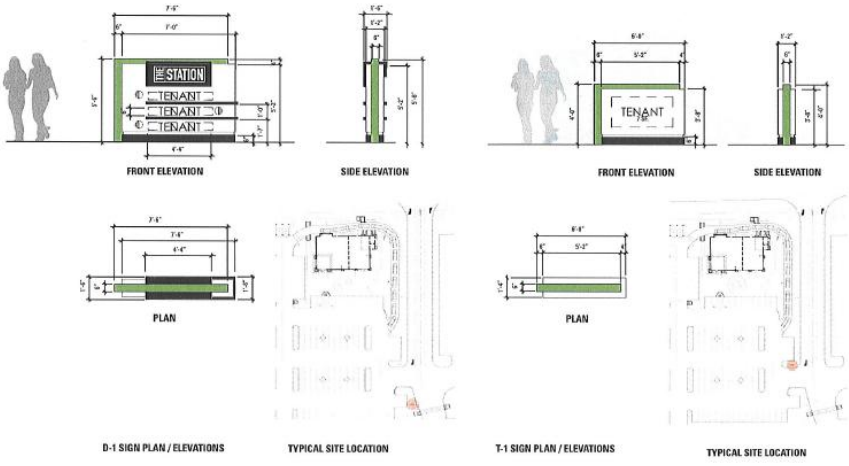


TYPICAL R-3 CONFIGURATION



R-M SIGN PLAN / ELEVATIONS

THE STATION

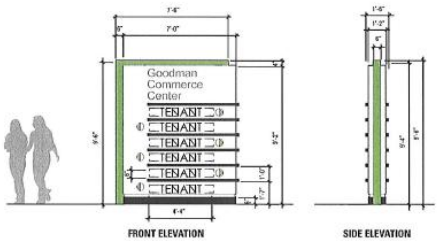


FRONT ELEVATION | SIDE ELEVATION | FRONT ELEVATION | SIDE ELEVATION

PLAN | PLAN

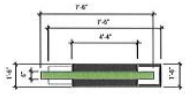
D-1 SIGN PLAN / ELEVATIONS | TYPICAL SITE LOCATION | T-1 SIGN PLAN / ELEVATIONS | TYPICAL SITE LOCATION

THE STATION

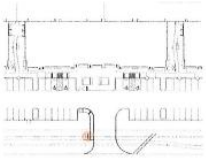


FRONT ELEVATION

SIDE ELEVATION



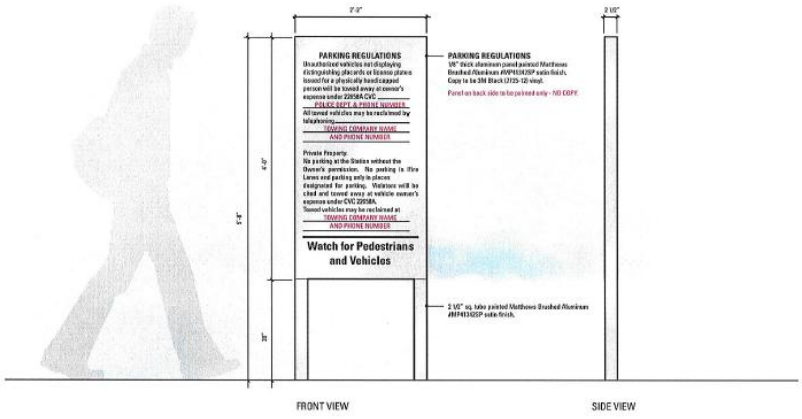
PLAN

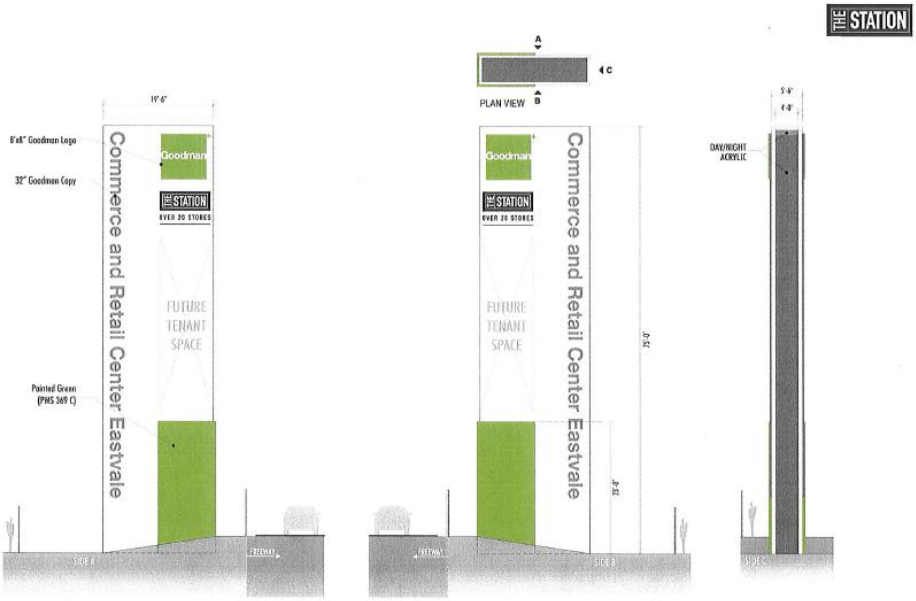


BP-1 SIGN PLAN / ELEVATIONS

TYPICAL SITE LOCATION

THE STATION


3'-0"
2 1/2"
PARKING REGULATIONS
Unauthorized vehicles not displaying distinguishing placards or license plates issued for a physically handicapped person will be towed away at owner's expense under 22658A CVC.
POLICE DEPT. & PHONE NUMBER
All towed vehicles may be reclaimed by telephoning
TOWING COMPANY NAME AND PHONE NUMBER
Private Property.
No parking at the Station without the Owner's permission. No parking in Fire Lanes and parking only in places designated for parking. Violators will be cited and towed away at vehicle owner's expense under CVC 22658A.
Towed vehicles may be reclaimed at
TOWING COMPANY NAME AND PHONE NUMBER
Watch for Pedestrians and Vehicles
PARKING REGULATIONS
1/8" thick aluminum panel painted Matthews Brushed Aluminum #MP48342SP satin finish. Copy to be 3M Black (7725-12) vinyl.
Panel on back side to be painted only - NO COPY.
2 1/2" sq. tube painted Matthews Brushed Aluminum #MP48342SP satin finish.
5'-6"
6'-0"
36"
FRONT VIEW
SIDE VIEW


THE STATION
A
C
PLAN VIEW
B
19'-6"
8'x8" Goodman Logo
32" Goodman Copy
Painted Green
(PMS 369 C)
Goodman
THE STATION
OVER 20 STORIES
Commerce and Retail Center Eastvale
FUTURE
TENANT
SPACE
FREEWAY
SIDE A
SIDE B
SIDE C
75'-0"
32'-0"
5'-6"
4'-0"
DAY/NIGHT
ACRYLIC

Goodman

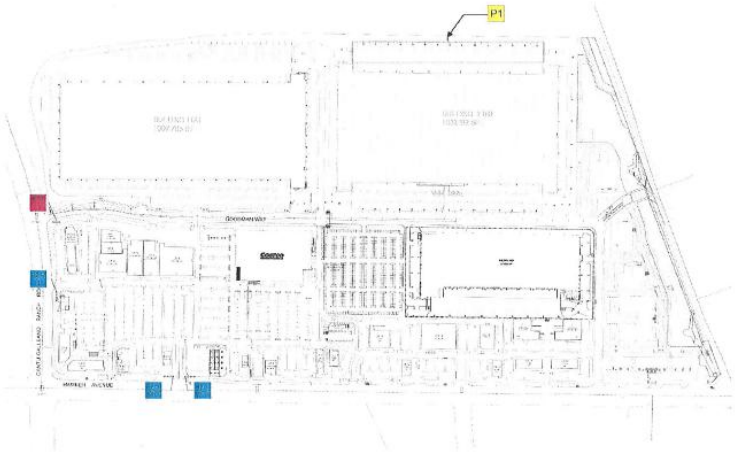
PROJECT:

THE STATION

EASTVALE, CALIFORNIA 91752

Customer Signage and Installation Guide

THE STATION



P1 FREEWAY PYLON

ENTRY MONUMENT (SIGNAL)

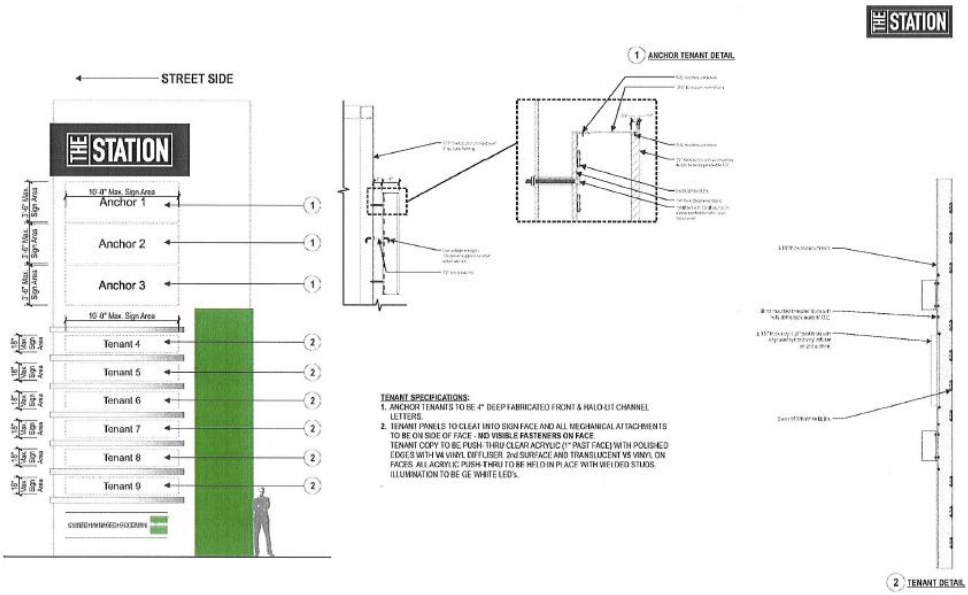
PRIMARY ENTRY MONUMENT

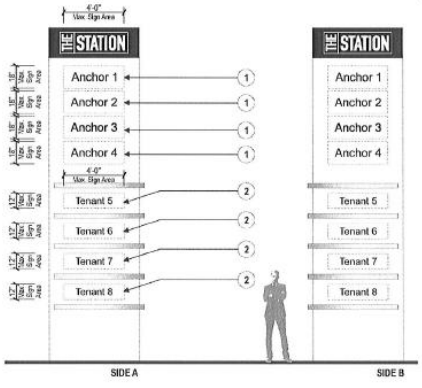
PRIMARY ENTRY MONUMENT

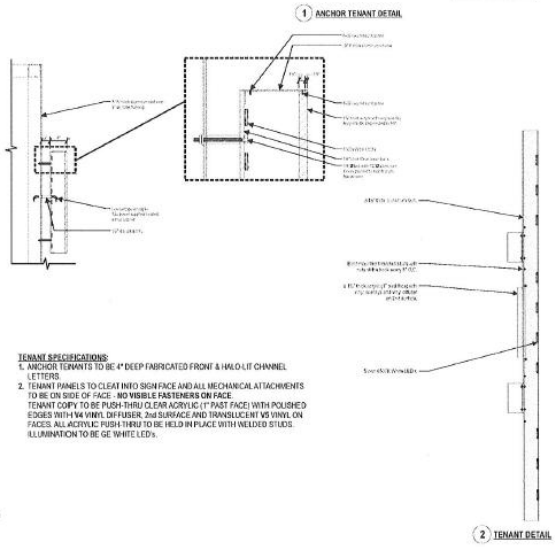
PRIMARY ENTRY MONUMENT

N

NOT TO SCALE


THE STATION
STREET SIDE
THE STATION
10'-0" Max. Sign Area
Anchor 1
Anchor 2
Anchor 3
10'-0" Max. Sign Area
Tenant 4
Tenant 5
Tenant 6
Tenant 7
Tenant 8
Tenant 9
1 ANCHOR TENANT DETAIL
TENANT SPECIFICATIONS:
1. ANCHOR TENANTS TO BE 4" DEEP FABRICATED FRONT & HALO-LIT CHANNEL LETTERS.
2. TENANT PANELS TO CLEAT INTO SIGN FACE AND ALL MECHANICAL ATTACHMENTS TO BE ON SIDE OF FACE - NO VISIBLE FASTENERS ON FACE.
TENANT COPY TO BE PUSH-THRU CLEAR ACRYLIC (1" PAST FACE) WITH POLISHED EDGES WITH V4 VINYL DIFFUSER. 2nd SURFACE AND TRANSLUCENT V5 VINYL ON FACES. ALL ACRYLIC PUSH-THRU TO BE HELD IN PLACE WITH WELDED STUDS.
ILLUMINATION TO BE GE WHITE LED's.
2 TENANT DETAIL





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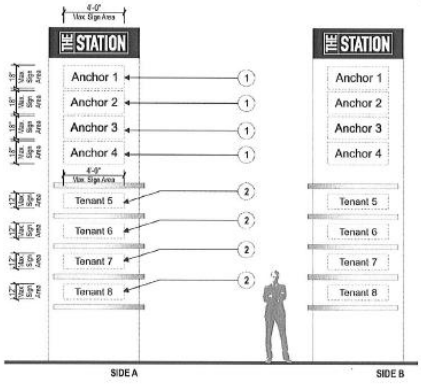
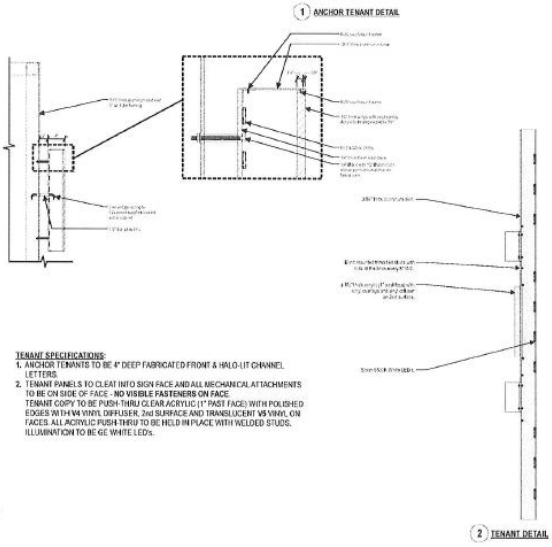


THE STATION

1 ANCHOR TENANT DETAIL



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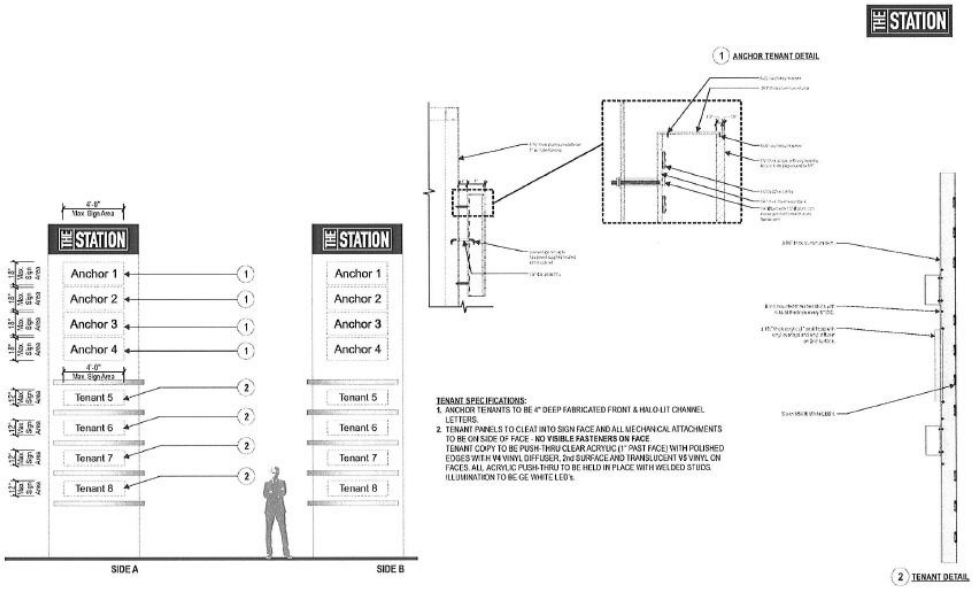
2 TENANT DETAIL


THE STATION
Max Sign Area
Anchor 1
Anchor 2
Anchor 3
Anchor 4
Max Sign Area
Tenant 5
Tenant 6
Tenant 7
Tenant 8
SIDE A
SIDE B
1 ANCHOR TENANT DETAIL
TENANT SPECIFICATIONS:
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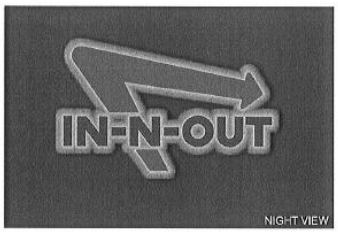
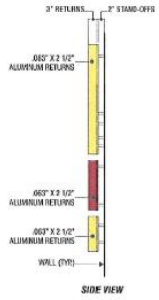
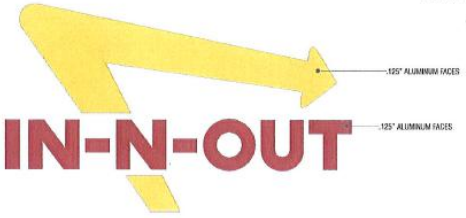
2 TENANT DETAIL

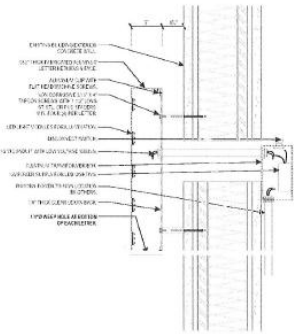




SIDE VIEW



ELEVATION VIEW

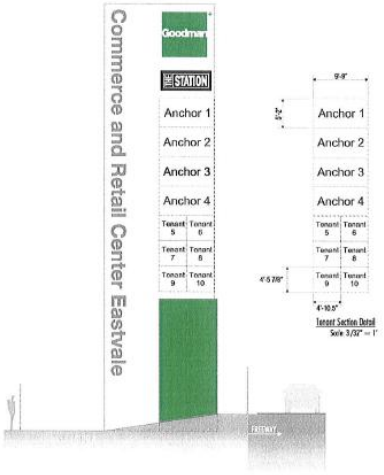


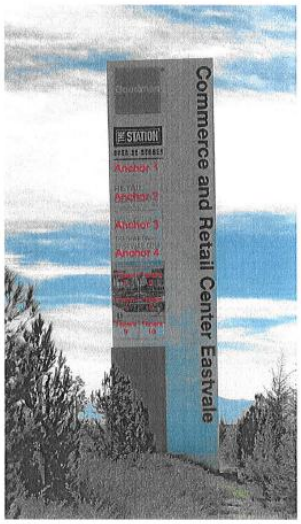
ALL COMPONENTS TO BE UL APPROVED

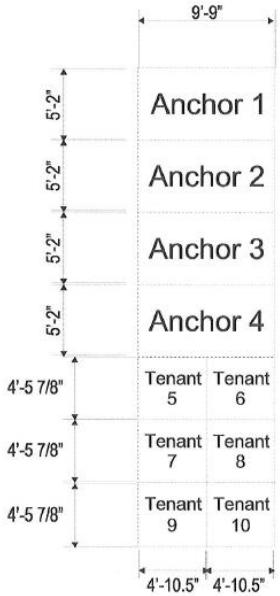
TYP. HALO-ILLUMINATED CHANNEL LETTER SECTION THRU

Fascia Mounted Signage

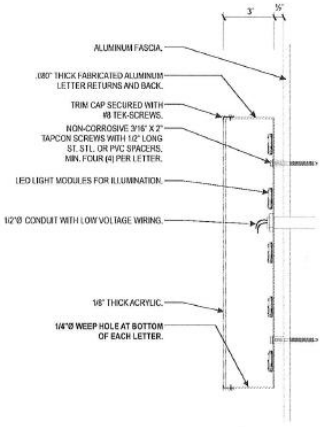
THE STATION


Commerce and Retail Center Eastvale
Goodman
THE STATION
Anchor 1
Anchor 2
Anchor 3
Anchor 4
Tenant 5
Tenant 6
Tenant 7
Tenant 8
Tenant 9
Tenant 10
9'-9"
4'-5 7/8"
4'-10.5"
Tenant Section Detail
Scale 3/32" = 1'


Commerce and Retail Center Eastvale
THE STATION
Anchor 1
Anchor 2
Anchor 3
Anchor 4

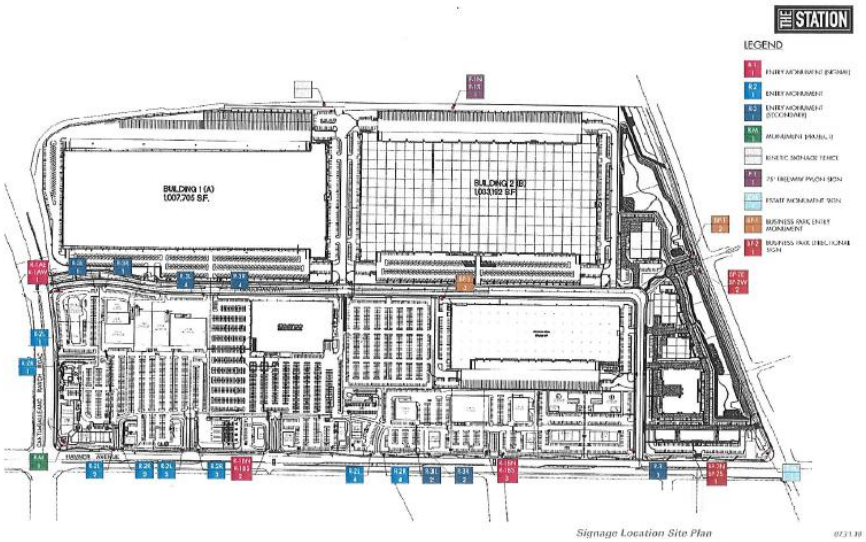


THE STATION



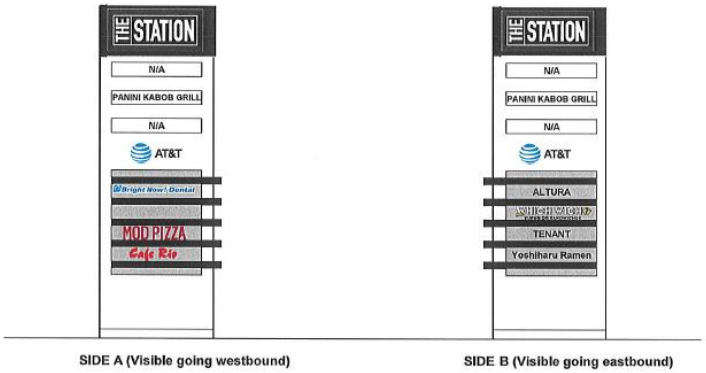
ALL COMPONENTS TO BE UL APPROVED

TYP. CHANNEL LETTER SECTION THRU
SCALE: NOT TO SCALE



Yoshiharu Ramen - Monument Sign Panel Locations

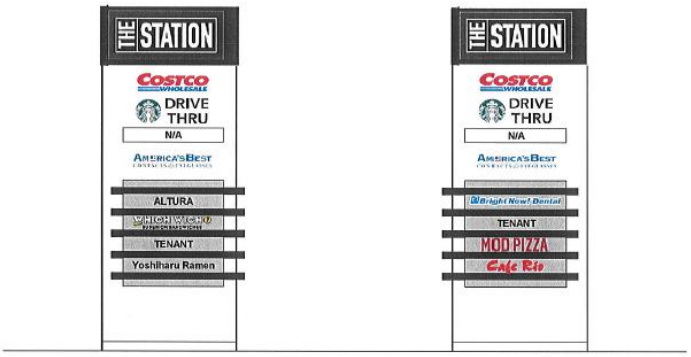
PAGE 3



SIDE A (Visible going westbound)

SIDE B (Visible going eastbound)

R-2L/1

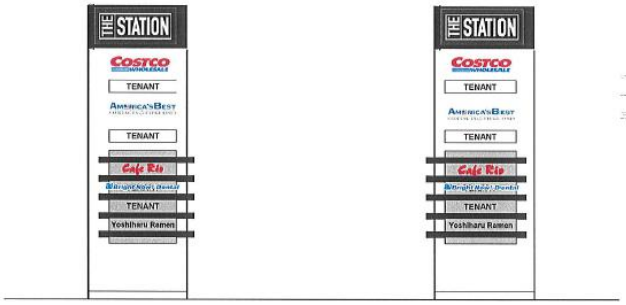


SIDE A (Visible going Westbound)

SIDE B (Visible going Eastbound)

R-2R/1

PAGE 6



SIDE A (Visible going Southbound)

SIDE B (Visible going Northbound)

R-2R /2

EXHIBIT E

GUARANTY OF LEASE

THIS GUARANTY OF LEASE ("Guaranty") is entered into _____, by James Chae ("Guarantor"), for the benefit of Tarpon Property Ownership 2 LLC, a Delaware limited liability company ("Landlord"), with reference to the following facts:

Landlord and Global BB Group, Inc., a California corporation ("Tenant") have entered or will enter into a lease of even date herewith (the "Lease").

By its covenants herein set forth, Guarantor has induced Landlord to enter into the Lease, which was made and entered into in consideration for Guarantor's said covenants.

Guarantor unconditionally guarantees, without deduction by reason of setoff, defense or counterclaim, to Landlord and its successors and assigns the full and punctual payment, performance and observance by Tenant, of all of the amounts, terms, covenants and conditions in the Lease contained on Tenant's part to be paid, kept, performed and observed.

If Tenant shall at any time default in the punctual payment, performance and observance of any of the amounts, terms, covenants or conditions in the Lease contained on Tenant's part to be paid, kept, performed and observed, Guarantor will pay, keep, perform and observe same, as the case may be, in the place and stead of Tenant. Guarantor shall also pay to Landlord all reasonable and necessary incidental damages and expenses incurred by Landlord as a direct and proximate result of Tenant's failure to perform, which expenses shall include reasonable attorneys' fees and interest on all sums due and owing Landlord by reason of Tenant's failure to pay same, at the maximum rate allowed by law.

Any act of Landlord, or its successors or assigns, consisting of a waiver of any of the terms or conditions of the Lease, the giving of any consent to any matter or thing relating to the Lease, or the granting of any indulgence or extension of time to Tenant may be done without notice to Guarantor and without releasing Guarantor from any of its obligations hereunder.

The obligations of Guarantor hereunder shall not be released by Landlord's receipt, application or release of any security given for the performance and observance of any covenant or condition in the Lease contained on Tenant's part to be performed or observed, nor by any modification of the Lease, regardless of whether Guarantor consents thereto or receives notice thereof.

The liability of Guarantor hereunder shall in no way be affected by: (a) the release or discharge of Tenant in any creditor's, receivership, bankruptcy or other proceeding; (b) the impairment, limitation or modification of the liability of Tenant or the estate of Tenant in bankruptcy, or of any remedy for the enforcement of Tenant's liability under the Lease resulting from the operation of any present or future provision of the Federal Bankruptcy Code or other statutes or from the decision of any court; (c) the rejection or disaffirmance of the Lease in any such proceedings; (d) the assignment or transfer of the Lease by Tenant; (e) any disability or other defense of Tenant; (f) the cessation from any cause whatever of the liability of Tenant; (g) the exercise by Landlord of any of its rights or remedies reserved under the Lease or by law; or (h) any termination of the Lease.

If Tenant shall become insolvent or be adjudicated bankrupt, whether by voluntary or involuntary petition, if any bankruptcy action involving Tenant shall be commenced or filed, if a petition for reorganization, arrangement or similar relief shall be filed against Tenant, or if a receiver of any part of Tenant's property or assets shall be appointed by any court, Guarantor shall pay to Landlord the amount of all accrued, unpaid and accruing Minimum Annual Rent and other charges due under the Lease to the date when the debtor-in-possession, the trustee or administrator accepts the Lease and commences paying same. At such time as the debtor-in-possession, the trustee or administrator rejects the Lease, however, Guarantor shall pay to Landlord all accrued, unpaid and accruing Minimum Annual Rent and other charges under the Lease for the remainder of the Lease Term. At the option of Landlord, Guarantor shall either: (a) pay Landlord an amount equal to the Minimum Annual Rent and other charges which would have been payable for the unexpired portion of the Lease Term reduced to present-day value; or (b) execute and deliver to Landlord a new lease for the balance of the Lease Term with the same terms and conditions as the Lease, but with Guarantor as tenant thereunder. Any operation of any present or future debtor's relief act or similar act, or law or decision of any court, shall in no way affect the obligations of Guarantor or Tenant to perform any of the terms, covenants or conditions of the Lease or of this Guaranty.

Guarantor may be joined in any action against Tenant in connection with the obligations of Tenant under the Lease and recovery may be had against Guarantor in any such action. Landlord may enforce the obligations of Guarantor hereunder without first taking any action whatever against Tenant or its successors and assigns, or pursuing any other remedy or applying any security it may hold. Guarantor hereby waives all rights to assert or plead at any time any statute of limitations as relating to the Lease, the obligations of Guarantor hereunder and any surety or other defense in the nature thereof including, without limitation, the provisions of California Civil Code Section 2845 or any similar, related or successor provision of law. Guarantor also hereby waives the provisions of Sections 2809, 2810, 2819 and 2850 of the California Civil Code and their successors, and all other waivable defenses.

Until all of the covenants and conditions in the Lease on Tenant's part to be performed and observed are fully performed and observed, Guarantor: (a) shall have no right of subrogation against Tenant by reason of any payment or performance by Guarantor hereunder; and (b) subordinates any liability or indebtedness of Tenant now or hereafter held by Guarantor to the obligations of Tenant to Landlord under the Lease.

This Guaranty shall apply to the Lease, any extension, renewal, modification or amendment thereof, to any assignment, subletting or other tenancy thereunder and to any holdover term following the Lease Term granted under the Lease, or any extension or renewal thereof.

In the event of any litigation between Guarantor and Landlord with respect to the subject matter hereof, the unsuccessful party in such litigation shall pay to the successful party all fees, costs and expenses thereof, including reasonable attorneys' fees and expenses.

If there is more than one undersigned Guarantor, (a) the term "Guarantor", as used herein, shall include all of the undersigned; (b) each provision of this Guaranty shall be binding on each one of the undersigned, who shall be jointly and severally liable hereunder; and (c) Landlord shall have the right to join one or all of them in any proceeding or to proceed against them in any order.

Within fifteen (15) days after Landlord's written request (which requests may not be made more than once per calendar year), Guarantor shall furnish Landlord with financial statements or other reasonable financial information reflecting Guarantor's current financial condition, certified by Guarantor or its financial officer, and an estoppel certificate in such form as may reasonably be required by Landlord or Landlord's lender or transferee. If Guarantor is a publicly-traded corporation, delivery of Guarantor's last published financial information shall be satisfactory for purposes of this Paragraph.

This instrument constitutes the entire agreement between Landlord and Guarantor with respect to the subject matter hereof, superseding all prior oral and written agreements and understandings with respect thereto. It may not be changed, modified, discharged or terminated orally or in any manner other than by an agreement in writing signed by Guarantor and Landlord.

This Guaranty shall be governed by and construed in accordance with the laws of the State of California.

Every notice, demand or request (collectively "Notice") required hereunder or by law to be given by either party to the other shall be in writing. Notices shall be given by personal service or by United States certified or registered mail, postage prepaid, return receipt requested, or by telegram, mailgram or same-day or overnight private courier, addressed to the party to be served at the address indicated below or such other address as the party to be served may from time to time designate in a Notice to the other party.

Any action to declare or enforce any right or obligation under the Lease may be commenced by Landlord in the Superior Court of Orange County, California. Guarantor hereby consents to the jurisdiction of such Court for such purposes. Any notice, complaint or legal process so delivered shall constitute adequate notice and service of process for all purposes and shall subject Guarantor to the jurisdiction of such Court for purposes of adjudicating any matter related to this Guaranty. Landlord and Guarantor hereby waive their respective rights to trial by jury of any cause of action, claim, counterclaim or cross-complaint in any action, proceeding and/or hearing brought by either Landlord against Guarantor or Guarantor against Landlord on any matter whatever arising out of, or in any way connected with, the Lease or this Guaranty.

This Guaranty may be assigned in whole or part by Landlord upon written notice to Guarantor, but it may not be assigned by Guarantor without Landlord's prior written consent, which may be withheld in Landlord's sole and absolute discretion.

The terms and provisions of this Guaranty shall be binding upon and inure to the benefit of the heirs, personal representatives, successors and permitted assigns of the parties hereto.

(Remainder of this page left blank intentionally; signature page follows)

IN WITNESS WHEREOF, Guarantor has executed this Guaranty as of the date first above written.

"GUARANTOR"

By:_____
James Chae

Landlord's Address for Notices:

18201 Von Karman Avenue, Suite 1170
Irvine, California 92612
Attention: Legal Affairs

with a copy to: 18201 Von Karman Avenue, Suite 1170
Irvine, California 92612
Attention: Property Manager;

Landlord's e-mail address:

usnotices@goodman.com

Guarantor's Address for Notices:

_____

_____

Telephone No.: (___) _____

Fax No.: (___) _____

E-Mail Address: _____

EXHIBIT F
EXCLUSIVE AND PROHIBITED USE RESTRICTIONS

[TO BE INSERTED]

MASTER

EXCLUSIVE AND PROHIBITED USE RESTRICTIONS

STARBUCKS:

Landlord shall not use or allow any other person or entity (except Tenant) to use any portion of the Property as a coffee shop or any other use which is a direct competitor of Tenant such as, by way of example only, Coffee Bean & Tea Leaf, Caribou Coffee, Peets Coffee and Tea, Intelligentsia, Blue Bottle, Tulley's Coffee, Dunkin Donuts, Gloria Jeans, Tim Hortons, and any concept with the word "coffee" in its name. Panera Bread and 7-Eleven will be allowed in the Shopping Center so long as they are five hundred feet (500') or further away from Tenant's Premises.

IN-N-OUT:

Landlord shall not allow (and shall cause each of its Affiliates to not allow) any portion of the Center (other than the Premises) to be used for the operation of, or used to advertise for, (a) a drive-through hamburger oriented fast-food restaurant business, including without limitation Burger King, Wendy's, Jack in the Box, McDonald's, Sonic, Five Guys Burgers and Fries, Carl's Jr., Dairy Queen, Habit Burger, or Freddy's Custard; or (b) any other restaurant with a drive-through which derives more than twenty percent (20%) of its food sales from the sale of hamburgers as reasonably determined by Tenant. The restrictions set forth above are referred to herein as the "Tenant Exclusive". For purposes of this Section, the term "food sales" shall not include the sale of beverages, shakes or drinks of any kind.

COSTCO:

1. No portion of the Shopping Center shall be used or operated: (i) as a wholesale or retail general merchandise facility that has a merchandising concept based upon a relatively limited number of stock keeping units in a large number of product categories (the "Merchandising Concept"); (ii) as a wholesale or retail establishment selling wine, beer, spirits or other alcoholic beverages intended for off-premises consumption greater than 10,000 square feet such as "Total Wine" or "BevMo"("Alcoholic Beverage Retailer"); or (iii) as a ''Wal-Mart" store or "Wal-Mart Supercenter" or any other store operated under the "Wal-Mart" brand (a "Wal-Mart"). The Merchandising Concept restriction includes, but shall not be limited to: (vi) any business that operates as a warehouse club; (vii) any business operated under the tradenames of Sam's, BJ's, Price Smart, Jetro or Smart and Final; and (viii) any business similar to those operated under the tradenames Costco, Sam's, BJ's, Price Smart, Jetro or Smart and Final The Merchandising Concept restriction does not prohibit any of the following uses on any Restricted Property: (ix) a specialty retail store that primarily sells goods in a few specific product categories, such as pet food, sporting goods, office supplies, home goods, home improvements, books, toys, party supplies, craft supplies, apparel, shoes, furniture, appliances or electronics; or (x) a traditional department store, discount department store or junior department store, such as Kohl's, Target or K Mart; or (xi) a grocery store operation or grocer of any type or a natural/organic type store.

2. No portion of the Shopping Center shall be used or operated as a fuel service station, or for motor vehicle tire sales, service or installation facility; provided that any motor vehicle tire sales, service or installation facility that is operated by and in connection with a general merchandise retail store or a traditional department store shall not be prohibited by this restriction.

QUICK-QUACK CAR WASH:

Landlord covenants and agrees that, during the Term and any extensions or renewals thereof, provided that Tenant is open and operating as a Quick Quack car wash and is not in default of the monetary terms or material non-monetary conditions of this Lease beyond any applicable cure period, no pad or parcel in the Project or any adjacent lands owned or controlled by Landlord as of the Effective Date of this Lease and any time thereafter shall be used for a retail car wash as any part of their business operations on such pad, parcel or land (the "Exclusive Use Rights"); provided, however, notwithstanding the forgoing, at any time following December 18, 2020, Landlord may permit Costco to construct and operate a Costco-branded retail car wash at that portion of the Project leased to Costco as of the Effective Date, and Costco's operation of a Costco-branded retail car wash shall not be a violation of the Exclusive Use Rights.

MOD PIZZA:

Landlord covenants and agrees that, during the Term and any extensions or renewals thereof, provided that Tenant is open and operating as a pizza restaurant (subject to Permitted Closures),and is not in default of the monetary terms or material non-monetary conditions of this Lease beyond any applicable cure period, Landlord shall not enter into any new lease for premises in the "Exclusive Use Area" as shown on Exhibit A, which shall be the northern portion of the Project (Parcels 16-25 of Parcel Map No. 37208) with a tenant, or otherwise permit an occupant to operate, whose Primary Business Use (herein defined) is the operation of a restaurant selling pizza (the "Tenant's Exclusive Use"). As used herein, "Primary Business Use" shall mean any use where the selling of pizza exceeds twenty percent (20%) of gross food and beverage sales in that premises. Notwithstanding anything to the contrary set forth herein, Tenant's Exclusive Use is not applicable to (i) any lease to a full-service restaurant for any demised premises in excess of 5,000 square feet, (ii) to any single-tenant free-standing unit in excess of 5,000 square feet whose Primary Business Use is the operation of selling pizza, (iii) to any area outside of the Exclusive Use Area, (iv) to any Project leases entered into on or before the Effective Date or any tenants or occupants existing in the Project on or before the Effective Date, or their successors or assigns or any new leases or extensions of existing leases entered into with such existing tenants or occupants or their successors or assigns, to the extent such pre-existing leases allow such occupants the right to engage in Tenant's Exclusive Use as a Primary Business Use or allow such occupants to change to such use without Landlord's approval.

CAFÉ RIO:

Landlord covenants and agrees that, during the Term and any extensions or renewals thereof, provided that Tenant is open and operating as a Cafe Rio branded restaurant and is not in default of the terms of this Lease, Landlord shall not (i) enter into any new lease for premises in the Project with a tenant whose Primary Business Use (herein defined) is the operation of an establishment that serves Mexican or Tex-Mex style dishes without table service, or (ii) enter into any lease for premises north of the stoplight entrance to the Project depicted on the Site Plan as on Hamner Avenue with a tenant whose use for the premises would be a sit down full service concept primarily serving Mexican Food and that sells liquor (the "Tenant's Exclusive Use"). As used herein, "Primary Business Use" shall mean any restaurant use where Mexican or Tex-Mex style dishes comprise more than 15% of the menu items in that premises. Notwithstanding anything to the contrary set forth herein, Tenant's Exclusive Use is not applicable to (i) any lease to a full-service sit-down restaurant other than as provided in (ii) above, (ii) to a drive-thru fast food Mexican restaurant such as Miguel's Jr., or (iii) to any Project leases entered into on or before the Effective Date or any tenants or occupants existing in the Project on or before the Effective Date, or their successors or assigns or

any new leases or extensions of existing leases entered into with such existing tenants or occupants or their successors or assigns (except to the extend Landlord can avoid granting such lease rights).

MES AMIES NAILS AND BEAUTY SPA:

Landlord covenants and agrees that, during the Term and any extensions or renewals thereof, provided that Tenant is open and operating as a Mes Amies Nails and Beauty Spa and is not in default of the terms of this Lease, Landlord shall not (i) enter into any new lease for premises in the Project with a tenant whose primary business use is the operation of a nail salon (the "Tenant's Exclusive Use"). Notwithstanding anything to the contrary set forth herein, Tenant's Exclusive Use is not applicable to (i) full service beauty supply stores such as ULTA, (ii) to any tenant or occupant leasing over 6,500 square feet of floor area in the Project, or (iii) to any Project leases entered into on or before the Effective Date or any tenants or occupants existing in the Project on or before the Effective Date, or their successors or assigns or any new leases or extensions of existing leases entered into with such existing tenants or occupants or their successors or assigns.

BRIGHT NOW DENTAL:

Provided that Tenant is open and operating under a permitted tradename as a dental office that performs dental, orthodontic, and specialty dental operations, and is not in default of the terms and conditions of this Lease beyond applicable notice and cure periods, Landlord shall not lease space or sell any pad or parcel in the Project to another user who provides dental, orthodontic and specialty dental services (the "Exclusive Use Right"). The Exclusive Use Right is not applicable to any leases entered into on or before the Effective Date of this Lease, nor to any tenants or occupants existing in the Project on or before the Effective Date, or their successors or assigns, or any new leases or extensions of existing leases entered into with such existing tenants or occupants or their successors or assigns.

SPORT CLIPS:

Landlord covenants and agrees that, during the Term and any extensions or renewals thereof, provided that Tenant is open and operating as a Sport Clips Haircuts and is not in default of the terms of this Lease, Landlord shall not lease space in the Project to any other competitive discount or value haircutting concept (i.e., Supercuts, Fantastic Sams, Great Clips and the like) (the "Tenant's Exclusive Use"). Notwithstanding anything to the contrary set forth herein, Tenant's Exclusive Use is not applicable to (i) any full-service salon or women's salon, (ii) ULTA Beauty or similar beauty supply stores, (iii) any tenant or occupant occupying 10,000 square feet or more of floor area, or (iv) to any Project leases entered into on or before the Effective Date or any tenants or occupants existing in the Project on or before the Effective Date, or their successors or assigns or any new leases or extensions of existing leases entered into with such existing tenants or occupants or their successors or assigns.

AMERICA'S BEST:

Landlord shall not lease or permit the lease or occupancy of space less than 12,500 square feet in the Shopping Center to any other Tenant whose primary use is the sale of eyeglasses, contact lenses, or prescription sunglasses and/or any tenant that uses their premises for ophthalmological or optometric practices or procedures so long as Tenant is operating for such use on the Premises (excluding temporary permitted closures due to force majeure).

AT&T (*Subject to change*):

Landlord shall not lease space in buildings CR-4 or CR-5 of the Project to another user whose primary use is to provide, offer, service and/or sell the following goods and services to the public: communication products and services including, but not limited to wireless communications products and services, long and local distances products and services; cable television products and services; Internet access products and services; home or office automation and security products and services, and any substitutes which are the technological evolution of the foregoing (the "Exclusive Use Right").

ALDI

Tenant will be the only "Retail Grocery Store" in the Center (excluding Costco or its successor). The term "Retail Grocery Store" means a supermarket, meat market, grocery store, fruit and vegetable store or stand, frozen or otherwise processed food store and any other store where more than 300 grocery items are sold. The term "Retail Grocery Store" will not include a delicatessen, or any restaurant wherein prepared food is sold for on-premises consumption or for "take-out" consumption.

STONE FIRE GRILL: (*Subject to change)*

So long as Tenant hasn't changed its use, Landlord will agree to not Lease any space in the balance of the Shopping Center to, sell to, or permit any Tenant who specializes in the sale of salads, and grilled meats. This exclusive shall not apply to any restaurant Tenant of less than 1,500 sf, nor to the incidental sale of salads and grilled meats, defined as the sale of such items constituting no more than twenty-five percent (25%) of a tenant's or occupant's gross sales. In addition, Landlord shall not Lease to, sell to, or permit the following Tenants: Wood Ranch, Lazy Dog, Urban Plates, Lucille's Chop Stop and Tender Greens.

BURLINGTON: (*Subject to change*)

No other premises in the shopping center may be used for the sale of the items set forth below. Such restrictions shall not apply to a grocery store, supermarket an off-price discount general merchandise store such as Ross, TJ Maxx or Marshalls or a home furnishings store such as Home Goods or Bed Bath & Beyond. Further, such items may be sold on an incidental basis.

EXCLUSIVES FOR TENANTS 15,000 SQUARE FEET OR LARGER

1. cribs
2. changing tables
3. toy boxes
4. children's and adult rocking chairs
5. glider/rockers
6. juvenile furniture
   a. tables
   b. chairs
   c. chests
   d. dressers
   e. bean bags
7. crib comforters, dust ruffles, bumpers, sheets and mattress pads
8. diaper stackers and diaper bags
9. strollers

10. high chairs
11. car seats
12. play pens
13. walkers and entertainers
14. infant swings
15. infant and layette clothing
16. infant toys
17. children's books
18. diapers
19. such additional items that are typically sold in an infant and children toys, furnishings and furniture store.

Chick-fil-A:

No portion of the Adjoining Property (excluding Costco) will be leased, used or occupied as a restaurant selling or serving chicken as a principal menu item. For the purposes of this Lease, "a restaurant selling or serving chicken as a principal menu item" means a restaurant deriving twenty-five percent (25%) or more of its gross food sales from the sale of chicken (the "**Chicken Restriction**"). A "restaurant" includes any business establishment, including, without limitation, a kiosk, stand, booth, food truck or area located inside another business facility of less than 10,000 square feet. Notwithstanding the foregoing, Tenant makes an exception to the Chicken Restriction solely in respect to (i) the operation of a full-service (with waiter/waitress table service) sit down restaurant in excess of 10,000 square feet of floor area, or (ii) an Asian (selling Chinese, Japanese, Mongolian or other foods that are typically and traditionally prepared in a wok), French, Mexican, Italian, or other so called "ethnic" or "internationally themed" restaurant, provided any such restaurant described in (i) of this subparagraph does not operate and utilize a drive-thru facility. This specific exception will not be deemed to apply to any other agreement entered into by Tenant or waive any of its rights thereunder. Notwithstanding the foregoing, the Chicken Restriction shall not apply to any lease agreement entered into by Landlord during any period that Tenant is not operating as a restaurant selling or serving chicken as a principal menu item after Tenant initially opens for business.

UPS:

Landlord agrees that, during the Term and any extensions or renewals thereof, provided that Tenant is open and operating as The UPS Store® and is not in default of the terms of this Lease, Landlord shall not lease any space in Shop Buildings CR-3, CR-4, CR-5 and CR-11 to any tenant whose business is the sale or provision of any of the following products or services: (a) retail packing and shipping services; UPS®, DHL®, FedEx® or any other related overnight delivery and/or courier services; retail sales of USPS® metered mail; provided, however, this exclusive shall not preclude a drop box for any courier service or drop-off and pick-up services such as those used by Amazon® or any technological evolution thereof; (b) retail printing services, including color and black and white photocopying, digital printing and digital imaging; and (c) retail mailbox services ("Tenant's Exclusive Use"). Notwithstanding anything to the contrary set forth herein, Tenant's Exclusive Use is not applicable to (i) any tenants or occupants leasing 5,000 square feet or more of floor area in the Project or (ii) any Project leases entered into on or before the Effective Date or any tenants or occupants existing in the Project on or before the Effective Date, or their successors or assigns or any new leases or extensions of existing leases entered into with such existing tenants or occupants or their successors or assigns.

ALTURA CREDIT UNION

Subject to existing tenants' rights under their respective leases and provided Tenant is not in default beyond an applicable cure period, Landlord shall not lease any other space within the Shopping Center to a credit union whose target member is substantially similar to Tenant's members. This Exclusive Use provision shall be assignable by Tenant in conjunction with a Permitted Transfer (to be further addressed in the Lease Agreement).

The foregoing shall not apply to any existing tenants, their successors or assigns, or tenants leasing 10,000 square feet or more of floor area in the Shopping Center.

DOGHAUS (*Subject to change*)

Landlord covenants and agrees that, during the Term, provided that Tenant is open and operating as a hot dog restaurant (subject to temporary closures for casualty, condemnation, remodel, or "Force Majeure Events" as defined herein), and is not in default of the monetary terms or material non-monetary conditions of this Lease beyond any applicable cure period, Landlord shall not enter into any new lease for premises in the "Exclusive Use Area" as shown on Exhibit A, which shall be buildings located at 12585 Cantu-Galleano Ranch Road and 4910 Hamner Avenue of the Project with a tenant whose primary business is the operation of a restaurant selling hot dogs or sausages (the "Tenant's Exclusive Use").

GUARANTY OF LEASE

THIS GUARANTY OF LEASE ("Guaranty") is entered into _____, by James Chae ("Guarantor"), for the benefit of Tarpon Property Ownership 2 LLC, a Delaware limited liability company ("Landlord"), with reference to the following facts:

Landlord and Global BB Group, Inc., a California corporation ("Tenant") have entered or will enter into a lease of even date herewith (the "Lease").

By its covenants herein set forth, Guarantor has induced Landlord to enter into the Lease, which was made and entered into in consideration for Guarantor's said covenants.

Guarantor unconditionally guarantees, without deduction by reason of setoff, defense or counterclaim, to Landlord and its successors and assigns the full and punctual payment, performance and observance by Tenant, of all of the amounts, terms, covenants and conditions in the Lease contained on Tenant's part to be paid, kept, performed and observed.

If Tenant shall at any time default in the punctual payment, performance and observance of any of the amounts, terms, covenants or conditions in the Lease contained on Tenant's part to be paid, kept, performed and observed, Guarantor will pay, keep, perform and observe same, as the case may be, in the place and stead of Tenant. Guarantor shall also pay to Landlord all reasonable and necessary incidental damages and expenses incurred by Landlord as a direct and proximate result of Tenant's failure to perform, which expenses shall include reasonable attorneys' fees and interest on all sums due and owing Landlord by reason of Tenant's failure to pay same, at the maximum rate allowed by law.

Any act of Landlord, or its successors or assigns, consisting of a waiver of any of the terms or conditions of the Lease, the giving of any consent to any matter or thing relating to the Lease, or the granting of any indulgence or extension of time to Tenant may be done without notice to Guarantor and without releasing Guarantor from any of its obligations hereunder.

The obligations of Guarantor hereunder shall not be released by Landlord's receipt, application or release of any security given for the performance and observance of any covenant or condition in the Lease contained on Tenant's part to be performed or observed, nor by any modification of the Lease, regardless of whether Guarantor consents thereto or receives notice thereof.

The liability of Guarantor hereunder shall in no way be affected by: (a) the release or discharge of Tenant in any creditor's, receivership, bankruptcy or other proceeding; (b) the impairment, limitation or modification of the liability of Tenant or the estate of Tenant in bankruptcy, or of any remedy for the enforcement of Tenant's liability under the Lease resulting from the operation of any present or future provision of the Federal Bankruptcy Code or other statutes or from the decision of any court; (c) the rejection or disaffirmance of the Lease in any such proceedings; (d) the assignment or transfer of the Lease by Tenant; (e) any disability or other defense of Tenant; (f) the cessation from any cause whatever of the liability of Tenant; (g) the exercise by Landlord of any of its rights or remedies reserved under the Lease or by law; or (h) any termination of the Lease.

If Tenant shall become insolvent or be adjudicated bankrupt, whether by voluntary or involuntary petition, if any bankruptcy action involving Tenant shall be commenced or filed, if a petition for reorganization, arrangement or similar relief shall be filed against Tenant, or if a receiver of any part of Tenant's property or assets shall be appointed by any court, Guarantor shall pay to

Landlord the amount of all accrued, unpaid and accruing Minimum Annual Rent and other charges due under the Lease to the date when the debtor-in-possession, the trustee or administrator accepts the Lease and commences paying same. At such time as the debtor-in-possession, the trustee or administrator rejects the Lease, however, Guarantor shall pay to Landlord all accrued, unpaid and accruing Minimum Annual Rent and other charges under the Lease for the remainder of the Lease Term. At the option of Landlord, Guarantor shall either: (a) pay Landlord an amount equal to the Minimum Annual Rent and other charges which would have been payable for the unexpired portion of the Lease Term reduced to present-day value; or (b) execute and deliver to Landlord a new lease for the balance of the Lease Term with the same terms and conditions as the Lease, but with Guarantor as tenant thereunder. Any operation of any present or future debtor's relief act or similar act, or law or decision of any court, shall in no way affect the obligations of Guarantor or Tenant to perform any of the terms, covenants or conditions of the Lease or of this Guaranty.

Guarantor may be joined in any action against Tenant in connection with the obligations of Tenant under the Lease and recovery may be had against Guarantor in any such action. Landlord may enforce the obligations of Guarantor hereunder without first taking any action whatever against Tenant or its successors and assigns, or pursuing any other remedy or applying any security it may hold. Guarantor hereby waives all rights to assert or plead at any time any statute of limitations as relating to the Lease, the obligations of Guarantor hereunder and any surety or other defense in the nature thereof including, without limitation, the provisions of California Civil Code Section 2845 or any similar, related or successor provision of law. Guarantor also hereby waives the provisions of Sections 2809, 2810, 2819 and 2850 of the California Civil Code and their successors, and all other waivable defenses.

Until all of the covenants and conditions in the Lease on Tenant's part to be performed and observed are fully performed and observed, Guarantor: (a) shall have no right of subrogation against Tenant by reason of any payment or performance by Guarantor hereunder; and (b) subordinates any liability or indebtedness of Tenant now or hereafter held by Guarantor to the obligations of Tenant to Landlord under the Lease.

This Guaranty shall apply to the Lease, any extension, renewal, modification or amendment thereof, to any assignment, subletting or other tenancy thereunder and to any holdover term following the Lease Term granted under the Lease, or any extension or renewal thereof.

In the event of any litigation between Guarantor and Landlord with respect to the subject matter hereof, the unsuccessful party in such litigation shall pay to the successful party all fees, costs and expenses thereof, including reasonable attorneys' fees and expenses.

If there is more than one undersigned Guarantor, (a) the term "Guarantor", as used herein, shall include all of the undersigned; (b) each provision of this Guaranty shall be binding on each one of the undersigned, who shall be jointly and severally liable hereunder; and (c) Landlord shall have the right to join one or all of them in any proceeding or to proceed against them in any order.

Within fifteen (15) days after Landlord's written request (which requests may not be made more than once per calendar year), Guarantor shall furnish Landlord with financial statements or other reasonable financial information reflecting Guarantor's current financial condition, certified by Guarantor or its financial officer, and an estoppel certificate in such form as may reasonably be required by Landlord or Landlord's lender or transferee. If Guarantor is a publicly-traded corporation, delivery of Guarantor's last published financial information shall be satisfactory for purposes of this Paragraph.

This instrument constitutes the entire agreement between Landlord and Guarantor with respect to the subject matter hereof, superseding all prior oral and written agreements and understandings with respect thereto. It may not be changed, modified, discharged or terminated orally or in any manner other than by an agreement in writing signed by Guarantor and Landlord.

This Guaranty shall be governed by and construed in accordance with the laws of the State of California.

Every notice, demand or request (collectively "Notice") required hereunder or by law to be given by either party to the other shall be in writing. Notices shall be given by personal service or by United States certified or registered mail, postage prepaid, return receipt requested, or by telegram, mailgram or same-day or overnight private courier, addressed to the party to be served at the address indicated below or such other address as the party to be served may from time to time designate in a Notice to the other party.

Any action to declare or enforce any right or obligation under the Lease may be commenced by Landlord in the Superior Court of Orange County, California. Guarantor hereby consents to the jurisdiction of such Court for such purposes. Any notice, complaint or legal process so delivered shall constitute adequate notice and service of process for all purposes and shall subject Guarantor to the jurisdiction of such Court for purposes of adjudicating any matter related to this Guaranty. Landlord and Guarantor hereby waive their respective rights to trial by jury of any cause of action, claim, counterclaim or cross-complaint in any action, proceeding and/or hearing brought by either Landlord against Guarantor or Guarantor against Landlord on any matter whatever arising out of, or in any way connected with, the Lease or this Guaranty.

This Guaranty may be assigned in whole or part by Landlord upon written notice to Guarantor, but it may not be assigned by Guarantor without Landlord's prior written consent, which may be withheld in Landlord's sole and absolute discretion.

The terms and provisions of this Guaranty shall be binding upon and inure to the benefit of the heirs, personal representatives, successors and permitted assigns of the parties hereto.

(Remainder of this page left blank intentionally; signature page follows)

IN WITNESS WHEREOF, Guarantor has executed this Guaranty as of the date first above written.

"GUARANTOR"

By:_____
James Chae

Landlord's Address for Notices:

18201 Von Karman Avenue, Suite 1170
Irvine, California 92612
Attention: Legal Affairs

with a copy to: 18201 Von Karman Avenue, Suite 1170
Irvine, California 92612
Attention: Property Manager;

Landlord's e-mail address:

usnotices@goodman.com

Guarantor's Address for Notices:

6940 Beach Boulevard, Suite D705
Buena Park, California 90621

Telephone No.: (714) 694-2400

Fax No.: (714) 694-2410

E-Mail Address: JChae@yoshiharuramen.com

NOTICE OF LEASE TERM DATES

Date: August 18, 2020

To: **Global CC Group, Inc. dba Yoshiharu Ramen**
6940 Beach Boulevard, Suite D705
Buena Park, CA 90621
Attention: J. Chin

Copies: jchin@yoshiharuramen.com
jchae@yoshiharuramen.com

Via Federal Express and Email to: jchin@yoshiharuramen.com & jchae@yoshiharuramen.com

Re: **Lease, dated August 22, 2019 ("Lease") by and between Tarpon Property Ownership 2 LLC, a Delaware limited liability company ("Landlord"), and Global CC Group, Inc., a California corporation, dba Yoshiharu Ramen ("Tenant"), assignee of Global BB Group Inc., a California corporation ("Original Tenant"), in respect of the premises commonly known as 4910 Hamner Avenue, Suite 150 in Building CR-5, Eastvale, California, at *The Station at Goodman Commerce Center Eastvale* ("Premises")**

Dear Mr. Chin:

This letter shall confirm the following list of dates pursuant to the lease by and between Tarpon Property Ownership 2 LLC, a Delaware limited liability company, and Global CC Group Inc., a California corporation, dba Yoshiharu Ramen, assignee of Original Tenant, for the Premises. Unless otherwise defined in this letter, capitalized terms used in this letter have the meanings ascribed to them in the Lease. In accordance with the Lease and this letter, we wish to advise as follows:

Delivery Date:	10/07/2019
Permit Date:	N/A
Commencement Date:	08/01/2020*
Store Opening Date:	N/A
Expiration Date:	07/31/2030*

For purposes of Section 1.11 of the Lease, the Minimum Annual Rent schedule shall be as set forth below:

Period Covered	Dollars Per Month
8/1/2020-7/31/2021	$6,718.50 per month
8/1/2021-7/31/2022	$6,920.06 per month
8/1/2022-7/31/2023	$7,127.66 per month

* Section 1.10 of the Lease defines the Commencement Date as the date that is 180 days after the Delivery Date (i.e., April 4, 2020); however, as a one-time accommodation of Tenant for COVID-19 related impacts and upon the request of Tenant and undersigned Guarantor, Landlord has agreed to defer the Commencement Date, to **August 1, 2020.** The Term set out in the Lease remains unchanged at 120 months, commencing on such Commencement Date. There have been no other oral or written representations or agreements concerning the foregoing matters, and the Effective Date of the Lease and obligations of the parties thereunder are unchanged by any deferral of the Commencement Date as set out herein.

8/1/2023-7/31/2024	$7,341.49 per month
8/1/2024-7/31/2025	$7,561.73 per month
8/1/2025-7/31/2026	$7,788.58 per month
8/1/2026-7/31/2027	$8,022.24 per month
8/1/2027-7/31/2028	$8,262.91 per month
8/1/2028-7/31/2029	$8,510.79 per month
8/1/2029-7/31/2030	$8,766.12 per month

Tenant rent checks should be made payable to:

Tarpon Property Ownership 2 LLC
18201 Von Karman Avenue, Suite 1170
Irvine, CA 92612

Wiring Instructions for Wires to Landlord:

Bank Name:	HSBC Bank USA
Bank Address:	452 Fifth Avenue New York, NY 10018
Account Name:	Tarpon Property Ownership 2 LLC
Federal Routing Code:	021001088
Accounting Number:	000195359
CHIPS ABA:	0108
Swift Code:	MRMDUS33

Please have both copies of this letter signed and dated and return one (1) of the originals. If you have any questions regarding the above information, please contact Derek Gianola (949) 407-0194, Hillary Day (949) 407-0112 or Mike Kent at (949) 407-0151.

Acknowledged and Agreed this 1st day of August, 2020, by and between:

Sincerely,

Tarpon Property Ownership 2 LLC,
a Delaware limited liability company

DocuSigned by:
By: _____
C6326C4CB44A4D414B...

Name: Alan Cockburn
Its: Vice President

Global CC Group, Inc., dba Yoshiharu Ramen,
a California corporation

By: _____

Name: James Chae
Its: President

GUARANTOR:

The signature of the Original Guarantor below confirms that, notwithstanding the deferred Commencement Date of the Lease set out hereabove, that certain Guaranty of Lease executed and delivered by the undersigned in connection with the Lease remains in full force and effect and the liability of Guarantor thereunder remains absolute and unconditional irrespective of any deferral of the Commencement Date of the Lease.

James Chae

ASSIGNMENT AND ASSUMPTION OF LEASE

THIS ASSIGNMENT AND ASSUMPTION OF LEASE ("Assignment") is dated November 5, 2019 ("Effective Date") and is by and between Global BB Group, Inc., a California corporation ("Assignor"), and Global CC Group, Inc, a California corporation ("Assignee").

RECITALS

WHEREAS, TARPON PROPERTY OWNERSHIP 2 LLC, a Delaware limited liability company, (as Landlord), and Assignor (as Tenant), entered into that certain Lease dated August 22, 2019 (the "Lease"). The Lease is for property containing approximately 1,493 square feet located at Suite 150, Building CR-5 ("Premises") within the shopping center commonly known as Goodman Commerce Center Eastvale, in the City of Eastvale, County of Riverside, State of California.

WHEREAS, the Tenant's obligations under the Lease are guaranteed by James Chae ("Original Guarantor") pursuant to that certain Guaranty of Lease dated August 22, 2019 ("Original Guaranty").

WHEREAS, Assignor desires to assign its interest and obligations under the Lease to Assignee and in connection therewith Assignor shall remain primarily liable for the obligations of Tenant on the terms set forth herein.

WHEREAS, Assignor desires to assign its rights under the Lease to Assignee, and Assignee desires to accept such assignment and assume all of the obligations of Assignor under the terms of the Lease.

NOW, THEREFORE, in consideration of the mutual covenants contained herein and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Assignor and Assignee agree as follows:

ASSIGNMENT

1. Incorporation of Recitals. All recitals set forth above are hereby incorporated into this Assignment. Any capitalized terms not defined herein shall have the meaning attributed to them in the Lease.

2. Assignment. Assignor hereby assigns, conveys, and transfers unto Assignee all of Assignor's right, title and interest as "Tenant" in and to the Lease, including, without limitation, Assignor's right, title and interest to the Security Deposit currently held by Landlord under the Lease in the sum of Eight Thousand Seven Hundred Sixty Six and 12/100 Dollars ($8,766.12) and the Tenant Construction Allowance as set forth in the Lease. Upon expiration or earlier termination of the Lease, the Security Deposit currently held by Landlord shall be refunded to Assignee, subject to and in accordance with the terms of the Lease. By execution of this Assignment, Assignor hereby agrees that the Security Deposit held by Landlord shall hereafter be for the benefit of Assignee and waive any claim or right thereto.

3. Assumption of Lease Obligations. Assignee, for itself and its successor and assigns, hereby assumes and agrees to perform and be bound by all of the terms covenants, conditions, duties, and obligations of Assignor as "Tenant" under the Lease as of the Effective Date, and any

supplements, amendments, riders or revisions to the Lease, including, but not limited to, operating under the same trade name and use of the Premises as specified in the Lease, and complying with all other monetary and nonmonetary obligations of "Tenant" under the Lease.

4. Release. Assignor hereby generally releases and discharges Landlord, and all of its partners, agents, representatives and employees, both present and past, of and from any and all claims, debts, liabilities, obligations and causes of action, of any kind or nature, known or unknown, based on, arising out of, or connected with, either directly or indirectly, any term, provision, matter, fact, event or occurrence related to, or contained in the Lease arising prior to the Effective Date. This general release shall be governed by the laws of the State of California, and Tenant hereby waives any and all rights which it may have under the provisions of Section 1542 of the Civil Code of the State of California, as now worded and as hereafter amended, which section presently reads as follows:

> "A general release does not extend to claims that the creditor or releasing party does not know or suspect to exist in his or her favor at the time of executing the release and that, if known by him or her, would have materially affected his or her settlement with the debtor or released party."

5. Assignor and Original Guarantor to Remain Liable. Assignor shall remain primarily (and not secondarily) obligated to Landlord for the full performance of all covenants, conditions, obligations and duties required to be performed by Tenant under the Lease, and shall not be relieved of any such performance thereunder as a result of this Assignment or as a result of any extension, renewal, modification or amendment of the Lease or any further assignment, subletting or other tenancy under the Lease or to any holdover term following the term granted under the Lease or any extension or renewal thereof, regardless of whether or not Assignor consents thereto or receives notice thereof. Notwithstanding the foregoing, provided that upon the expiration of three (3) years from the Effective Date: (i) Assignee (or the then Tenant) is not in default in any of its obligations under the Lease, nor has an event occurred which, but for the giving of notice, or the passage of time, or both, would constitute a default under the Lease, nor (ii) has Assignee or Tenant been in default of any monetary obligation or material non-monetary obligation under the Lease during such three (3) year period, Assignor shall be released from any obligation under the Lease accruing thereafter. By its signature below, Original Guarantor confirms and agrees that Original Guarantor shall be primarily (and not secondarily) obligated to Landlord under the Original Guaranty for the full performance, as though Assignee was the Original Tenant, of all covenants, conditions, obligations and duties required to be performed thereunder as a result of this Assignment or as a result of any extension, renewal, modification or amendment of the Lease or any further assignment, subletting or other tenancy under the Lease or any holdover term following the term granted under the Lease or any extension or renewal thereof, regardless of whether Original Guarantor consents thereto or received notice thereof.

6. Authority. Each signatory of this Assignment on behalf of Assignor, Assignee, and Original Guarantor represents hereby that he or she has the authority to execute and deliver the same on behalf of the party hereto for which such signatory is acting.

7. No Other Modification. Assignor and Assignee agree that the Lease has not been modified, supplemented, amended, or otherwise changed in any way by this Assignment and the Lease remains in full force and effect between the parties hereto. To the extent of any inconsistency between the terms and conditions of the Lease and the terms and conditions of this Assignment, the terms and conditions of the Lease shall apply and govern the parties. This Assignment may not be

changed, modified, discharged or terminated orally or in any other manner other than by an agreement in writing signed by the parties hereto or their respective successors and assigns.

8. Governing Law. This Assignment shall be governed and construed in accordance with California law.

9. Counterparts. This Assignment may be executed in any number of counterparts, each of which shall be deemed an original. The counterparts shall together constitute one agreement.

10. Electronic Signature. Assignor, Assignee and Original Guarantor agree that electronic signatures, including those delivered by PDF, shall have the same effect as originals. All parties to this Assignment waive any and all rights to object to the enforceability of this Assignment based on the form or delivery of signature.

Remainder of Page Intentionally Blank. Signatures to Follow.

IN WITNESS WHEREOF, the Parties execute this Assignment as of the Effective Date.

ASSIGNOR:

Global BB Group, Inc.,
a California corporation

By: _____
Name: James Chae
Title: President

ASSIGNEE:

Global CC Group, Inc,
a California corporation

By: _____
Name: James Chae
Title: President

ORIGINAL GUARANTOR:

_____
James Chae

Remainder of Page Intentionally Blank. Landlord's Consent to Follow.

LANDLORD'S CONSENT

Landlord hereby consents to the Assignment on the following terms and conditions (which terms and conditions are hereby approved by Assignor and Assignee by virtue of their execution of this Assignment and by Original Guarantor by virtue of its/his/her execution attached to the Assignment):

(a) The Assignment shall not result in a release of (i) Assignor from its obligations and duties required to be performed by Tenant under the Lease, or (ii) Original Guarantor from its obligations under the Original Guaranty;

(b) Except with respect to this Assignment, Landlord does not consent to any transfer or assignment of the Lease. Landlord has not made any express, implied, oral or written representations or promises that any future assignment or subleases will be approved;

(c) The Assignment shall not result in any change to the trade name specified in the Lease or the permitted use of the Premises under the Lease;

(d) The Assignment is and shall be subject to the Lease, and in the event of any conflict between the terms of the Assignment and the terms of the Lease, the terms of the Lease shall control; any purported variance of the Lease made in the Assignment (other than the conditional release of Assignor made in Section 5 thereof) is void and of no effect;

(e) Landlord's consent herein will not be deemed to be an acknowledgment of the validity or accuracy of any recital, or statement, or representation, or warranty contained in the Assignment or to be a waiver of any uncollected or unbilled Minimum Annual Rent or Additional Rent that may be due and payable under the Lease; and

(f) Assignor and Assignee expressly acknowledge that the forwarding of this Assignment to either of them by Landlord is not an express or implied consent to any such Assignment of the Lease from Assignor to Assignee contained herein. Landlord, in its sole discretion, retains the right to disapprove of such Assignment until such time as this Assignment has been signed by all of the parties hereto.

TARPON PROPERTY OWNERSHIP 2 LLC,
a Delaware limited liability company

By: _____
Name: ALAN COCKBURN
Title: Secretary
Date: 11/5/19

SHOPPING CENTER LEASE

This Shopping Center Lease (the "Lease") is entered into as of 3/2/2021, (the "Effective Date"), by and between **THE PRICE REIT, INC.**, as "Landlord", and **GLOBAL CC GROUP, INC.**, as "Tenant", hereby agree that, for good and valuable consideration the receipt of which is hereby acknowledged and upon the terms and conditions set forth in this Lease, Landlord leases to Tenant and Tenant leases from Landlord, the Leased Premises (defined below).

1. Basic Lease Provisions and Definitions.

(A) Shopping Center: Corona Hills Plaza located in Corona, CA as depicted on Exhibit "A"; Building ID No: 105460

(B) Leased Premises: The premises identified as Plot 00011 shown hatched on Exhibit "A

(C) Floor Area: Approximately 1,925 square feet.

(D) Lease Commencement Date: The date that Landlord tenders the Leased Premises to Tenant.

(E) Rent Commencement Date: The earlier of: (i) 150 days after the Lease Commencement Date; or (ii) the date any portion of the Leased Premises initially opens for business to the public.

(F) Lease Term/Lease Years: The "Lease Term" is a period of ten (10) Lease Years plus the period between the Effective Date and the Rent Commencement Date. The first "Lease Year" begins on the Rent Commencement Date and ends on the last day of the twelfth (12th) calendar month after the Rent Commencement Date. Each succeeding Lease Year shall begin on the expiration of the prior Lease Year and shall continue for twelve (12) successive calendar months; however, the final Lease Year will end on the Expiration Date.

(F-1) Additional Terms: Two (2), five (5) Lease Year options. See Article 23. *The Lease Term shall include any Additional Terms exercised by Tenant pursuant to Article 23.*

(G) Expiration Date: The Lease Term will end on the Expiration Date, which is the last day of the final Lease Year or such earlier date that this Lease may be terminated in accordance with its terms.

(H) Base Rent Schedule / Gross Sales Base – Original Term

Lease Year	Annual Base Rent	Monthly Installment	Gross Sales Base
1	$69,300.00	$5,775.00	$1,600,000.00
2	$71,379.00	$5,948.25	$1,600,000.00
3	$73,520.37	$6,126.70	$1,600,000.00
4	$75,725.98	$6,310.50	$1,600,000.00
5	$77,997.76	$6,499.81	$1,600,000.00
6	$80,337.69	$6,694.81	$1,600,000.00
7	$82,747.82	$6,895.65	$1,600,000.00
8	$85,230.25	$7,102.52	$1,600,000.00
9	$87,787.16	$7,315.60	$1,600,000.00
10	$90,420.77	$7,535.06	$1,600,000.00

(H) (i) Base Rent Schedule / Gross Sales Base – First Additional Term

Lease Year	Annual Base Rent	Monthly Installment	Gross Sales Base
1	$93,133.39	$7,761.12	$1,600,000.00
2	$95,927.39	$7,993.95	$1,600,000.00
3	$98,805.21	$8,233.77	$1,600,000.00
4	$101,769.37	$8,480.78	$1,600,000.00
5	$104,822.45	$8,735.20	$1,600,000.00

(H) (ii) Base Rent Schedule / Gross Sales Base – Second Additional Term (see Article 23).

(I) Fixed CAM: $5,832.75 for the first Lease Year. Fixed CAM shall automatically increase on the commencement of the second and each successive Lease Year by 4% over the amount of Fixed CAM for the preceding Lease Year (see Article 4).

(J) Percentage Rent Rate: 5% (see Article 5).

(K) Security Deposit: $7,836.47. Tenant shall pay the Security Deposit to Landlord simultaneously with Tenant's execution of this Lease. Landlord will retain the Security

	Deposit as security for Tenant's full and prompt performance of Tenant's obligations in this Lease. Landlord may deduct from the Security Deposit sums required to cure any Tenant breach or Tenant Default (as defined in Article 14) or to pay for costs or other damages Landlord may suffer as a result of a Tenant breach or Tenant Default (the "Application"), it being agreed that Landlord may, in addition, claim those sums specified in this Article, and all of Landlord's damages under this Lease and California law, including, but not limited to, any damages accruing upon termination of this Lease under Section 1951.2 of the California Civil Code and/or those sums reasonably necessary to compensate Landlord for any other loss or damage, foreseeable or unforeseeable, caused by the acts or omissions of Tenant or any officer, employee, agent, contractor, subtenant, licensee, or invitee of Tenant. Tenant waives the provisions of California Civil Code Section 1950.7 and all other provisions of the Law that provide that Landlord may claim from the Security Deposit only those sums reasonably necessary to remedy defaults in the payment of Rent, to repair damage caused by Tenant, or to clean the Leased Premises. Upon Landlord's reasonable notice to Tenant, Tenant shall pay Landlord the amount of the Application. Tenant has no right to apply any portion of the Security Deposit against any of Tenant's obligations under this Lease. After the Expiration Date and a reconciliation of Tenant's Rent account, if Tenant is not in breach and there is no Tenant Default, Landlord will promptly return the unapplied balance of the Security Deposit to Tenant. The Security Deposit will be transferred to anyone acquiring the interest of Landlord in this Lease and the prior Landlord will have no obligation to Tenant to return the Security Deposit.
(L) Permitted Use:	The operation of a Japanese style ramen noodle restaurant, specializing in ramen-based cuisine and related products, including beer and wine, and for no other use or purpose. Tenant is strictly prohibited from violating any Existing Exclusives or Prohibited Uses of the Shopping Center listed on the attached Exhibit "D". Provided Tenant obtains and maintains all necessary governmental permits and approvals and Tenant carries a liquor liability insurance policy with limits of liability as set forth in Article 12, Tenant shall be permitted to sell beer and wine for on-premises consumption and only as part of full meal service. Tenant is specifically prohibited from: (i) serving alcoholic beverages to customers who are not dining at the restaurant, and (ii) operating the Leased Premises, or any portion thereof, as a bar, nightclub, tavern, or cocktail lounge.
(M) Trade Name:	Yoshiharu Ramen
(N) Landlord's Notice Address: (see Article 21)	c/o KIMCO REALTY CORPORATION 500 NORTH BROADWAY SUITE 201 JERICHO, NY 11753 ATTN: LEGAL DEPARTMENT WITH A COPY TO: c/o KIMCO REALTY CORPORATION 2429 PARK AVENUE TUSTIN, CA 92782 ATTN.: LEGAL DEPARTMENT
(N-1) Rental Payments Via Electronic Funds Transfer ("EFT") or Wire Transfer:	JP Morgan Chase Bank 4 New York Plaza, 15th Floor New York, NY 10004 ABA# 021 000 021 For Credit to: Kimco Realty Corporation Account Number: 006-007996 Attention: Glenn G. Cohen (516) 869-7290 Reference: Yoshiharu Ramen (Site 105460)
(O) Tenant's Notice Address:	Global CC Group, Inc. 15476 Canon Lane Chino Hills, CA 91709

Attn: James Chae

(P) Broker(s):

New Star Realty & Investments
9240 Garden Grove Boulevard, Suite 9
Garden Grove, CA 92844
Attn: Roy Chin
Tel: (714) 636-6900
Email: roychin@newstarrealty.com

and

Progressive Real Estate Partners, LP
9471 Haven Avenue, Suite 110
Rancho Cucamonga, CA 91730
Attn: Brad Umansky
Tel: (909) 816-4884
Email: brad@progressiverep.com

(Q) Guarantor(s):

James S. Chae
15476 Canon Lane
Chino Hills, CA 91709
Tel: (714) 646-9177
Email: jchae@apiis.com

(R) Terms/Exhibits:

The following Terms/Exhibits are attached to this Lease and incorporated and made a part of this Lease:

General Terms and Provisions
Exhibit "A" - Site Plan
Exhibit "B" - Landlord's Work
Exhibit "B-1" - Contractors Indemnity Agreement
Exhibit "C" - Shopping Center Sign Criteria
Exhibit "D" – Existing Exclusives and Prohibited Uses

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Signature Page to Follow

IN WITNESS WHEREOF, the parties hereto have executed this Lease under their respective hands as of the day and year first above written.

LANDLORD:
THE PRICE REIT, INC.

BY: DocuSigned by:

NAME: Jason Lee

TITLE: Vice President

DATE: 3/2/2021

TENANT:
GLOBAL CC GROUP, INC.

BY: DocuSigned by:

NAME: James S. Chae

TITLE: CEO

DATE: 2/18/2021

GENERAL TERMS AND PROVISIONS

2. **Payment of Rent.** Beginning on the Rent Commencement Date and thereafter on the first (1st) day of each month during the Lease Term, Tenant shall pay to Landlord the Monthly Rent Payment. The "Monthly Rent Payment" shall mean the monthly installment of Base Rent (plus 4% of such amount as Landlord's management fee) and one twelfth (1/12th) of Fixed CAM and Tax Rent (such terms as defined below), due for the applicable Lease Year and, if applicable, with the amount of any tax charged on the Monthly Rent Payment. The Monthly Rent Payment will be pro-rated for partial calendar months. The term "Rent" shall mean Base Rent and Additional Rent. "Additional Rent" shall refer collectively to Tax Rent, Fixed CAM, Percentage Rent (as defined below), and any other payment(s) that Tenant is required to pay to Landlord under this Lease. Rent is due and payable without any notice, offset, demand or abatement. The obligation to pay Rent is a separate, independent, and unconditional covenant. Tenant shall pay Base Rent and other Rent to Landlord or its designated agent at the address Landlord designates without Landlord making any demand, or Tenant may send payments via EFT or wire transfer of federal funds to Landlord's account (initially set forth in Article 1(N-1) or to such other account as Landlord may hereafter notify Tenant. However in the event Tenant does not elect to pay Rent via EFT or wire transfer as aforesaid, Tenant agrees that it will participate in any ACH, EFT, direct debit or other electronic transfer of funds payment method designated by Landlord from time to time (the "Electronic Payment") for the payment of Rent due to Landlord under the Lease. Tenant agrees to complete and submit to Landlord or its designated agents any information, forms or registration required to implement Tenant's participation in the Electronic Payment program and maintain and update the information as needed to ensure accurate and timely payments. Any payment not made by Electronic Payment, must be made by direct debit, check or other method acceptable to Landlord.

3. **Taxes/Tax Rent.** "Taxes" shall mean real estate taxes, special and general assessments, water and sewer rents, governmental license/permit fees, and all other governmental impositions and charges relating to the Shopping Center along with the reasonable costs and expenses (including reasonable legal costs) for any tax appeal or challenge brought by Landlord. Taxes shall not include Landlord's income taxes, estate taxes, or transfer taxes or any late fees, penalties, or interest imposed as a result of Landlord's failure to timely pay Taxes. If any method of taxation prevailing on the date of this Lease is altered, so as a substitute for the whole or any part of real estate taxes there is levied or assessed a different kind of tax, the different tax shall be deemed included in "Taxes". "Tenant's Fraction" (for purposes of Tax Rent) shall be equal to a fraction, the numerator of which is the Floor Area of the Leased Premises, and the denominator of which is the total square foot floor area which is leasable for space (on the first day of the month in question) inside all the buildings of the Shopping Center. The denominator will be reduced by the floor area of an occupant that pays its own Taxes. "Tax Rent" refers to Tenant's share of Taxes for the applicable period which will determined by Landlord taking the total Taxes for such period and multiplying it by Tenant's Fraction. Landlord will provide an estimated amount of the Tax Rent (which may be adjusted from time to time) to be included in Tenant's Monthly Rent Payment. At the end of each applicable Tax period if the total of the monthly payments by Tenant for the year is more or less than the Tax Rent actually due for the period, then appropriate adjustments shall be made with (i) Tenant paying to Landlord any underpayment, or (ii) Landlord applying the credit to Tenant's Rent account (or, if the credit is determined after the Expiration Date, promptly paying the credit to Tenant). Tenant shall pay all taxes attributable to its personal property, leasehold interests, occupancy taxes, taxes on its Rent, and other taxes imposed on tenants generally.

4. **Common Area.** Subject to the provisions of this Lease and the Rules (as defined below), Tenant shall have the non-exclusive right to use the parking areas, driveways, sidewalks and other improvement and amenities of the Shopping Center which are, from time to time, made available by Landlord and any other owners of portions of the Shopping Center for the common use of the tenants and other occupants of the Shopping Center (collectively, the "Common Areas"). Landlord shall cause the Common Areas to be maintained in good condition. Landlord reserves the exclusive right at any time to (i) change, reduce or add to the Common Areas, and (ii) promulgate and enforce rules and regulations governing the use of the Common Areas (the "Rules"). Tenant and its employees, contractors, agents, subtenants and licensees will be required to observe the Rules. During the Lease Term, Tenant shall pay to Landlord Fixed CAM as a contribution towards all costs and expenses of every kind and nature incurred by Landlord in keeping, maintaining and insuring the Common Areas, and the administration thereof .

5. **Gross Sales/Percentage Rent.** Each Lease Year, Tenant shall pay to Landlord an amount ("Percentage Rent") equal to the product of the Percentage Rent Rate multiplied by the amount by which Gross Sales for the applicable Lease Year exceeds the Gross Sales Base for that Lease Year. "Gross Sales" refers to the amount or value of all merchandise and/or services sold or rendered in, or from, the Leased Premises, without exception, including merchandise/services sold over the internet which either originated from the Leased Premises or were picked up/redeemed by customers at the Leased Premises. Within thirty (30) days after the end of each calendar month, Tenant shall submit to Landlord a written statement setting forth in reasonable detail the Gross Sales for the reporting period along with payment to Landlord of the Percentage Rent due for the applicable period. The Gross Sales Base shall be reduced proportionately for any Lease Year which is less than twelve (12) calendar months or in which the aggregate Base Rent paid in that Lease Year is less than the annual amount specified in the Base Rent schedule. Tenant must maintain books and records for the Gross Sales for at least forty-eight (48) months after the Lease Year to which they pertain. Landlord may audit Tenant's Gross Sales books and records, and Tenant shall deliver to Landlord all books and records requested by Landlord in connection with any such audit within ten (10) days following Landlord's written request. Should Landlord's audit disclose that Tenant's Gross Sales were underreported and as a result Tenant

has failed to pay the proper amount of Percentage Rent, Tenant shall pay to Landlord, in addition to the additional Percentage Rent due, the expenses of Landlord's audit or examination. Upon request, Tenant will supply Landlord with copies of all sales tax reports submitted to applicable government agencies that include Gross Sales rendered from the Leased Premises.

6. **Condition and Use of Leased Premises.** Tenant accepts each of the Leased Premises, the Shopping Center and Common Areas in their "as is" and "where-is" condition. Except as may be set expressly forth in this Lease, Landlord has made no representations concerning the Leased Premises, the zoning of the Shopping Center, the Common Areas, or the ability of Tenant to operate the Permitted Use. Tenant hereby waives Sections 1932 and 1933 and Section 1941 and 1942 of the Civil Code of California or any successor provision of law. Pursuant to the requirements of California Health & Safety Code Section 25359.7, Landlord hereby notifies Tenant that hazardous substances may have come to be located in or beneath the Leased Premises. Landlord has no obligation to perform any alterations or improvements to the Shopping Center or the Leased Premises. Tenant shall use the Leased Premises for the Permitted Use only, promptly open for business following the Lease Commencement Date and continuously keep the Leased Premises open for business during such days and hours as the Shopping Center is open for business. Tenant agrees that it will not: (i) conduct any auction, fire, bankruptcy, going out of business or similar sale at the Leased Premises or the Shopping Center; (ii) store or display any merchandise on the sidewalks, parking areas or other Common Areas; (iii) distribute any advertising, handbills or conduct any other form of business solicitation within the Common Areas, or (iv) conduct any activity within the Leased Premises or the Common Areas which would be considered a nuisance or cause any objectionable odors, sounds or vibrations. Tenant shall keep the Leased Premises free of rodents, vermin, insects and other pests and provide regular extermination services when necessary. Tenant shall not commit or suffer to be committed any waste upon the Leased Premises. Tenant may only use, handle, sell or store in the Leased Premises and/or Shopping Center Permitted Hazardous Materials. "Hazardous Materials" are materials which are deemed, under applicable Laws (as defined below), to be hazardous to health, safety or the environment. "Permitted Hazardous Materials" are Hazardous Materials of the type and quantities that are safely and legally found in first class shopping centers. Tenant's use, sale, storage and disposal of Permitted Hazardous Materials must comply with all environmental and other Laws, as defined below. Tenant shall be prohibited from operating a similar business within three (3) miles of the Shopping Center.

7. **Utilities.** Prior to the Lease Commencement Date, Tenant shall arrange (in its name) and pay for all gas, water, sewer, telephone and other utility services for the Leased Premises (the "Utilities"). Tenant shall pay for all Utilities consumed or used at the Leased Premises as and when due. If Tenant receives any of the Utilities through a shared meter (the "Shared Service") then: (i) Tenant will pay to Landlord Tenant's proportionate share (as reasonably determined by Landlord) of the total meter charges for Shared Service and (ii) Landlord shall have the right, at any time, to require Tenant to pay with the Monthly Rent Payment, one twelfth (1/12th) of Landlord's estimate of the Shared Service charge (which may be adjusted from time to time). The actual Shared Service charge will be reconciled at the end of each calendar year based on the actual charges for the Shared Service. If the estimated payments made by Tenant for the Lease Year are more or less than the actual charges for the Shared Service, then appropriate adjustments will be made with (a) Tenant paying any underpayment to Landlord, or (b) Landlord promptly applying the credit to Tenant's Rent account (or, if the credit is after the Expiration Date, pay the credit to Tenant). The delivery by Landlord to Tenant of bills and submeter records for any such Shared Service shall be conclusive for purposes of determining the amount(s) due by Tenant. In the event the Leased Premises is serviced by a Shared Service, Landlord shall have the right, but not the obligation, to: (1) install, at Tenant's costs, a separate submeter serving the Leased Premises to separately meter Tenant's consumption, and (2) hire a third party to read such submeter and bill Tenant directly (and Tenant shall pay such third party, as and when billed) all charges for utility consumption based on the submeter along with a reasonable administrative fee for same. Landlord shall have the right to service the Shopping Center (and to require Tenant to obtain its services from the provider) with solar generated or other renewable forms of electricity at cost competitive rates. Tenant agrees to cooperate with Landlord's obligations to comply with utility disclosure regulations and the collection of data relating to utility consumption at the Leased Premises.

8. **Maintenance and Repairs.** Tenant shall repair, maintain, replace and perform any required alterations or improvements to the following: (i) the Leased Premises, (ii) Tenant's signs, personal property, fixtures and equipment, (iii) the electrical, plumbing, sewerage, water, gas lines and equipment exclusively servicing the Leased Premises (whether inside or outside the Leased Premises), (iv) the heating, ventilating and air conditioning system ("HVAC") exclusively serving the Leased Premises, (v) the storefront of the Leased Premises, including the plate glass, windows, doors, hardware, trim or closure devices at the Leased Premises, and (vi) the fire sprinkler systems inside and/or exclusively servicing the Leased Premises. Such obligations of Tenant include the responsibility to keep all of the foregoing in a good and safe condition and in compliance with all governmental laws, codes, ordinances and regulations, including, but not limited to, those related to the accessibility requirements (collectively, the "Laws"). If the need arises due to Tenant's use of the Leased Premises and/or Tenant's Work (as defined in Article 10) to make or install any improvements or alterations to other portions of the Shopping Center (the "Required Repair"), Landlord may, at Tenant's cost, either require Tenant to make the Required Repair, or elect to make the Required Repair. Tenant shall cooperate with any efforts by Landlord to comply with Laws. Tenant shall maintain a service contract for seasonal maintenance of the HVAC with a licensed HVAC contractor, and, upon request, provide a copy of same to Landlord. All garbage, waste and refuse will be regularly removed by Tenant at Tenant's expense. Should Landlord have (or initiate) a uniform HVAC maintenance program or a trash removal program, Tenant agrees,

at Tenant's expense, to participate in the program(s) and use Landlord's designated contractor, provided its price is competitive with other licensed contractors in the region. Tenant shall, at its cost, remove from the sidewalks and Common Areas any rubbish or debris due to its activities and any snow or ice on the sidewalks adjacent to the Leased Premises. The roof, foundation, exterior of the perimeter demising walls, and load bearing structural columns are not a part of the Leased Premises and will be maintained by Landlord unless the need for the repairs arises out of an act or omission of Tenant, or its subtenants, licensees, employees, contractors, agents and/or anyone else claiming by, through, or under Tenant (the "Tenant Parties") (such as roof penetrations performed by or on behalf of Tenant or any of the Tenant Parties), in which case Landlord may either require Tenant to make the repairs, or elect to make the repairs at Tenant's cost. Landlord reserves the right to place signs or equipment (including utility equipment) and to perform additional construction within such areas. On the Expiration Date, Tenant shall remove its property and fixtures and surrender the Leased Premises in good condition and repair excluding reasonable wear, tear, and damage from casualties which Tenant is not required under this Lease to restore. Any personal property not removed shall be deemed abandoned by Tenant and shall become the property of Landlord. Landlord and its agents may enter the Leased Premises upon not less than twenty-four (24) hours' notice during normal business hours (and in the case of any emergency at any time and without notice) to: (a) make any repairs, alterations, or improvements, including the installation, maintenance, repair, upgrading or removal of pipes, wires and other conduits serving other tenant spaces or other parts of the Shopping Center, (b) permit persons to inspect the Leased Premises, and (c) perform other actions or rights by Landlord under this Lease. In exercising Landlord's rights pursuant to this Article, Landlord shall use reasonable efforts to not materially and adversely interfere with the operations of Tenant's business.

9. **Signs.** Promptly after the Lease Commencement Date, Tenant shall, at its sole cost and expense, install on the exterior windows of the Leased Premises temporary window signage announcing the forthcoming opening of Tenant's business. Prior to opening for business, Tenant must remove the temporary window signage and install an exterior sign on the façade of the Leased Premises. All of Tenant's exterior signage must: (i) conform to applicable Laws and the Shopping Center signage criteria which, if any, is attached to this Lease as Exhibit "C", (the "Sign Criteria") and (ii) be approved by Landlord in writing prior to being installed, which approval shall not be unreasonably withheld, conditioned, or delayed. On or before the Expiration Date Tenant must remove its exterior sign and repair/repaint the areas of the façade where the sign was located. Landlord reserves the right to periodically update or modify the Sign Criteria; if such action requires a change to Tenant's then existing sign(s), Landlord shall pay for such cost to bring the sign(s) in conformance with the new Sign Criteria and require Tenant to install, at its sole cost, new signage conforming to the revised Sign Criteria that must be approved by Landlord prior to installation. If Landlord has a designated sign vendor for the Shopping Center, then Tenant is required to use Landlord's designated sign vendor for the design, manufacture and installation of all exterior signage (provided the vendor rates for services are competitive) and Landlord shall have no obligation to review or approve any sign drawings which have not been prepared by Landlord's designated sign vendor. During the last six (6) months of the Lease Term, Landlord reserves the right to place a "For Lease" sign in the window of the Leased Premises. Landlord has approved the sign drawings attached hereto as Exhibit "C-1", if any, provided the drawings are approved and signed by Landlord. The drawings remain subject to governmental approval.

Tenant shall have the right, at its sole expense, to place a panel on both sides a directional sign as designated by Landlord, provided that Tenant obtains Landlord's approval of its sign design drawings (including the style and format of any lettering or logos thereon) as well as the approval of the City of Corona. The location and size of Tenant's panel shall be designated by Landlord in its sole discretion. In the event, within thirty (30) days after such sign has been constructed, Tenant fails to place a panel on such sign or fails to notify Landlord that it desires to place a panel on such sign, Tenant shall be deemed to have waived its rights to install a panel on such sign. Landlord shall have the right to relocate Tenant's panel to other positions on the sign from time to time. At all times that Tenant's panel is on the sign, Tenant shall be required to: (i) perform all maintenance and repairs to its panel, as and when directed by Landlord during the Lease Term, to keep same in a good, clean condition, and (ii) pay its pro-rata share of all costs and expenses incurred by Landlord in operating, maintaining, repairing, and lighting (if any) the sign as and when billed by Landlord. At the end of the Lease Term or earlier termination of the Lease Tenant shall be required to remove its panel from the sign.

10. **Construction.** Any alterations, remodeling or other improvements Tenant desires to make to the Leased Premises ("Tenant's Work"), shall be performed by Tenant: (i) at its sole cost and expense, (ii) in compliance with all Laws, and (iii) except as provided below, in accordance with Approved Plans (as defined below). Within thirty (30) days of the Effective Date, and before starting any other Tenant's Work or filing for building or other permits, Tenant must submit to Landlord, for its review and approval, plans and specifications for Tenant's Work (the "Plans"). Landlord shall inform Tenant of any objections to the Plans within thirty (30) days after receipt. If Landlord provides objections to the Plans, Tenant shall, within fifteen (15) days of receiving Landlord's objections, deliver to Landlord revised Plans, which Landlord shall accept or reject within the next fifteen (15) days. The term "Approved Plans" refers to the final Plans which have been approved by Landlord. Landlord's review and approval of Tenant's Plans is not an affirmation by Landlord that the Plans (or Tenant's Work) comply with applicable Laws nor does the approval impose any liability on Landlord. Before starting Tenant's Work, Tenant must provide to Landlord: (a) the Contractor Indemnity Agreement (attached as Exhibit "B-1") signed by Tenant's contractor, (b) certificates or other evidence that Tenant and its contractor have the insurance required by this Lease, and (c) permits or other evidence that Tenant has obtained all governmental approvals required for the construction of Tenant's Work. Once

Landlord receives and approves the foregoing, Tenant shall promptly commence and complete Tenant's Work in accordance with the Approved Plans. Tenant shall pay, when due, all charges for labor and materials associated with Tenant's Work. Before opening for business, Tenant must obtain and deliver to Landlord: (1) all governmental permits (including any certificate or occupancy) required for Tenant to use and occupy the Leased Premises (the "Occupancy Permits"), and (2) paid invoices for all Tenant's Work, along with final unconditional lien waivers from all contractors, subcontractors and materialmen who performed any Tenant's Work (the "Invoices and Lien Waivers"). Tenant is required to perform Tenant's Work in a manner that minimizes the disruption of ongoing business and other activities in the Shopping Center and limit its construction and staging areas to the interior of the Leased Premises. Each day, Tenant must remove any debris or materials in the Common Areas caused by Tenant's Work. Persons performing any portion of Tenant's Work are only allowed to park their vehicles in areas designated by Landlord. If Landlord or its representative inspects the Leased Premises and determines that Tenant's Work is not being done in accordance with the Approved Plans, Tenant shall immediately correct the deficiencies or omissions. Notwithstanding the foregoing, following Tenant's initial build-out, Tenant may make interior non-structural alterations (not to exceed Twenty-Five Thousand Dollars ($25,000)) to the Leased Premises which do not (i) affect any mechanical, structural or utility systems located in, or serving, the Leased Premises, or (ii) require a building permit without obtaining Landlord's consent. Tenant shall deliver to Landlord "as-built" plans or drawings of such alterations promptly after the alterations have been completed.

11. **Indemnification of Landlord.** Tenant shall defend, indemnify and hold Landlord (along with the Landlord Insured Parties [as defined below] and any fee owner of the Shopping Center) harmless from all losses, claims, liabilities, injuries, expenses (including reasonable legal fees), lawsuits and damages (i) claimed to have been caused by or resulted from any act, omission or negligence of Tenant or Tenant Parties no matter where occurring, (ii) occurring in the Leased Premises, (iii) for compensation or brokerage fees claimed by any broker or other party in connection with the making of this Lease (except for any broker with whom Landlord has agreed to compensate per separate agreement), (iv) arising out of any liens placed against the Leased Premises or the Shopping Center resulting from Tenant's Work or any act or omission of Tenant or the Tenant Parties (a "Tenant Lien"), (v) arising out of the use, storage or disposal by any of the Tenant Parties of Hazardous Materials (including, any Permitted Hazardous Materials) and (vi) arising out of any breach or default by Tenant. Landlord shall not be liable for any injury or any loss or damage to or interference with any merchandise, equipment, fixtures, or other personal property or the business operations of Tenant or anyone in the Leased Premises occasioned by: (a) the act or omission of persons occupying other premises in the Shopping Center; (b) any defect (latent or otherwise) in any building or the equipment, machinery, or utilities; (c) any breakage or leakage of the roof, walls, floor, pipes, sewerage and/or other equipment; (d) any backing up, seepage or overflow of water or sewage; and/or (e) flood, rain, snowfall or other elements or Acts of God, except to the extent caused by Landlord's negligence or willful misconduct with regard to (b),(c) or (d). Subject to the provisions of Articles 12 and 21(F), Landlord shall indemnify Tenant against any liability, or damage to third parties resulting from personal injury or property damage that occurs in the Common Areas provided such injury or damage does not arise out of any act, omission or negligence of Tenant or anyone claiming under Tenant or its subtenants, concessionaires, employees, contractors or invitees. In no event shall Landlord be liable for loss of business, punitive or consequential damages.

12. **Insurance; Waiver of Subrogation.** Tenant shall maintain: (i) property insurance for all Tenant's personal property and improvements (including, without limitation, any Tenant's Work), (ii) Comprehensive General Liability insurance (including bodily injury and property damage) insuring Tenant and Landlord with minimum coverage of Two Million Dollars ($2,000,000) combined single limit and a liquor liability insurance policy with a limit of liability of not less than $1,000,000 per occurrence and $2,000,000 general aggregate, (iii) umbrella liability insurance with not less than Three Million Dollars ($3,000,000) in coverage covering commercial liability and liquor liability, and (iv) business interruption insurance. During any period Tenant is constructing any Tenant's Work, Tenant (or its contractor) must maintain the following insurance: (a) Comprehensive General Liability insurance including Blanket Contractual Liability with minimum amount of Three Million Dollars ($3,000,000) Combined Single Limit for bodily injury and property damage, (b) Workers Compensation and Occupational Disease insurance with statutory limits and form as required by the state where the Leased Premises is located, and (c) Employer's Liability with a limit of not less than One Million Dollars ($1,000,000) for all damage. Tenant's (and its contractor's) insurance must (1) be primary and not secondary coverages, (2) be issued by an insurance company having an "AM Best Rating" of A-VIII or better, (3) name Landlord, its lender (if any) or any other party designated by Landlord as additional insureds (collectively, the "Landlord Insured Parties"), (4) contain a waiver of any right of recovery by way of subrogation against any Landlord Insured Parties in the event of any loss, (5) provide for a thirty (30) day written notice to the Landlord Insured Parties prior to cancellation or material change of coverage, and, (6) be for a term of not less than one (1) year. Prior to the Lease Commencement Date, and thereafter when each policy is renewed or replaced, Tenant must provide Landlord with certificates or copies of the declaration page evidencing the insurance coverages required by this Lease. Landlord and Tenant hereby release the other for property damage to the extent of the insurance it is required to carry under this Lease. Landlord and Tenant hereby release the other and all other persons claiming by, through or under it by way of subrogation from any and all liability for loss or damage to property to the extent covered by insurance policies which are required by this Lease and/or maintained by the party suffering the loss, even if such loss or damage is caused by the fault or negligence of the other or of any persons claiming by, through or under the other. Tenant and Landlord will cause their respective insurance companies to endorse their respective insurance policies to permit a waiver of subrogation.

13. **Destruction of Leased Premises; Eminent Domain.** If due to a fire, casualty, or eminent domain either: (i) the Leased Premises, or (ii) a substantial portion of the Shopping Center is materially damaged and/or rendered untenantable then Landlord shall have the option, within ninety (90) days after the date of casualty or notice of the eminent domain, on written notice to Tenant, to terminate the Lease, in which case the Lease shall end on the date specified in Landlord's notice. If the Lease is not terminated by Landlord, then Tenant shall, immediately on notice from Landlord, remove its fixtures, other property and debris as required by Landlord, and then Landlord shall rebuild the Leased Premises to the condition existing when the Leased Premises was originally delivered to Tenant; and on completion thereof, Tenant shall restore Tenant's property and promptly reopen for business. There will be a fair and equitable abatement of Rent during the period Tenant is unable to use the Leased Premises subject to any recovery Tenant is able to obtain from its own insurance carriers any Rent payment made during the period Tenant is unable to use the Leased Premises. With respect to any damage which Landlord is obligated to repair or elects to repair, Tenant, as a material inducement to Landlord entering into this Lease, irrevocably waives and releases its rights under the provisions of Sections 1932 and 1933 of the California Civil Code. If after the restoration of the Leased Premises, the Floor Area is more or less than the Floor Area stated in this Lease, future Rent will be equitably adjusted to reflect the new size of the Leased Premises. If the Lease is terminated as a result of eminent domain, Tenant: (a) shall not be entitled to any part of Landlord's award or damages, but (b) may assert its own claim for damages from the condemning authority as long as it does not reduce Landlord's award or damages. Tenant hereby waives any and all rights that it may otherwise have pursuant to Section 1265.010 of the California Code of Civil Procedure. In the event the structure of the Leased Premises is substantially damaged as a result of fire or other casualty, to the extent that Tenant cannot reasonably operate its business, and the casualty did not arise out of any act or omission of Tenant, and Tenant desires to know Landlord's estimate of the time it will take to complete the repairs, Tenant shall, within sixty (60) days after the date of casualty, give Landlord written notice specifically citing this Article and requesting that Landlord give an estimate of the time it will take to complete the repairs. Landlord shall respond to Tenant within thirty (30) days after its receipt of Tenant's notice. In the event Landlord reasonably estimates that it will take more than one (1) year (from the date of the casualty) to complete the repairs, then Tenant shall have the right to terminate this Lease by giving ten (10) days written notice to Landlord within ten (10) days after receiving Landlord's response.

14. **Tenant Default; Attorney's Fees; Mitigation.** A "Tenant Default" shall be deemed to have occurred when Tenant fails to: (i) make any Rent payment (or other payment required by this Lease) within five (5) days after the date the payment was originally due, (ii) remove, bond or discharge any Tenant Lien within ten (10) days after written notice of such Tenant Lien (failing which, in addition to all other rights and remedies hereunder, Landlord may bond or otherwise remove the Tenant Lien and collect all expenses incurred from Tenant as Additional Rent), (iii) Tenant fails to timely execute and deliver any instruments or certificates required under Articles 12, 15 or 18, it being understood and agreed that no additional notice or grace period shall be required for such failure to constitute a Tenant Default, or (iv) perform or observe any other obligation of Tenant under this Lease within thirty (30) days after receipt of written notice from Landlord. Upon the happening of a Tenant Default, Landlord shall have all rights and remedies available at law or equity provided by Section 1951.4 of the California Civil Code, and including without limitation:

(1) enter the Leased Premises and dispossess Tenant and all other occupants and their property by legal proceedings or use of reasonable force (if pursuant to law, court order, judgment or decree), and Tenant hereby waives any claim it might have for trespass or conversion or other damages if Landlord exercises such remedies in accordance with applicable law, court order, judgment or decree, and Tenant hereby waives redemption or relief from forfeiture under California Code of Civil Procedure Sections 1174 and 1179, or under any other pertinent present or future law, in the event Tenant is evicted or Landlord takes possession of the Leased Premises by reason of any Tenant Default; or

(2) perform such duty or obligation on Tenant's behalf including, but not limited to, the obtaining of reasonably required bonds, insurance policies, or governmental licenses, permits or approvals (the costs and expenses incurred by Landlord to perform or cure the foregoing on behalf of Tenant will be considered Additional Rent which Tenant will be obligated to pay to Landlord upon demand), or

(3) terminate Tenant's right to possession of the Leased Premises by any lawful means, in which case this Lease and the Lease Term hereof shall terminate and Tenant shall immediately surrender possession of the Leased Premises to Landlord. In such event, Landlord shall be entitled to recover from Tenant, in addition to Landlord's other remedies, all damages allowed under Section 1951.2 of the California Civil Code, including without limitation: (i) the worth at the time of award of any unpaid Rent which has been earned at the time of such termination; plus (ii) the worth at the time of the award of the amount by which any unpaid Rent which would have been earned after termination until the time of the award exceeds the amount of such rental loss that Tenant proves could have been reasonably avoided; plus (iii) the worth at the time of award of the amount by which any unpaid Rent for the balance of the Term after the time of award exceeds the amount of such rental loss that Tenant proves could be reasonably avoided; plus (iv) any other amount necessary to compensate Landlord for all the detriment proximately caused by Tenant's failure to perform its obligations under this Lease or which in the ordinary course of things would be likely to result therefrom, including, without limitation, the cost of repairing the Leased Premises and reasonable attorneys' fees and the portion of any leasing commission paid by landlord in connection with this Lease applicable to the unexpired term of this Lease; plus (v) at Landlord's election, such other amounts in addition to, or in lieu of the foregoing as may be permitted from time to time by applicable California law. Damages shall be due and payable from the

date of termination. The worth at the time of award of the amount referred to in provisions (i) and (ii) of above shall be computed by adding interest computed at the Default Interest Rate. For purposes of clause (iii) above, the "worth at the time of award" shall be computed by discounting such amount at the discount rate of the Federal Reserve Bank of San Francisco or the Federal Reserve Bank District in which the Leased Premises are located at the time of award plus one percent (1%); or

(4) not terminate Tenant's right to possession because of the Tenant Default, but continue this Lease in full force and effect; and in that event: (i) Landlord may enforce all rights and remedies under this Lease, including the right to recover Rent and all other charges due hereunder as Rent and such other charges as shall become due pursuant to California Civil Code Section 1951.4; and (ii) Tenant may assign its interest in this Lease with Landlord's prior written consent, which consent shall not be unreasonably withheld, in accordance with the provisions of this Lease; or

(5) without terminating this Lease and Tenant's right to possession of the Leased Premises, to reenter the Leased Premises and occupy the whole or any part thereof for and on account of Tenant and to collect any unpaid Rent which may be or become payable, or which may thereafter become payable, and to relet the Leased Premises or any part thereof for such term or terms (which may be for a term extending beyond the Lease Term) at such rental or rentals and upon such other terms and conditions as Landlord in its sole discretion may deem advisable (Landlord being under no obligation to do so); provided that even though Landlord may have reentered the Leased Premises, Landlord may at any time thereafter elect to terminate this Lease and Tenant's right to possession of the Leased Premises, it being further agreed that should Landlord reenter the Leased Premises, Landlord shall not be deemed to have terminated this Lease or have accepted a surrender thereof by any such reentry, unless Landlord notifies Tenant in writing that it has so elected to terminate this Lease and Tenant's right to possession.

Upon a Tenant Default, Tenant shall also be liable for and shall pay to Landlord, in addition to any sum provided to be paid above: (i) costs and expenses incurred by Landlord to obtain possession of the Leased Premises; (ii) broker's fees incurred by Landlord in connection with reletting the whole or any part of the Leased Premises; (iii) the costs of removing, storing and/or disposing of Tenant's or other occupant's property; (iv) the amount of all damages suffered by Landlord as a result of the Tenant Default prior to termination or recovery of the Leased Premises as the case may be; (v) the cost of making repairs and replacements required to be made by Tenant hereunder, and of performing all covenants of Tenant relating to the condition of the Premises; (vi) the cost of repairing, altering, remodeling or otherwise putting the Leased Premises into condition acceptable to a new tenant or tenants; (vii) the unamortized amount of any so-called "tenant allowance", "construction allowance", "free-rent" or other economic concessions by Landlord to Tenant as an inducement, in full or in part, to enter into this Lease (any such amounts being amortized evenly over the initial term of this Lease), and (viii) all reasonable expenses incurred by Landlord in enforcing or defending Landlord's rights and/or remedies at law, equity or hereunder, including reasonable attorneys'; fees (which shall not be less than fifteen percent (15%) of all sums then owing by Tenant to Landlord) and litigation and court costs).

The Remaining Rent may be recovered monthly or Landlord may elect (if allowed by Laws) to accelerate the Remaining Rent (for loss of a bargain and not as a penalty). In any litigation concerning this Lease, the non-prevailing party must pay the reasonable attorneys' fees, court costs and other expenses incurred by the prevailing party. Tenant may interpose any mandatory or compulsory counterclaims that, by operation of law, would be lost if not brought in Landlord's action. If required by Laws, Landlord will make reasonable efforts to mitigate its damages, but, Landlord is not obligated to lease the Leased Premises at below market rent or to a tenant Landlord, in its sole judgment, deems undesirable, nor is Landlord required to relet the Leased Premises before other stores Landlord may have available for lease. The costs of any reletting are part of the damages Landlord may recover upon a Tenant Default. **TO THE EXTENT ALLOWED BY LAWS, LANDLORD AND TENANT WAIVE TRIAL BY JURY IN ANY ACTION.**

15. **Subordination; Quiet Enjoyment.** This Lease is subject and subordinate to all matters of record which now or hereafter encumber the Shopping Center and/or Landlord's interests in the Shopping Center (the "Encumbrances"). This clause shall be self-operative and no further instrument of subordination shall be required, but if requested by Landlord, Tenant will execute instruments acknowledging the subordination. If Landlord transfers (by sale or foreclosure [or deed in lieu], or by virtue of termination of any underlying lease) its interest in this Lease or the Shopping Center, Tenant shall, if requested, attorn to such transferee and execute instruments acknowledging the attornment. Subject to the Encumbrances and the terms of this Lease, Landlord covenants that, absent a Tenant Default, Tenant's peaceful and quiet enjoyment of the Leased Premises shall not be disturbed by Landlord or anyone properly claiming through Landlord.

16. **Assignment and Subletting.** Tenant shall not, directly or indirectly, without the prior consent of Landlord, which : (i) assign this Lease, (ii) sublet all or a part of the Leased Premises, (iii) pledge, mortgage or hypothecate this Lease or any interest herein, or (iv) if Tenant is a business entity permit the sale or transfer of any ownership interest in Tenant which results in a change of control or management of Tenant ("Transfer"). Tenant expressly agrees to this prohibition of assignment and subletting and recognizes that Landlord has entered into this Lease with Tenant for the purpose of obtaining for the Shopping Center the unique attraction of Tenant's business and the Permitted use and product line associated with Tenant's business. As a result, Tenant acknowledges that the restrictions on Transfer described in this Lease are reasonable for all purposes, including, without limitation, the provisions of California Civil Code Section

1951.4(b)(2). Moreover, if Tenant requests Landlord's consent to an assignment of the Lease to a new occupant who would use the Leased Premises for the Permitted Use, and Tenant is not in monetary or other material default under the Lease at that time, Landlord shall not unreasonably withhold its consent to such an assignment. Before engaging in any Transfer, Tenant must provide Landlord with thirty (30) days prior written notice of the proposed Transfer together with all of the documents and information related to the Transfer, including the experience and financial capabilities (including financial statements) of the parties to the Transfer (the "Proposed Transferee") in a form and content reasonably acceptable to Landlord. Landlord may request additional information and will charge Tenant a fee to compensate Landlord for the costs in reviewing the Transfer request, which is currently Two Thousand Five Hundred Dollars ($2,500) per request. In any assignment, the assignee must assume this Lease in writing on Landlord's form. Unless Landlord provides written notice that it approves the Transfer request, within thirty (30) days after its receipt of all the information required by this Article, Landlord will be deemed to have denied its consent to the Transfer. Consent by Landlord to one or more Transfers shall not: (i) operate as a waiver of Landlord's rights as to any subsequent Transfers, or (ii)release the tenant engaged in the Transfer (or its Guarantor) from any obligations, liabilities or covenants under this Lease (or the Guarantor's guaranty).

Among other considerations, Landlord shall have the right to withhold consent to a Transfer if the amounts received by Landlord pursuant to this Lease would fail to qualify as "rents from real property" within the meaning of Section 856(d) of the Internal Revenue Code of 1986, as amended (the "Code"), or any similar or successor provision thereto or which would cause any other income of Landlord to fail to qualify as income described in Section 856(c) (2) of the Code. It is further agreed that Landlord shall be deemed to have reasonably withheld its consent to a Transfer in the event that:

(1) A Tenant Default exists and the Tenant Default has not been cured as and when required by this Lease or concurrently, with the closing of the Transfer; or

(2) Landlord determines the Proposed Transferee does not have a tangible net worth greater than or equal to that of Tenant as of (i) the date of this Lease, or (ii) the date of the closing of the proposed Transfer, whichever is greater; or

(3) Landlord determines that the Proposed Transferee has failed to demonstrate to Landlord that the Proposed Transferee (i) possesses a minimum of five (5) years of management experience in the retail sales engaged in the Permitted Use or (ii) has experienced profits during each of the most recent three (3) years of this activity; and/or (iii) a good national reputation in the retail sales industry that is at least as good as that of Tenant; or

(4) The Proposed Transferee requests Landlord to consent to any change in the Permitted Use or to any term or provision of this Lease; or

(5) The Proposed Transferee or its principals (i) is an occupant of space in the Shopping Center, or (ii) is negotiating with Landlord or its affiliates for comparable space during the six (6) months prior to the Transfer; or (iii) is either a governmental agency or instrumentality thereof; or

(6) If the Transfer is an assignment of this Lease, the Proposed Transferee fails to assume in writing, in a document provided Landlord, all of the obligations of Tenant under this Lease; and/or

(7) If the Transfer is a sublease, the sublease fails to expressly provides that it is subject to the provisions of this Lease and that in the event that this Lease is terminated for any reason, the subtenant will promptly surrender possession of the Premises in accordance with the provisions of this Lease unless, Landlord has provided written notice to the subtenant that Landlord has elected to keep the sublease in full force and effect in which situation the sublease shall become a direct lease by and between Landlord and subtenant for the balance of its term. However, Landlord will have no obligation with respect to (i) any amendments or modifications made to the sublease without the prior consent of Landlord; (ii) the payment of any allowances or other financial concessions or inducements which the subtenant was entitled to under the sublease; or (iii) any claim, counterclaim, defense or liability arising under the sublease prior to the date that Landlord has elected to recognize the sublease as a direct lease between subtenant and Landlord.

Notwithstanding any Transfer, unless specifically approved by Landlord, the Leased Premises shall continue to be used only for the Permitted Use. It will not be considered unreasonable if Landlord, as a condition to its consent to a Transfer, requires the Proposed Transferee to provide to Landlord adequate assurance (in Landlord's reasonable opinion) of the financial ability of the Proposed Transferee to perform the obligations of Tenant under the Lease, which may include, but are not limited to, Landlord requiring a guaranty by an individual or entity acceptable to Landlord or by Proposed Transferee depositing with Landlord additional sums that will be added to the Security Deposit at the time of the Transfer.

Moreover, in the event that the Proposed Transferee requests that Landlord, as a condition to the Transfer, approves a change in the Permitted Use of the Leased Premises to another lawful retail use, it is agreed that Landlord may, in determining whether to grant its consent to the change in use, consider any reasonable factor. It is further agreed that Landlord shall be deemed to have reasonably withheld its consent in the event that, the proposed change in use would (i) violate any exclusive or other agreement affecting the Shopping Center to which Landlord is a party or is bound; (ii) be duplicative of a current use in the Shopping Center or would not assist in achieving Landlord's reasonable goal that the Shopping Center contain a diversified mix

of retail tenants which offers to the public a variety of goods and services; (iii) violate any applicable law; (iv) the use would involve the generation, storage, use, treatment, or disposal of Hazardous Materials; or (v) not be consistent with the character and nature of other uses at the Shopping Center.

If Tenant contends that Landlord has acted unreasonably or has breached its obligations under this Lease by wrongfully conditioning, withholding or delaying its consent to a proposed Transfer, Tenant's sole and exclusive remedy in connection therewith shall be equitable or injunctive relief to enforce the terms of this Lease. Landlord shall be liable to Tenant for any monetary or consequential damages resulting from Landlord's act or failure to act in connection with any proposed Transfer, and no such act or failure to act shall constitute a constructive eviction of Tenant or permit Tenant to terminate this Lease. Furthermore, Tenant shall not be entitled (and Tenant hereby waives any right Tenant may have under Section 1995.310 of the California Civil Code, or any similar or successor Laws, now or hereinafter in effect to the maximum extent permitted by Law) to receive any consequential, special or indirect damages based upon a claim that Landlord unreasonably withheld its consent to a proposed Transfer. Instead, any such claim of Tenant shall be limited to the foreseeable, direct and actual damages incurred by Tenant. Tenant hereby waives any right Tenant may have under Section 1995.310 of the California Civil Code, or any similar or successor Laws, now or hereinafter in effect, or any right at law or equity, to terminate this Lease based upon a claim that Landlord unreasonably withheld its consent to a proposed Transfer.

17. **Relocation.** Landlord may, at any time, require Tenant to relocate from the Leased Premises (the "Present Premises") into other comparable space in the Shopping Center (the "New Premises") located within the Permissible Relocation Area as shown on Exhibit "A" attached hereto. Tenant will move its business operations, inventory, fixtures, equipment and signs to the New Premises within sixty (60) days after notice from Landlord. Landlord shall deliver the New Premises to Tenant in the same condition that Landlord delivered the Leased Premises. Landlord shall reimburse Tenant for the reasonable and actual costs incurred by Tenant in connection with moving Tenant's furniture, equipment, supplies and other personal property to the New Premises within thirty (30) days after Tenant has: (i) relocated to the New Premises, (ii) reopened for the Permitted Use in the New Premises, and (iii) provided Landlord copies of the paid invoices for the costs. The New Premises will become the Leased Premises for purposes of this Lease and the provisions of this Lease shall apply to the New Premises from and after the date Tenant is required to move. Notwithstanding the foregoing, in the event that, in Tenant's reasonable opinion, the space to which Landlord intends to relocate Tenant is not comparable to the Present Premises, then Tenant shall have the right, as its sole and exclusive remedy, to terminate the Lease on sixty (60) days prior written notice to Landlord within thirty (30) days after the date Tenant receives notice from Landlord that it must relocate. If Tenant does not provide this notice timely, then Tenant shall be required to relocate in accordance with Landlord's notice. In the event Tenant elects to terminate the Lease pursuant to this Article, Landlord shall have the option, within thirty (30) days of receipt of Tenant's notice to terminate, to rescind its request to relocate. If Landlord rescinds this request, Tenant's notice to terminate shall be deemed a nullity and the Lease shall continue in full force and effect. If Landlord does not rescind its request to relocate within thirty (30) days of receipt of Tenant's notice to terminate, the Lease shall terminate on the sixtieth (60th) day after Landlord's receipt of Tenant's notice of termination referred to above.

18. **Estoppel Certificates.** Upon ten (10) business days written notice, Tenant and Landlord shall deliver to the requesting party a signed and acknowledged written statement addressed to Landlord or Tenant, as applicable (or such other parties as the requesting party may designate), on the requesting party's form (or such other commercially reasonable form), certifying: (i) the date of this Lease, (ii) that this Lease is in full force and effect and unmodified (except as stated), (iii) the monthly Base Rent and Additional Rent payable during the Lease Term and the date to which the Rent has been paid, (iv) whether the requesting party is in default, or if there are any offsets, defenses, or counterclaims against the requesting party, and (v) any additional reasonably requested information.

19. **OFAC.** Tenant and Landlord represent and warrant to each other that neither the representing party, nor any of its subsidiaries, directors, officers, or employees, nor, to the knowledge of such representing party, any agent or affiliate or representative of such party: (i) is the target of any sanctions administered or enforced by the U.S. Government (including, without limitation, the Office of Foreign Assets Control of the U.S. Department of the Treasury or the U.S. Department of State and including, without limitation, the designation as a "specially designated national" or "blocked person" (collectively, "Sanctions")), (ii) is engaged in activities in violation of Sanctions; or (iii) has been convicted, pleaded nolo contendere, indicted, arraigned or detained on charges involving money laundering or predicate crimes to money laundering. In the event any of the representations in this Article are determined to be false now or at any time during the Lease Term, Tenant shall be deemed to have committed an incurable default, entitling Landlord, in addition to all other remedies at law or in equity, to immediately terminate this Lease on written notice to Tenant.

20. **Shopping Center Redevelopment.** Landlord reserves the right (but is not obligated) to redevelop all or any part of the Shopping Center and/or renovate the facade of the building housing the Leased Premises (the "Redevelopment"). If Landlord proceeds with a Redevelopment, the configuration of the Shopping Center (including its buildings and Common Areas) shown on the Site Plan may be modified due to changes in the number, dimensions, and/or locations of buildings, parking areas, drives, exits, entrances, walks and other Common Areas of the Shopping Center. Landlord's Redevelopment activities and work may disrupt the normal business activities of the Shopping Center. If a Redevelopment affects the façade of the building in which the Leased Premises is located, upon Landlord's request, Tenant shall remove its exterior signage and

fabricate and install, at Landlord's cost, a temporary sign or banner as directed by Landlord and reasonably satisfactory to Tenant. At Landlord's request, Tenant will remove the temporary signage and reinstall its permanent signage permitted by this Lease. In exercising Landlord's rights pursuant to this Article, Landlord shall act reasonably in an effort to not materially and adversely interfere with the operations of Tenant's business, including access to the Leased Premises from the Common Areas.

21. **Miscellaneous Provisions.**

A. The Lease contains the entire agreement between the parties and can only be modified by a document signed by both Landlord and Tenant. All prior discussions, communications or statements (whether written or oral) between Landlord and Tenant concerning the transactions in this Lease have been superseded by this Lease.

B. The Lease may be signed in counterparts or by email, or other electronic methods acceptable to the parties. If Tenant is more than one individual or legal entity, they are all jointly and severally liable. This Lease (or any memorandum) may not be recorded in any public records.

C. Tenant represents that: (i) other than the Broker, it has not dealt with any broker or other person entitled to compensation in connection with this Lease, and (ii) the person signing this Lease as, or on behalf of, Tenant is duly authorized to execute this Lease on behalf of Tenant. In addition, Tenant hereby represents to Landlord that, as of the Effective Date and throughout the Lease Term (as the same be extended), it is not (i) an "employee benefit plan" as defined in Section 3(3) of the Employee Retirement Income Security Act of 1974, as amended ("ERISA"), that is subject to Title I of ERISA, (ii) a "plan" as defined in Section 4975(e)(1) of the Internal Revenue Code of 1986, as amended (the "Code"), that is subject to Section 4975 of the Code, or (iii) an entity deemed to hold "plan assets" of any such employee benefit plan or plan. In addition, Tenant represents, warrants and covenants to Landlord that it is not a "governmental plan" as defined in Section 3(32) of ERISA and is not subject to State statutes regulating investments of and fiduciary obligations with respect to government plans which would be violated by the transactions contemplated by this Lease.

D. Any Rent not paid when due shall bear interest at fifteen percent (15%) per annum from the date such amount was originally due until paid. In addition, Tenant shall pay Landlord a Fifty Dollar ($50) late charge for each such late payment. No payment by Tenant or acceptance by Landlord of a lesser amount of Rent due from Tenant shall be deemed payment on account, and Tenant's payment of a lesser amount with a statement that the lesser amount is payment in full shall not be deemed an accord and satisfaction. Landlord's waiver of events that would be a Tenant Default, or the acceptance by Landlord of a partial, late or less than full payment or performance by Tenant of its obligations under this Lease is not a waiver by Landlord of any of the provisions of this Lease. Any waiver by Landlord: (i) must be in writing; (ii) is limited to the scope and duration specified in the waiver; and (iii) is only valid if signed by Landlord. If any person other than Tenant shall pay Rent, the acceptance by Landlord of a payment from any person other than Tenant is not a waiver by Landlord of any provision of this Lease nor creates any relationship between the payor and Landlord. Landlord shall have the sole right to designate the manner in which Rent payments received from Tenant are applied to Tenant's Rent account. This Lease shall be construed in accordance with and governed by the laws of the jurisdiction where the Shopping Center is located, without giving effect to any conflict of laws provision thereof. If a court determines any provision of this Lease (other than Tenant's obligation to pay Rent) is invalid, the remainder of this Lease shall not be affected.

E. Any occupancy of the Leased Premises by Tenant (or anyone claiming by, through, or under Tenant) after the Expiration Date shall be as a tenant at sufferance on the same terms and provisions of this Lease, but during such period the Base Rent will be double the Base Rent due on the day before the Expiration Date.

F. The liability of Landlord under this Lease is limited solely to its interest in the Shopping Center. No other assets of Landlord are subject to any claim of Tenant. This Lease is binding upon the permitted heirs, assigns and successors in interest to the parties. "Tenant" includes the persons named expressly as Tenant and its permitted transferees, successors and assigns. "Landlord" means only the then-owner of the lessor's interest in this Lease, and in the event of a transfer by Landlord of its interest in this Lease and the assumption of this Lease by the transferee, the transferor shall be automatically released from all liability and obligations as Landlord subsequent to the transfer.

G. Landlord and Tenant will each be excused from performing any obligation hereunder for such period of time it is delayed from doing so by an Act of God, inclement weather, war, civil commotion, casualty, terrorism, labor difficulties, government regulations, delays in obtaining governmental permits and approvals, including delays resulting from third party appeals, or other causes beyond its reasonable control. Nothing in this Lease shall excuse or permit delay of the time for Tenant to pay Rent or other money or to obtain and maintain insurance policies.

H. If Landlord is unable to deliver the Leased Premises by the end of one (1) year after Landlord's execution of this Lease, then either party may terminate this Lease by giving thirty (30) days written notice to the other at any time thereafter and prior to tender.

I. Notices must be in writing and sent by certified mail return receipt requested, or by a nationally recognized overnight courier service to Tenant or Landlord at the addresses set forth above. Notices shall be effective on

the earlier of: (i) the date received, or (ii) the date delivery refused. Notices given by Landlord may be given by Landlord, its agent or attorney in any manner permitted by applicable law.

J. The parties hereby each agree that its authorized signatories may receive and review this Lease via electronic record and may sign this Lease via electronic digital signature (i.e., DocuSign or similar electronic signature technology), and the parties may rely on such electronic digital signatures as if they are original signatures by each party or duly authorized representatives of each party.

22. **California Certified Access Specialist Inspection.**

Pursuant to the requirements of California Civil Code Section 1938, Landlord hereby notifies Tenant that the Leased Premises has not been inspected by a California Certified Access Specialist (a "CASp"). As required by California Civil Code Section 1938(e), Tenant is hereby notified that:

"A Certified Access Specialist (CASp) can inspect the subject premises and determine whether the subject premises comply with all of the applicable construction-related accessibility standards under state law. Although state law does not require a CASp inspection of the subject premises, the commercial property owner or lessor may not prohibit the lessee or tenant from obtaining a CASp inspection of the subject premises for the occupancy or potential occupancy of the lessee or tenant, if requested by the lessee or tenant. The parties shall mutually agree on the arrangements for the time and manner of the CASp inspection, the payment of the fee for the CASp inspection, and the cost of making any repairs necessary to correct violations of construction-related accessibility standards within the premises."

Should Tenant elect to have the Leased Premises inspected by a CASp (the "Inspection"), the Inspection will be at Tenant's sole cost and expense, limited to the Leased Premises and must be performed by a CASp who has been approved or designated by Landlord prior to the Inspection or by a CASp. Any Inspection must be performed in a manner which minimizes the disruption of business activities in the Shopping Center and at a time mutually convenient to Landlord and Tenant. Landlord reserves the right to be present during the Inspection. Tenant agrees to: (i) promptly provide to Landlord a copy of the report or certification prepared by the CASp (the "Report"), (ii) keep the information contained in the Report confidential, except to the extent required by law or to the extent disclosure is needed in order to complete any necessary modifications or improvements required to comply with all applicable accessibility standards under state or federal law as well as any other improvements or alterations required by the Report or that may be otherwise required to comply with applicable Laws or accessibility requirements (the "Access Improvements"). In the event there is a need to perform Access Improvements, Tenant agrees that it will promptly complete all of the Access Improvements, at its sole cost and expense, as part of Tenant's Work or alterations to the Leased Premises, in accordance with Plans approved by Landlord pursuant to this Lease. This Section only applies to the Access Improvements and does not in any way amend or modify any other repair, maintenance, compliance with Law or other obligation of Landlord or Tenant under this Lease. Tenant shall, upon five (5) days prior Notice, to provide to Landlord, at Tenant's sole cost and expense, a current CASp Report, prepared by a CASp approved or designated by Landlord, that evidences Tenant's compliance with its obligations under this Section.

23. **Options to Extend Lease.** (A) Provided Tenant is not in default of the Lease and has faithfully performed the terms or conditions of the Lease and Tenant is in actual physical possession of all of the Leased Premises (and operating and open for business as contemplated by this Lease, in all of the Leased Premises), Tenant shall have the right to extend the term of this Lease set forth in Article 1 (the "Original Term") for two consecutive additional periods of five years each (the "First Additional Term" and the "Second Additional Term", as may sometimes be referred to herein collectively as the "Additional Terms"). In order to exercise an option, Tenant must deliver to Landlord written notice at least one (1) year prior to the expiration of the then current Term, of its election to exercise its option, TIME BEING OF THE ESSENCE with respect to such notice. Such notice of election to extend the term of the Lease shall be irrevocable. Except as specifically set forth herein, the Additional Terms shall be upon all of the terms and conditions of the Lease except that any articles which were intended to be one time, initial provisions or concessions (such as free Rent, Landlord Work, or a Tenant improvement allowance) shall be deemed to have been satisfied and shall not apply to the Additional Terms. Also, there shall be no option to extend the term of the Lease beyond the Second Additional Term. The exercise of the option for the First Additional Term is a condition precedent to the exercise of the option for the Second Additional Term. The renewal options set forth in this Article are exclusively for the benefit of GLOBAL CC GROUP, INC. and shall not be available to any successor, assignee, subtenant or transferee of GLOBAL CC GROUP, INC.'s. In the event of any assignment, subletting, or other transfer of GLOBAL CC GROUP, INC.'s interest in this Lease or the Leased Premises, this Article shall be deemed deleted from the Lease.

(B) Option Base Rent - First Additional Term. In the event Tenant exercises its option to extend the Lease Term for the First Additional Term as provided above, the Base Rent during each Lease Year of the First Additional Term shall be as set forth in Article 1(H)(i).

(B-1) Option Base Rent – Second Additional Term. In the event Tenant exercises its option to extend the Term of the Lease as provided above, the annual Base Rent for the first Lease Year of the Second Additional Term (the "Adjustment Year") shall be the then fair market rental ("Market Rate") applicable to

the Leased Premises. On the commencement date of each Lease Year after the expiration of the Adjustment Year, the Base Rent for the forthcoming Lease Year will be an amount equal to the Base Rent for the immediately preceding Lease Year plus the Adjustment Factor, and the Gross Sales Base shall be an amount equal to the annual Base Rent divided by the Percentage Rent Rate. Each adjustment required by this subparagraph shall be automatic and effective as of the first day of the Lease Year in question.

(C) Determination of Market Rate. For purposes hereof the term "Market Rate" shall mean the annual amount per rentable square foot that comparable landlords of comparable shopping centers in the vicinity of the Shopping Center have accepted in Comparable Transactions. "Comparable Transactions" refers to shopping center leases executed within a twelve (12) month period prior to the commencement of the Adjustment Year that meet the following criteria (i) the tenant in question (the "Comparable Tenant") must have comparable financial strength and business experience as the Tenant; (ii) the premises demised to the Comparable Tenant must be (1) located within a shopping center of age size and quality substantially the same as the Shopping Center and (2) similar in size to the Leased Premises, and (iii) the term of the lease must be no less than the unexpired Additional Term(s). The intent is that Landlord will obtain the same rent and other economic benefits that Landlord would otherwise make and receive in Comparable Transactions.

Landlord shall determine the Market Rate by using its good faith judgment and its experience in the marketplace. Landlord shall provide written notice of such amount within thirty (30) days after the date Landlord has received Tenant's Option Notice. Tenant shall have thirty (30) days ("Tenant's Review Period") after receipt of Landlord's notice of the new rental within which to provide Landlord with written notice either (i) accepting the Landlord's determination (the "Acceptance Notice") or (ii) objecting to the Landlord's determination (the "Objection Notice") and concurrently with the notice submitting to Landlord a report (the "Tenant's Report") prepared by a Qualified Broker (as hereinafter defined) selected by Tenant (the "Tenant's Broker") setting forth its determination of the Market Rate (the "Tenant's Market Rate") along with the Comparable Transactions used to determine the Tenant's Market Rate. The failure of Tenant to provide the Objection Notice or Tenant Report prior to the expiration of the Tenant's Review Period shall conclusively be deemed its approval of the Market Rate determined by Landlord.

Provided Tenant has submitted the Objection Notice and Tenant's Report to Landlord prior to the expiration of the Tenant's Review Period, then Landlord and Tenant shall attempt to agree upon such Market Rate using their best good faith efforts. If Landlord and Tenant fail to reach agreement within thirty (30) days following Landlord's receipt of the Objection Notice and Tenant's Report ("Outside Agreement Date"), then Tenant's Broker and Landlord shall each appoint a Qualified Broker within twenty (20) days thereafter. Once appointed, the two Brokers will have five (5) business days after the date both Brokers have been selected, to notify Landlord and Tenant in writing that either: (i) they have jointly determined which of the Landlord's Market Rate or Tenant's Market Rate is most reflective of Market Rate, or (ii) they have not been able to reach the foregoing determination, and as a result, have jointly selected a third Qualified Broker (the "Third Arbitrator"). The Third Arbitrator shall, within five (5) days of his or her appointment, notify Landlord and Tenant, in writing, as to whether the Landlord's or Tenant's submitted Market Rate is in the Third Arbitrator's determination most reflective of the Market Rate. The decision of the Third Arbitrator shall be binding upon Landlord and Tenant. The decision of the Brokers and Third Arbitrator is limited solely to a determination as to whether the Landlord's or Tenant's submitted Market Rate is in their respective determination most reflective of the Market Rate; they are not permitted to average or arrive at some other compromise determination. Any fees charged by a Broker for participating in the determination of Market Rate, shall be borne by the party appointing the Broker; however, if a Third Arbitrator is selected, the costs charged by the Third Arbitrator shall be paid by Landlord and Tenant equally. For purposes of this Section, a "Qualified Broker" refers to commercial real estate broker or appraiser who over a five (5) year period prior to its appointment has been active in the leasing of Comparable Transactions in the vicinity of the Shopping Center. The Tenant's Broker or any person employed with the Tenant's Broker may not act as the Third Arbitrator.

24. **Tenant Improvement Allowance.**

A. In consideration of Tenant's initial construction of Tenant's Work in accordance with the Approved Plans, Landlord agrees to provide Tenant with a one-time allowance equal to the lesser of (i) the actual cost of Tenant's Work, or (ii) the sum of Thirty Eight Thousand Five Hundred Dollars ($38,500.00) (the "Tenant Improvement Allowance"). The Tenant Improvement Allowance may only be used to reimburse Tenant for the actual costs incurred by Tenant in constructing Tenant's Work (which costs may include reasonable costs incurred for architect's, engineering, or permitting fees associated with Tenant's Work, but specifically excludes costs incurred for Tenant's personal property, furniture, trade fixtures, equipment, inventory, and signs). If the cost of Tenant's Work exceeds the Tenant Improvement Allowance, such excess amount shall be borne solely by Tenant. Landlord will have no obligation to provide Tenant the Tenant Improvement Allowance during a Tenant Default, and until Tenant has satisfied the following conditions (the "Disbursement Conditions"):

(i) Completed Tenant's Work in accordance with the Approved Plans and installed Tenant's signage, approved by Landlord, on the exterior façade of the Leased Premises;
(ii) Opened the Leased Premises for business to the public for the Permitted Use;
(iii) Supplied to Landlord's property manager a written request accompanied with all of the following: (a) the Occupancy Permit (see Article 10 of the Lease); (b) the Invoices and Lien

Waivers (see Article 10 of the Lease); (c) final as-built plans for Tenant's Work; and (d) a signed W-9 for the Tenant.

If the Disbursement Conditions are not satisfied within one hundred and eighty (180) days after the Rent Commencement Date, Tenant will forfeit any right to the Tenant Improvement Allowance. In addition, Landlord will not be obligated disburse the Tenant Improvement Allowance while there is a Tenant Default.

B. Landlord and Tenant acknowledge and agree that all alterations, improvements, repairs or installations made by Tenant to or upon the Leased Premises which are funded by the Tenant Improvement Allowance, or the costs of which are reimbursed to Tenant by the Tenant Improvement Allowance, are and shall always remain the property of Landlord. It is expressly agreed and acknowledged that the payment of the Tenant Improvement Allowance is subject in all respects to satisfaction of certain conditions set forth in this Article, which conditions were bargained for by the parties and consideration was given. The economic terms of this Lease would have been different (and less beneficial to Tenant) had these conditions to payment not been agreed to by the Tenant and are binding upon any assignee.

C. Upon a Tenant Default, the Tenant will no longer have any right to the Tenant Improvement Allowance. In addition, if prior to the disbursement of all the Tenant Improvement Allowance, there is a breach by Tenant of its obligations under this Lease, Landlord may deduct from the Tenant Improvement Allowance the amounts needed to cure the breach or to reimburse the Landlord for any costs or expenses Landlord may incur because of the Tenant Default. Furthermore, should Tenant (or its Guarantor), at the time prior to the disbursement of the Tenant Improvement Allowance be subject to any voluntary or involuntary action brought under Title 11 of the U.S. Code or similar Laws (collectively the "Bankruptcy Action") the Landlord is not obligated to disburse the Tenant Improvement Allowance until such time as (i) the Bankruptcy Action has been dismissed or discharged, or (ii) Tenant (or a Transferee approved by Landlord) has (1) assumed this Lease pursuant to a "final order" order of the court handling the Bankruptcy Action and (2) provided Landlord sufficient "adequate assurance of future performance" (as defined under the Bankruptcy Code) of its ability to satisfy all of Tenant's obligations under this Lease.

25. **New HVAC.** Provided Tenant, within thirty (30) days after the Lease Commencement Date: (i) activates utility services for the Leased Premises and transfers the utility accounts for the Leased Premises to its name, and (ii) sends written notice to Landlord thereof, then prior to the 30th day after Landlord receives such notice, Landlord shall furnish and install one (1), five (5) ton roof-top heating, ventilation, and air conditioning unit.

26. **HVAC, Plumbing and Electric.** Prior to the date Landlord tenders possession of the Leased Premises to Tenant, Landlord shall service the HVAC unit(s), plumbing and electrical systems serving the Leased Premises as necessary to bring these systems to good working order.

27. **Fire Extinguisher.** Tenant shall install (and maintain and replace as necessary) a fire extinguishing system and grease filters within the hood and duct of the cooking facility which satisfies the requirements now and hereafter established by municipal codes and Landlord's property insurer and to provide Landlord with a certificate evidencing that this system has been installed. Tenant acknowledges that grease can damage the roof. Therefore, Tenant agrees to regularly clean and maintain the cooking exhaust system and ductwork (consistent with industry standards and manufacturers recommendations) in order to avoid offensive odors and to prevent damage to the roof. Additionally, Tenant shall install (and maintain and replace as necessary) any additional equipment necessary to protect Landlord's roof system from grease (e.g., a sand pan).

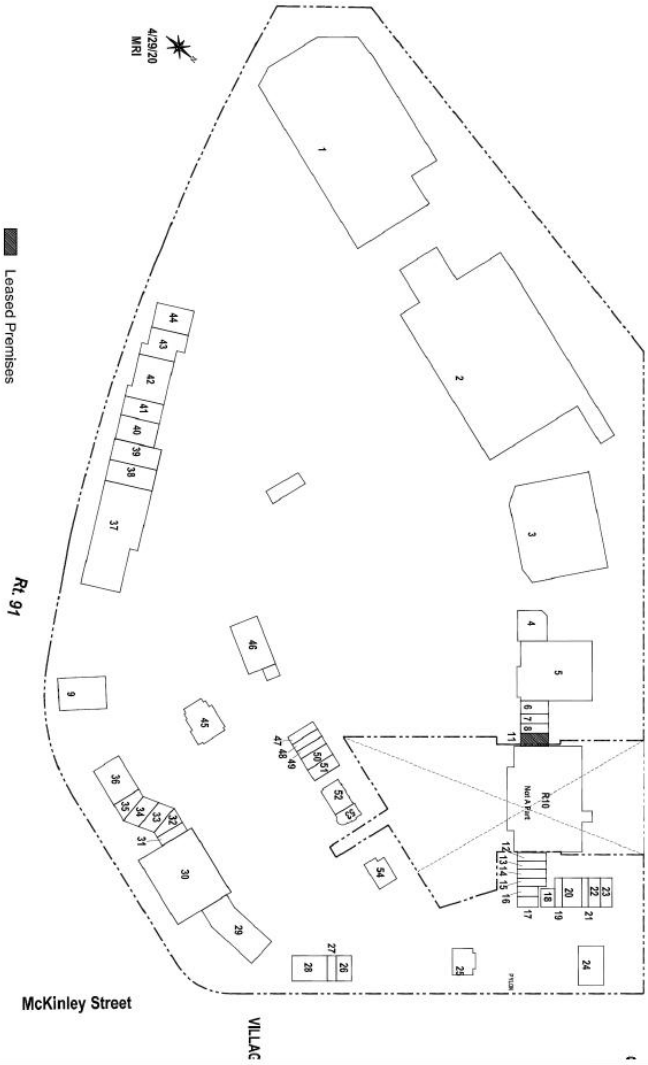
28. **Grease Traps.** Tenant shall install (and maintain and replace as necessary) grease traps immediately outside the Leased Premises connecting all lines from the Leased Premises to the main sanitary branch. The grease traps shall be installed in compliance with all local laws and regulations. Any upgrading to the sanitary or sewer lines necessitated by the installation of the grease traps shall be performed at Tenant's expense. Tenant shall restore any parking or landscape area disturbed in connection with the installation of these traps to a condition equal to that existing prior to the work.

END OF GENERAL TERMS AND PROVISIONS

EXHIBIT A

This site plan is intended to be an approximate depiction of the Shopping Center. No representation or warranty is made with respect to the actual location, number or configuration of Buildings, Curb Cuts, Abutting Thoroughfares, Parking Areas, Traffic Patterns, or of the Tenants intended to be within the Shopping Center. The Landlord specifically reserves the right to change the content and configuration of the Shopping Center from time to time and at any time the Landlord desires in its sole and absolute discretion, or as is required to conform to Local Governing Agencies.

The leased premises shall be the area identified below.



KIMCO REALTY | Site #546 | EXHIBIT A | PD: 12/16/20

EXHIBIT "B-1"

INDEMNITY AGREEMENT

This INDEMNITY AGREEMENT pertains to work to be performed at the Corona Hills Plaza and located in Corona, CA, herein referred to as "Shopping Center" (Building 105460) by_____ (herein referred to as "Contractor"), having an address at: _____ and is part of the Contract with GLOBAL CC GROUP, INC. (herein referred to as "Tenant"), having an address at 15476 Canon Lane Chino Hills, CA 91709 which Contract is dated _____, for work to be done at the Shopping Center from approximately _____ through _____.

Contractor acknowledges that Tenant is contractually obligated to obtain this Agreement under a lease for its store at the Shopping Center. Contractor has entered into this Agreement in order to induce Tenant to retain Contractor to perform certain work at its store.

Contractor hereby agrees to INDEMNIFY, SAVE & HOLD HARMLESS The Price REIT, Inc., and Kimco Realty Corporation, hereinafter collectively referred to as Landlord, its respective agents and employees, assigns, and architects of and from all liabilities, claims, losses, damages, injury, causes of actions and suits of whatever nature for personal injury, including death, and for property damage, arising out of or alleged to arise out of, or any conditions of, the work performed under this Contract, whether by Contractor or by any sub-contractor, and whether any claim, cause of action, or suit is asserted against Landlord or its agents and employees, assigns, and architects, or Contractor, severally, jointly, or jointly and severally. Contractor hereby agrees to INDEMNIFY, SAVE & HOLD HARMLESS Landlord, its agents and employees, assigns, and architects of and from any and all costs of any nature, including without limitation investigation, adjustment, attorney's fees, expert's fees, court costs, administrative costs, and other items of expense arising out of any claim, cause of action or suit of the kind and nature herein set forth.

Neither Contractor nor any sub-contractor shall file any mechanic's, materialmen's, or other liens either against the Leased Premises or the Shopping Center from any work, labor, services or materials supplied or performed by Contractor or by any sub-contractor. Contractor hereby agrees to INDEMNIFY, SAVE & HOLD HARMLESS Landlord, its agents and employees, assigns, and architects of and from any and all costs of any nature, including without limitation investigation, adjustment, attorney's fees, expert's fees, court costs, administrative costs, and other items of expense arising out of any mechanic's, materialmen's, or other liens filed against either the Leased Premises or the Shopping Center by Contractor or by any sub-contractor.

Contractor hereby agrees that it will obtain Comprehensive General Liability insurance including Blanket Contractual Liability with minimum amount of $3,000,000.00 Combined Single Limit for bodily injury and property damage. Additionally, Contractor must also obtain Workers Compensation and Occupational Disease insurance with statutory limits and form as required by the State in which the work is to be performed, and Employer's Liability with a limit of not less than $1,000,000.00 for all damage.

Certificates for all insurance will be submitted to Landlord before commencement of any work. The Certificates must indicate that the "HOLD HARMLESS AGREEMENT" contractual indemnity as set forth in this agreement is insured. Landlord must be named as an additional insured and the policy must provide that no less than 15 days' advance written notice will be given to both the party to whom such Certificates are issued and the additional insured in the event of cancellation of the policies or a reduction in the limits of liabilities set forth above. At Landlord's request, Contractor will immediately furnish Landlord with a true and complete copy of any insurance policy Landlord wants to review. No invoices for payments will be honored unless such Certificates of Insurance (or the policy, if requested) had been filed timely with Landlord at 500 North Broadway, Suite 201, Jericho, NY 11753.

Contractor acknowledges that Landlord did not retain Contractor to perform any work at the Shopping Center and agrees that Contractor will not look to Landlord for any compensation whatsoever for any work it performs at the Shopping Center.

IN WITNESS HEREOF, this Contractor has executed this Agreement as of this ____day of _____, 2021.

CONTRACTOR:

BY: _____

NAME: _____

TITLE: _____

DATE: _____

EXHIBIT C
SHOPPING CENTER SIGN CRITERIA

SCAC0546/

EXHIBIT "C"

SIGN CRITERIA
CORONA HILLS SHOPPING CENTER

1. **INTRODUCTION**

The intent of this Sign Criteria is to provide the guidelines necessary to achieve a visually coordinated, balanced and appealing signage environment at Corona Hills Shopping Center for the mutual benefit of all tenants.

Conformance to this Sign Criteria shall be strictly enforced and any installed nonconforming or unapproved signs shall be removed by Tenant or brought into conformance at the expense of Tenant, upon demand by Landlord.

2. **GENERAL LANDLORD/TENANT REQUIREMENTS**

a. Prior to applying to the City of Corona for approval or permits, Tenant shall submit or cause to be submitted for written approval to Landlord, three (3) sets of the detailed shop drawings of its proposed signs, indicating conformance with the sign criteria herein including location, size, layout, design and color of the proposed signs and all lettering and/or graphics. Said sets of drawings should be submitted to:

The Price REIT Inc.
c/o Kimco Realty Corporation
Attn: Property Manager
1621-B South Melrose Drive
Vista, CA 92081

b. All signs shall be reviewed by Landlord, and it designated representative, for conformance with this Sign Criteria and overall design quality. Approval or disapproval of sign submittals based on esthetics or design shall remain the sole right of the Landlord.

c. After written approval by Landlord, Tenant shall submit sign drawings to the appropriate City authority for approval. Tenant shall submit evidence of all required permits to Landlord prior to the start of sign construction or installation.

d. Tenant shall pay for all signs, sign installation (including final connection, transformers, and all other labor and materials) and maintenance.

e. Tenant shall obtain and pay for all necessary permits.

f. Tenant shall be responsible for fulfillment of all requirements of this Sign Criteria.

3. **GENERAL SPECIFICATIONS**

a. Landlord shall provide primary electrical service terminations at the center of the allowed signage areas as follows:

Individual Illuminated Letters: Interior side of canopy fascia.

b. It is the responsibility of Tenant's sign company to verify all conduit and transformer locations and service prior to fabrication.

c. The location of all signs shall be per the accompanying design criteria.

d. One "sign space" shall be allowed for each tenant (except as otherwise approved in writing). Tenant must verify its sign location and size with Landlord prior to fabrication.

e. All shop tenants are required to have a sign band.

f. Address numbers shall be applied to each store by Landlord.

g. Special signs, which vary from this Sign Criteria, must first be approved by Landlord and then the representative City authority.

h. The maximum allocated sign area for the aggregate of all permanent signs (except exempt and convenience signs) shall be noted herein.

i. NOTE: No sign shall be constructed until an approved permit from the City of Corona Planning Department is received.

j. No exposed raceway, crossovers, conduits, conductors, transformers, etc., shall be permitted.

k. All lettering shall be restricted to the "net sign area". See accompanying design criteria for specific information.

l. No projection above or below the "net sign area" will be permitted (except as otherwise approved in writing).

m. All signs and their installation must comply with all local building and electrical codes and bear a U.L. label placed in an inconspicuous location.

n. For purposes for store identification, Tenant will be permitted to place upon each entrance to its demised Premises not more than 144 square inches of gold leaf or decal application lettering not to exceed 2 inches in height, indicating hours of business, emergency telephone, etc. The number and letter type shall be Helvetica style.

4. SPECIAL REQUIREMENTS – WALL SIGNING

a. Shop signs shall be attached in designated areas only and may not exceed 75% of the leasehold width.

b. The face of the individual letters and logos shall be constructed of acrylic plastic (3/16" thick minimum) and fastened to the individual channelized metal letter in an approved manner. All surrounds or trim in a single sign shall be a single color with matte finish.

c. The "copy" (letter type), logos and their respective colors shall be submitted to Landlord for written approval prior to fabrication.

d. Signing shall be individual, internally illuminated letters; style, face color, size, and location shall be of good taste and design. Creative design is encouraged.

e. Individual shop logos may be located anywhere within the "net sign area", provided their heights and lengths do not exceed the height and length of the "net sign area".

f. No more than two rows of letters are permitted, provided their maximum total height does not exceed the height of the "net sign area."

g. Tenants shall display only their established trade name of their basic product name, e.g. "John's Jeans," or combination thereof.

h. Internal illumination shall be of sufficient wattage, installed and labeled in accordance with the "National Board of Fire Underwriters Specifications."

i. All penetrations of the building structure required for sign installation shall be sealed I a watertight condition and shall be patched to match adjacent wall surfaces. Submit to Landlord for review.

j. No "sign cans" will be permitted.

5. PROHIBITED SIGNS

a. Signs Constituting a Traffic Hazard:

No person shall install or maintain or cause to be installed or maintained any sign which simulates or imitates in size, color, lettering or design any traffic sign or signal, or which makes use of the words "STOP", "LOOK", "DANGER", or any other words, phrases, symbols or characters in such a manner to interfere with, mislead or confuse traffic.

b. Immoral or Unlawful Advertising:

No person shall exhibit, post or display, cause to be exhibited, posted or displayed upon any sign, anything which in the Owner's opinion is of an obscene, indecent or immoral nature or unlawful activity.

c. Signs or Doors, Windows or Fire Escapes:

No window signs will be permitted except as noted herein. No sign shall be installed, relocated or maintained so as to prevent free ingress to or egress

from any door. No sign of any kind shall be attached to a standpipe except those signs as required by code or ordinance.

d. Off-Premise Signs:

Any signs, other than a directional sign, installed for the purpose of advertising a project, event, person, or subject not related to the Premises upon which said sign is located is prohibited.

e. Vehicle Signs:

Signs on or affixed to trucks, automobiles, trailers, or other vehicles which advertise, identify, or provide direction to a use or activity not related to its lawful making of deliveries of sales or merchandise or rendering of services from such vehicles is prohibited.

f. Light Bulb Strings and Exposed Tubing:

External displays, other than temporary decorative holiday lighting, which consist of unshielded light bulbs and open, exposed neon or gaseous light tubing, are prohibited. An exception hereto may be granted by Landlord when the display is an integral part of the design character of the activity to which it relates.

g. Banners, Pennants and Balloons Used for Advertising Purposes:

Flags, banners, or pennants or a combination of same constituting an architectural feature, which is an integral part of the design character of a project, may be permitted subject to Landlord and City approval in writing prior to installation.

h. Signs in Proximity to Utility Lines:

Signs which have less horizontal or vertical clearance from authorized communication or energized electrical power lines than that prescribed by the Laws of the State of California are prohibited.

6. GENERAL CONSTRUCTION REQUIREMENTS

a. Tenant shall be responsible for the installation and maintenance of all signs.

b. All signs to be installed under the direction of the Landlord's representative.

c. Tenant shall be fully responsible for the operations of Tenant's sign contractors.

d. Tenant's sign contractor shall repair any damage to any portion of the structure and finish caused by his work within one (1) week after damage occurs. If Tenant does not repair said damage, Tenant shall be considered in default of its Lease.

e. All fabrication and installation to be done by qualified craftsmen.

f. Electrical conduit, junction boxes, etc., are to be concealed.

g. Letter fastening and clips are to be concealed and be of galvanized, stainless, or aluminum metals.

h. No labels will be permitted on the exposed surface of signs, except those required by local ordinance which shall be placed in an inconspicuous location.

These sign requirements are subject to approval and/or modification by the City of Corona, California. Any changes required b said City shall be deemed to have modified this Exhibit E. All signs must comply with all City and governmental rules and regulations.

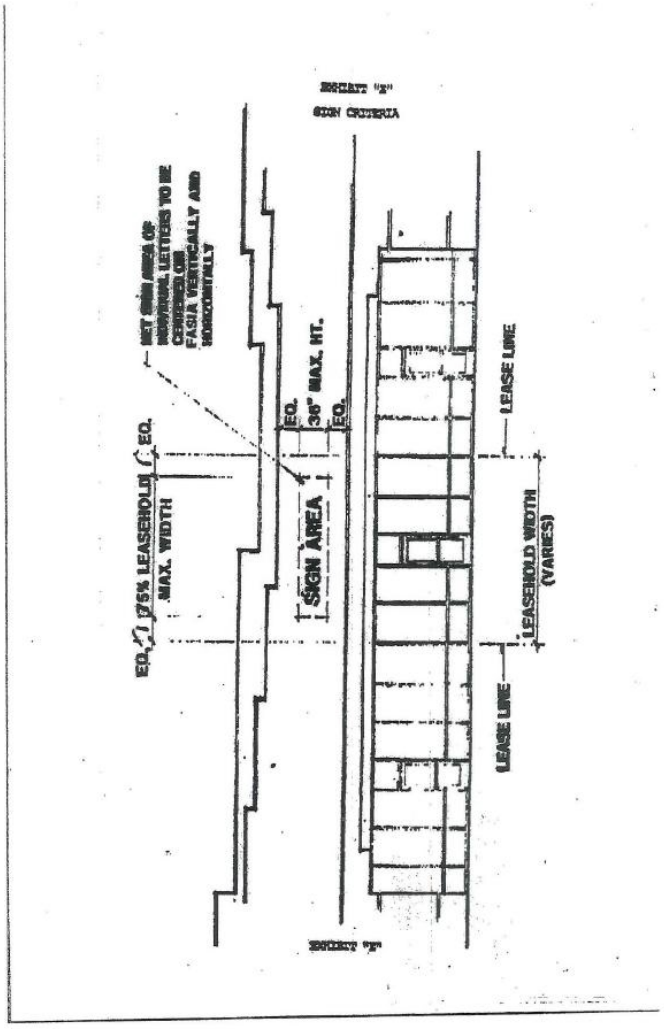


EXHIBIT "B"
SIGN CRITERIA
NET SIGN AREA OF INDIVIDUAL LETTERS TO BE CENTERED ON FASCIA VERTICALLY AND HORIZONTALLY
EQ.
36" MAX. HT.
EQ.
LEASE LINE
EQ.
75% LEASEHOLD MAX. WIDTH
SIGN AREA
LEASEHOLD WIDTH (VARIES)
LEASE LINE
EXHIBIT "B"

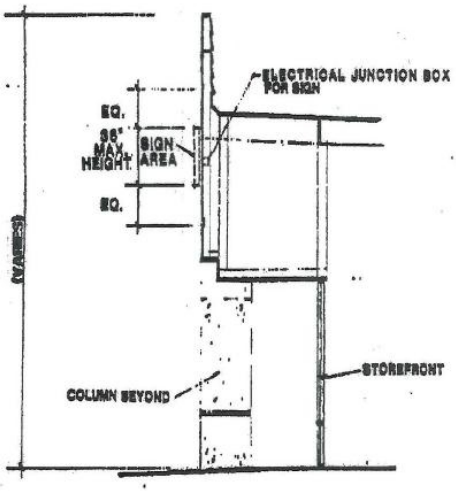

ELECTRICAL JUNCTION BOX FOR SIGN
EQ.
36" MAX. HEIGHT
SIGN AREA
EQ.
STOREFRONT
COLUMN BEYOND

EXHIBIT "D"

0546 - CORONA HILLS PLAZA
EXISTING EXCLUSIVES & PROHIBITED USES

99 CENTS ONLY STORES

5.07 (a) **Exclusivity.** Subject to the terms and conditions of this Section 5.07(a), TENANT shall have the exclusive right to operate in the PROJECT a deep discount general merchandise store that offers a majority (i.e., more than 50%) of its merchandise for sale at single price points of One Dollar ($1.00) (the "UPPER EXCLUSIVITY PRICE POINT") (which amount, for purposes of TENANT'S exclusivity, shall be adjusted as provided hereinbelow) or less (the "EXCLUSIVE USE").

Notwithstanding the foregoing, the aforementioned restriction shall not apply to: (i) any tenants existing at the SHOPPING CENTER as of the EFFECTIVE DATE or their successors, assigns or replacements under the existing leases by which such tenants respectively lease space at the PROJECT as of the EFFECTIVE DATE (collectively, "EXISTING LEASES" and individually, an "EXISTING LEASE") (without limitation or waiver, however, of the provisions hereinbelow); or (ii) any renewals, extensions, modifications or amendments of EXISTING LEASES (except that in no event shall any such renewal, extension, modification or amendment grant a tenant the right to engage in the EXCLUSIVE USE where such tenant did not previously have that right under the applicable EXISTING LEASE); or (iii) any store measuring at least 20,000 leasable square feet (unless the same is located within two hundred (200) feet of any part of the PREMISES, in which case the same shall be subject to the aforementioned restriction).

(c) **Prohibited Uses.** Without limitation of the PERMITTED USES under this LEASE, no portion of the PROJECT (including the PREMISES) may be used for any of the following (the "PROHIBITED USES"):

(i) Any of the following uses:

(1) nude (or partially nude) bars or nightclubs
(2) massage parlors, other than a doctor's office or an establishment such as "Massage Envy", "Relax The Back", or a similar user
(3) a cinema, video store or bookstore primarily selling, renting, or exhibiting material of a pornographic or adult nature (provided that there shall be no prohibition on the sale or rental of R rated movies)
(4) escort services
(5) bail bonds or pawn shops
(6) the sale of used or second hand products of any kind, other than first-class establishments such as "Goodwill", "Once Upon a Child", "Savers", "My Sisters Closet", "Buffalo Exchange", "Plato's Closet" and "Gamestop" or a similar user
(7) tattoo parlors
(8) Intentionally Deleted
(9) Intentionally Deleted
(10) indoor swap meets
(11) liquor stores, other than volume beverage specialty retailers (such as, by way of illustration but not as a limitation,

BevMo and Total Wine & More), or boutique wine stores or wine bars (such as, by way of illustration but not as a limitation, Wine Styles, Wines for Less, or the Grape)

(12) non-retail use (except incidental to other permitted uses) (provided, however, retail-oriented office uses commonly found in shopping centers, such as realtors, dental offices, medical offices, travel agencies, insurance agencies, financial services offices, tax preparation offices, and banks, shall be permitted provided that (i) the size of the premises for each such retail-oriented office use is less than seven thousand five hundred (7,500) square feet, and (ii) the total leasable area within the PROJECT leased for such retail-oriented office uses, together with the total leasable area of the use permitted below under clause (16)(iii), does not exceed twenty-five percent (25%))

(13) movie theater

(14) gymnasium, gym, fitness club/center, health club/center, or athletic club/center (in all such cases, "gym") (except for the existing gym or a replacement thereof in the current location of the existing gym (as depicted on the SITE PLAN) or such other location in the PROJECT so long as such location is no closer to the PREMISES than the current location of the existing gym)

(15) bowling alley

(16) school, except with respect to (i) on-site employee training by a tenant that is incidental to the conduct of its business at the Shopping Center, (ii) training or classes offered as a service to customers incidental to the primary business, and/or (iii) a nationally recognized tutorial or education service such as by way of illustration, but not as a limitation, "Sylvan Learning Center", "Kaplan", Princeton Review", or "C2", provided that the size thereof does not exceed five thousand (5,000) square feet

(17) call center

(18) library

(19) church

(20) auditorium

(21) museum

(22) automobile repair

(23) automobile sales

(24) high volume restaurants located within two hundred (200) feet of the PREMISES (the "RESTRICTED AREA") (excluding any restaurants existing in the PROJECT as of the EFFECTIVE DATE in their then current location and any replacements thereof at the same respective location)

(25) banquet facility

(26) bar, disco or nightclub, except in connection with a sit-down restaurant with no age restrictions within a majority of the restaurant

(27) hotel

(28) manufacturing, warehouse or other industrial use (except incidental to other permitted uses)

(29) Intentionally deleted

(30) entertainment facility (such as Chuck E Cheese, Discovery Zone, Tutor Time, or Leaps and Bounds) within the RESTRICTED AREA

(31) any central laundry or dry cleaning plant which processes such laundry or dry cleaning on site, other than a coin laundry operation

(32) mortuary

(33) animal raising or boarding facility, other than a veterinary hospital that provides overnight boarding services for emergencies so long as it is not located adjacent to the PREMISES

(34) bingo parlor, off-track betting parlor or other gambling facility, other than for the sale of lottery tickets, government sponsored gambling activities, or charitable gambling activities

(35) marijuana dispensary

(36) facility for the sale of drug paraphernalia

(37) any use which is prohibited under the DECLARATION

(ii) Any use which requires a zoning variance or conditional use permit if the provisions or conditions thereof will materially adversely affect (A) TENANT'S rights or obligations under this LEASE, or (B) PERMITTED USES.

(iii) Any discount general merchandise store which uses the terms "99," "98," "dollar," "cent," "cents," "penny," or any similar terms (whether "spelled out" or in numerical or symbolic form) in any manner as part of a trade name or logo or in any manner as a material portion of any signage or trade dress, specifically excluding, however, TENANT'S use of the PREMISES.

99 RANCH MARKET – PROHIBITED USES

5.02 Corona Parcel. No portion of Building Areas Major 'A' or Major 'C' as designated on the Site Plan may be used for a bowling alley, theatre, night club, bar, dance hall, selling of second-hand goods, amusement center, video arcade, massage parlor, skating rink, adult book store, pawn shop, or sale of automobiles. In addition, Major 'A' and Major 'C' together shall have no restaurant or restaurants with an aggregate Floor Area in excess of twelve thousand (12,000) square feet.

5.03 Prohibited Uses. No use or operation will be made, conducted or permitted on or with respect to all or any part of the Shopping Center, as follows:

A. Any public or private nuisance.

B. Any noise or sound that is objectionable due to intermittence, beat, frequency, shrillness or loudness; provided, however, that a tire installation facility shall not constitute a violation of the foregoing.

C. Any obnoxious odor.

D. Any noxious, toxic, caustic or corrosive fuel or gas, provided, however, the foregoing shall not prohibit a gasoline service station in the Shopping Center.

E. Any dust, dirt or fly ash in excessive quantities.

F. Any fire, explosion or other damaging or dangerous hazard, including the storage, display or sale of explosives or fireworks.

G. Any assembly, manufacture, distillation, refining, smelting, agriculture or mining operations.

H. Any mobile home or trailer court, labor camp, junkyard, stock yard or animal raising. Notwithstanding the foregoing, pet shops shall be permitted within the Shopping Center.

I. Any drilling for and/or removal of subsurface substances.

J. Any dumping of garbage or refuse.

K. Any veterinary hospital, car washing establishment, bowling alley, mortuary or similar service establishment.

L. Any commercial laundry or dry-cleaning plant.

M. Any automobile body and fender repair work.

BIG 5 SPORTING GOODS

Exclusive:

9.1 Lessee may use the premises for the purpose of conducting any lawful retail or service business, subject to the limitations set forth in Paragraph 4 of this Schedule A. Lessee is hereby given the exclusive right and privilege on the Shopping Center of operating a sporting goods business. Lessor covenants with respect to said exclusive right and privilege not to permit any building or other improvements located on the Shopping Center to be used or occupied for the purpose of conducting a sporting goods business; provided, however, the foregoing exclusive shall not apply: (i) to the adjacent Price Club, (ii) to any other current tenant whose lease does not obligate it to honor the foregoing exclusive, or (iii) to the incidental sale of sporting goods by other tenants of the Shopping Center, with incidental defined for this purpose to mean less than fifteen percent (15%) of the particular tenant's gross sales from its location in the Shopping Center.

Prohibited Uses:

4. Use of the Shopping Center. Lessor covenants that the Shopping Center shall be used during the term hereof as a retail shopping center. Lessor covenants that it will not permit the operation or occupancy of any of the following businesses or facilities on the Shopping Center: (a) entertainment, athletic or recreational facility, including but not limited to, a bowling alley, skating rink, health club, theater, video or pinball game operation; (b) educational, vocational or religious facility, including but not limited to, a church, beauty school, traffic school or other institution for vocational training; (c) professional and business offices including but not limited to, any governmental office or operation; (d) industrial facility, including but not limited to, manufacturing and warehousing facility. Lessor covenants that it will, at its own cost and expense, enforce the foregoing restrictions. Nothwithstanding the foregoing, Lessee acknowledges and recognizes all existing tenants in the Shopping Center and agrees that said tenants shall not be deemed in violation of the use restrictions set forth in this Paragraph 4.

COSTCO

34. Shopping Center Standards.

Landlord further agrees that no portion of the Shopping Center shall be sold or leased for the operation of a retail or wholesale warehouse operation in competition with Tenant; provided that the Tenant is The Price Company.

5.03 Prohibited Uses. No use or operation will be made, conducted or permitted on or with respect to all or any part of the Shopping Center, as follows:

A. Any public or private nuisance.

B. Any noise or sound that is objectionable due to intermittence, beat, frequency, shrillness or loudness; provided, however, that a tire installation facility shall not constitute a violation of the foregoing.

C. Any obnoxious odor.

D. Any noxious, toxic, caustic or corrosive fuel or gas, provided, however, the foregoing shall not prohibit a gasoline service station in the Shopping Center.

E. Any dust, dirt or fly ash in excessive quantities.

F. Any fire, explosion or other damaging or dangerous hazard, including the storage, display or sale of explosives or fireworks.

G. Any assembly, manufacture, distillation, refining, smelting, agriculture or mining operations.

H. Any mobile home or trailer court, labor camp, junkyard, stock yard or animal raising. Notwithstanding the foregoing, pet shops shall be permitted within the Shopping Center.

I. Any drilling for and/or removal of subsurface substances.

J. Any dumping of garbage or refuse.

K. Any veterinary hospital, car washing establishment,bowling alley, mortuary or similar service establishment.

L. Any commercial laundry or dry-cleaning plant.

M. Any automobile body and fender repair work.

DEL TACO

(M-1) Exclusive Use: Landlord agrees that during the Original Term of this Lease, but only for so long as Tenant is open for business as required by the terms of this Lease, using the Leased Premises for the Exclusive Use (as hereinafter defined) and is not otherwise in default of any of the provisions of this Lease beyond any applicable notice and cure periods, Landlord will not hereafter enter into a new lease in the Shopping Center with a tenant whose principal permitted use is a fast food restaurant serving primarily Mexican food item including by way of example, without limitation, Taco Bell and Chipotle (the "Exclusive Use"). The aforementioned restriction shall not apply to: (i) any existing tenants at the Shopping Center which presently have the right to engage in the Exclusive Use, or their successors, assigns or replacements; or (ii) any existing leases at the Shopping Center as same may be renewed, extended, modified or amended (except that no such renewal, extension, modification or amendment shall grant a tenant the right to engage in the Exclusive Use where such tenant did not previously have that right); or (iii) any store measuring 10,000 sq. ft. or more; or (iv) any full service sit-down Mexican restaurant.

EPIC WINGS

(L-1) Exclusive: Landlord agrees that during the term of this Lease, but only for so long as Tenant is open for business, using the Leased Premises for the Exclusive Use (as hereinafter defined) and is not otherwise in default of any of the provisions of this Lease, Landlord will not hereafter enter into a new lease in the Shopping Center with a tenant whose principal permitted use is the operation of a restaurant serving chicken wings (the "Exclusive Use") such as Wing Stop, Buffalo Wild Wings, Wing Street, Buffalo's Café. The aforementioned restriction shall not (a) apply to: (i) any existing tenants at the Shopping Center which presently have the right to engage in the Exclusive Use, or their successors, assigns or replacements; (ii) any existing leases at the Shopping Center as same may be renewed, extended, modified or amended (except that no such renewal, extension, modification or amendment shall grant a tenant the right to engage in the Exclusive Use where such tenant did not previously have that right); (iii) any store measuring 10,000 sq. ft. or more; or (iv) any portion of the Shopping Center that is not owned by Landlord as of the date Landlord and Tenant enter into this Lease; or (b) prohibit Landlord from entering into a lease for the Exclusive Use that becomes effective upon the expiration of this Lease. For the avoidance of doubt, Tenant's Exclusive Use shall not prohibit Landlord from entering into a new lease with Chick-fil-A, Kentucky Fried Chicken, Popeyes, Church's Chicken, El Pollo Loco, Raising Caines or the like.

EVGO

23. Exclusivity. Host hereby agrees that it will not enter into any other Agreement while this Agreement is in effect that grants a party the right to provide Charging Stations and related services for the Host at the Property.

FEDEX OFFICE

FIRST AMENDMENT TO LEASE

3. Use of Demised Premises:

1. Tenant's Exclusive Uses. Subject to the rights of existing tenants in the Shopping Center, Tenant shall have the exclusive right upon the Shopping Center to operate a business services and technical support center and the exclusive right to provide, offer and/or sell the following goods and services to the public: photocopying (color and black and white copying); printing; digital printing; digital imaging; binding; laminating; blueprinting; desktop publishing; large format printing (including the production of banners and cut vinyl signs); video teleconferencing; on-site computer rentals; on-site computer learning and training for services in connection with computer software and hardware; internet access; document exchange; word processing and typing services ("**TENANT'S EXCLUSIVE USES**").

Second Amendment, Article 4

4. Article 3.A.1. of the First Amendment to Lease is hereby amended to insert the following at the end of the article:

"The aforementioned restriction shall not apply to any store measuring 20,000 sq. ft. or more."

GEN KOREAN BBQ

(M-1) Exclusive Use: Landlord agrees that during the term of this Lease, but only for so long as Tenant is open for business, using the Leased Premises for the Exclusive Use (as hereinafter defined) and is not otherwise in default of any of the provisions of this Lease, Landlord will not hereafter enter into a new lease in the Shopping Center with a tenant whose principal permitted use is the operation of a Korean barbeque restaurant (the "Exclusive Use") such as "Gyu-Kaku Japanese BBQ", "All That BBQ", "Marina Korean BBQ, "Moo Dae Po", "Parks BBQ", "Oleego" and "U2 BBQ". The aforementioned restriction shall not: (a) apply to: (i) any existing tenants at the Shopping Center which presently have the right to engage in the Exclusive Use, or their successors, assigns or replacements, or (ii) any existing leases at the Shopping Center as same may be renewed, extended, modified or amended (except that no such renewal, extension, modification or amendment shall grant a tenant the right to engage in the Exclusive Use where such tenant did not previously have that right), or (iii) any store measuring 10,000 sq. ft. or more; or (b) prohibit Landlord from entering into a Lease for the Exclusive Use that does not become effective until the expiration or sooner termination of this Lease.

HOME DEPOT

RIDER TO LEASE

4. TENANT'S EXCLUSIVE.

Landlord hereby warrants to Tenant that Landlord will not hereafter lease any other space in the Shopping Center to any other tenant whose business is i) the operation of x) a home improvement or garden supply store, so long as the principal use of the premises is that of a home improvement and garden supply store; [...] or ii) the sale, singly or in combination, of paint, wall covering, including wallpaper, lumber, hardware items, plumbing supplies, electrical supplies such as sold for repair of electrical items (other than items sold in stores such as Federated Electronics, Circuit City, Radio Shack, or the like, and other than television sets, radios, microwaves or other appliances, electrical or otherwise), including gardening supplies, cabinetry, or building siding.

Prohibited Uses:

Notwithstanding anything to the contrary contained in this Lease, Landlord and Tenant each agree that neither will lease any space in the Shopping Center (or, in the case of Tenant, sublease or permit the premises to be occupied) for any of the following uses: bowling alley, theatre showing either film, television, or live entertainment, health club, bar, game or amusement room, adult bookstore or flea market. Furthermore, Landlord agrees not to lease subsequent to the date hereof within the area designated "Restricted Leased Area" marked in red on Exhibit "A" to non-retail users (except office and service establishments located in similar community shopping centers), dance studios over 5000 square feet of area, and "social encounter restaurants." The term "social encounter restaurants," as used herein, shall mean restaurants whose primary business includes the sale of alcoholic beverages and whose patrons customarily remain on the premises for social purposes rather than dining. In no event shall the aforesaid restrictions be deemed to apply to coffee shops, or to fast food, family style restaurants. Furthermore, all parking in the center shall be surface parking and not underground or deck parking.

JERSEY MIKE'S SUBS

(M-1) Exclusive:

(A) Landlord agrees that during the term of this Lease, but only for so long as Tenant is open for business, using the Leased Premises for the Exclusive Use (as hereinafter defined) and is not otherwise in default of any of the provisions of this Lease, Landlord will not hereafter enter into a new lease in the Shopping Center with a tenant whose principal permitted use is the retail sale of submarine or deli-style sandwiches (the "Exclusive Use"). The aforementioned restriction shall not (a) apply to: (i) any existing tenants at the Shopping Center which presently have the right to engage in the Exclusive Use, or their successors, assigns or replacements; (ii) any existing leases at the Shopping Center as same may be renewed, extended, modified or amended (except that no such renewal, extension, modification or amendment shall grant a tenant the right to engage in the Exclusive Use where such tenant did not previously have that right); (iii) any store measuring 5,000 sq. ft. or more; or (iv) any portion of the Shopping Center that is not owned by Landlord as of the date Landlord and Tenant enter into this Lease; or (b) prohibit Landlord from entering into a lease for the Exclusive Use that becomes effective upon the expiration of this Lease; or (c) in the event the "Subway" tenant vacates the premises, prohibit Landlord from re-leasing the existing Subway location to another similar "discount" or "value" submarine sandwich shop (the "Replacement Tenant") such as "Subway", "Quiznos", "Submarina", "Blimpie", or "Togo's". In no event shall Landlord consider a "non-discount" or "gourmet" submarine or deli-style brand as the Replacement Tenant, such as "Firehouse Subs", "Capriotti's", "Which Wich", "Jimmy John's", "Schlotzsky's", or "Potbelly".

JUICE IT UP

34. Exclusive.

Landlord will not hereafter enter into a new lease in the Shopping Center with a tenant whose principal permitted use is the retail sale of blended fruit beverages, fruit juice smoothies, fresh fruit juices and fruit shakes including tea based and boba tea shakes (the "Exclusive Use"). The aforementioned restriction shall not apply to: (i) any existing tenants at the Shopping Center or their successors, assigns or replacements; or (ii) any existing leases at the Shopping Center as same may be renewed, extended, modified or amended (except that no such modification shall grant a tenant the right to engage in the Exclusive Use where such tenant did not previously have that right); (iii) any store measuring 10,000 sq. ft. or more.

KABAB CRUSH

"(M-1) Exclusive Use: Landlord agrees that during the term of this Lease, but only for so long as Tenant is open for business, using the Leased Premises for the Exclusive Use (as hereinafter defined) and is not otherwise in default of any of the provisions of this Lease, Landlord will not hereafter enter into a new lease in the Shopping Center with a tenant whose principal permitted use is a Mediterranean restaurant (the "Exclusive Use"). The aforementioned restriction shall not: (a) apply to: (i) any existing tenants at the Shopping Center which presently have the right to engage in the Exclusive Use, or their successors, assigns or replacements, or (ii) any existing leases at the Shopping Center as same may be renewed, extended, modified or amended (except that no such renewal, extension, modification or amendment shall grant a tenant the right to engage in the Exclusive Use where such tenant did not previously have that right), or (iii) any store measuring 5,000 sq. ft. or more; or (b) prohibit Landlord from entering into a Lease for the Exclusive Use that does not become effective until the expiration or sooner termination of this Lease.

LAZY DOG

(L-1) Exclusive: Landlord agrees that during the term of this Lease, but only for so long as Tenant is open for business, using the Leased Premises for the Exclusive Use (as hereinafter defined) and is not otherwise in default of any of the provisions of this Lease, Landlord will not hereafter enter into a new lease in the Shopping Center with a tenant whose principal permitted use is a full service restaurant (i) with the word "dog" in its name (unless the name is related to a concept whose primary business is the retail sale of hot dogs); or (ii) which display dogs in any photos, artwork, graphics, signs, logos or on its menu; or (iii) which offers menu items exclusively for dogs; or (iv) which sells any dog-themed merchandise (the "Exclusive Use"). The aforementioned restriction shall not (a) apply to: (i) any existing tenants at the Shopping Center which presently have the right to engage in the Exclusive Use, or their successors and assigns; (ii) any existing leases at the Shopping Center as same may be renewed, extended, modified or amended (except that no such renewal, extension, modification or amendment shall grant a tenant the right to engage in the Exclusive Use where such tenant did not previously have that right); (iii) intentionally deleted; or (iv) any portion of the Shopping Center that is not owned by Landlord as of the date Landlord and Tenant enter into this Lease; or (b) prohibit Landlord from entering into a lease for the Exclusive Use that becomes effective upon the expiration of this Lease.

MCDONALD'S

COVENANT NOT TO COMPETE

1. No other part of the "Corona Parcel" as defined shall, during the term of the Lease and any extension of it, be leased, used or occupied as a restaurant with a drive-through window if said restaurant's sales of hamburgers and/or french fries shall exceed 25% of its gross sales per year, including but not limited to Burger King, Carl's Jr., In and Out Burger, Wendy's or Jack-in-the-Box.

MIN'S DUMPLING HOUSE

First Amendment to Lease

3. Exclusive. Commencing as of October 1, 2017, Landlord agrees that during the term of this Lease, but only for so long as Tenant is open for business, using the Leased Premises for the Exclusive Use (as hereinafter defined) and is not otherwise in default of any of the provisions of this Lease, Landlord will not hereafter enter into a new lease in the Shopping Center with a tenant whose principal permitted use is the operation of a Chinese sit-down restaurant (the "Exclusive Use"). The aforementioned restriction shall not (a) apply to: (i) any existing tenants at the Shopping Center which presently have the right to engage in the Exclusive Use, or their successors, assigns or replacements; (ii) any existing leases at the Shopping Center as same may be renewed, extended, modified or amended (except that no such renewal, extension, modification or amendment shall grant a tenant the right to engage in the Exclusive Use where such tenant did not previously have that right); (iii) any store measuring four thousand (4,000) square feet or more; or (iv) any portion of the Shopping Center that is not owned by Landlord as of the date Landlord and Tenant enter into this Lease; or (b) prohibit Landlord from entering into a lease for the Exclusive Use that becomes effective

PACIFIC DENTAL

(M-1) Exclusive.	(A) Landlord agrees that during the Lease Term of this Lease, but only for so long as Tenant is not in default of any of the provisions of this Lease beyond applicable notice and cure period and has not "ceased doing business" (as such term is defined in Article 40) for all of the Exclusive Use (as hereinafter defined), Landlord shall not hereafter enter into a lease, purchase agreement or other occupancy agreement with a tenant or occupant who provides (or otherwise hereafter permit the operation of any tenant or occupant for the operation of) any amount of general dentistry or specialty dentistry (including, orthodontics, pediatric dentistry, endodontics,
	periodontics, prosthodontics, cosmetic dentistry and oral and maxillofacial surgery services or operations) (the "Exclusive Use"). The aforementioned restriction shall not: (a) apply to: (i) any existing tenants or occupants at the Shopping Center which presently have the right to engage in the Exclusive Use, or their successors, assigns or replacements, (ii) any existing leases or agreements at the Shopping Center as same may be renewed, extended, modified or amended (except that no such renewal, extension, modification or amendment shall grant such occupant the right to engage in the Exclusive Use where such occupant did not previously have that right); or (iii) any agreement with a tenant or occupant that provides services for teeth whitening services on an incidental basis, or (iv) any store measuring 20,000 sq. ft. or more; or (b) prohibit Landlord from entering into any agreement for the Exclusive Use that does not become effective until the expiration or sooner termination of this Lease.

PALM BEACH TANNING

(M-1) Exclusive Use.	Landlord agrees that during the term of this Lease, but only for so long as Tenant is open for business, using the Leased Premises for the Exclusive Use (as hereinafter defined) and is not otherwise in default of any of the provisions of this Lease, Landlord will not hereafter enter into a new lease in the portion of the Shopping Center designated on Exhibit "A" as "Exclusive Use Area" with a tenant whose principal permitted use is the operation of tanning salon (the "Exclusive Use"). The aforementioned restriction shall not: (a) apply to: (i) any existing tenants in the Exclusive Use Area which presently have the right to engage in the Exclusive Use, or their successors, assigns or replacements, or (ii) any existing leases in the Exclusive Use Area s same may be renewed, extended, modified or amended (except that no such renewal, extension, modification or amendment shall grant a tenant the right to engage in the Exclusive Use where such tenant did not previously have that right), or (iii) any store measuring 10,000 sq. ft. or more; or (b) prohibit Landlord from entering into a Lease for the Exclusive Use that does not become effective until the expiration or sooner termination of this Lease.

PIEOLOGY

(M-1) Exclusive:

Exclusive. Landlord agrees that during the term of this Lease, but only for so long as Tenant is open for business, using the Leased Premises for the Exclusive Use (as hereinafter defined) and is not otherwise in default of any of the provisions of this Lease, Landlord will not hereafter enter into a new lease in the Shopping Center with a tenant whose principal permitted use is the operation of a "Artisanal Build Your Own Pizzas" in a fast/casual, counter service environment"), including but not limited to Blaze Pizza, MOD and PizzaRev (the "Exclusive Use"). The aforementioned restriction shall not: (a) apply to: (i) any existing tenants at the Shopping Center which presently have the right to engage in the Exclusive Use, or their successors, assigns or replacements, or (ii) any existing leases at the Shopping Center as same may be renewed, extended, modified or amended (except that no such renewal, extension, modification or amendment shall grant a tenant the right to engage in the Exclusive Use where such tenant did not previously have that right), or (iii) any store measuring 10,000 sq. ft. or more; or (iv) a full service sit down restaurant; or (v) a pizza delivery restaurant (*i.e.* Domino's or Pizza Hut); or (b) prohibit Landlord from entering into a Lease for the Exclusive Use that does not become effective until the expiration or sooner termination of this Lease.

PLATO'S CLOSET

(M-1) Exclusive:

Landlord agrees that during the term of this Lease, but only for so long as Tenant is open for business, using the Leased Premises for the Exclusive Use (as hereinafter defined) and is not otherwise in default of any of the provisions of this Lease, Landlord will not hereafter enter into a new lease in the Shopping Center with a tenant whose principal permitted use is the retail sale and purchase of used teen clothing and accessories (the "Exclusive Use"). The aforementioned restriction shall not (a) apply to: (i) any existing tenants at the Shopping Center which presently have the right to engage in the Exclusive Use, or their successors, assigns or replacements; (ii) any existing leases at the Shopping Center as same may be renewed, extended, modified or amended (except that no such renewal, extension, modification or amendment shall grant a tenant the right to engage in the Exclusive Use where such tenant did not previously have that right); (iii) any store measuring 10,000 sq. ft. or more; (iv) any tenant operating a Play It Again Sports, Once Upon a Child, Music Go Round or Style Encore or any other business owned or franchised by Winmark Corporation; or (v) any portion of the Shopping Center that is not owned by Landlord as of the date Landlord and Tenant enter into this Lease; or (b) prohibit Landlord from entering into a lease for the Exclusive Use that becomes effective upon the expiration of this Lease.

ROSS - Prohibited Uses:

3.1 Demising. Landlord hereby leases the Store to Tenant, and hereby grants to Tenant all easements, rights and privileges appurtenant thereto. Tenant has entered into this Lease in reliance upon representations by Landlord that (i) the Shopping Center is and will be used solely for the retail and/or wholesale sale of goods, wares, merchandise, property and services, (ii) no part of the Landlord's Parcel shall be used as an auditorium, meeting hall, school, or other place of public assembly, gymnasium, dance hall, billiard or pool hall, massage parlor, video game arcade, bowling alley, skating rink, car wash, night club or adult book or adult video tape store (which are defined as stores at least ten percent (10%) of the inventory of which is not available for sale or rental to children under 15 years old because such inventory explicitly deals with or depicts human sexuality); (iii) no more than ten percent (10%) of the Leasable Floor Area in the Landlord's Parcel, and no part of the Landlord's Parcel within the

Landlord's Parcel; and no part of the Landlord's Parcel between the No Change Area depicted on Exhibit B (hereinafter the "No Change Area") shall be used primarily for office purposes; and (iv) no part of the Landlord's Parcel shall be used as a theater except for Parcel 1 as depicted on Parcel Map No. 22225 referred to in Exhibit "A", but only if all parking required by governmental authorities having jurisdiction over the Shopping Center for such theater use is located on that parcel. No restaurant shall be permitted within the No Change Area except for the pads labeled "Pad D" and "Pad 1" on Exhibit "B". For purposes hereof, "office purposes" shall not include retail service uses such as financial institutions, real estate and stock brokerage offices, travel or insurance agencies or similar uses providing services directly to the public for retail fees.

SOLA SALON

34. Exclusive. Landlord agrees that during the term of this Lease, but only for so long as Tenant is open for business, using the Leased Premises for the Exclusive Use (as hereinafter defined) and is not otherwise in default of any of the provisions of this Lease, Landlord will not hereafter enter into a new lease in the Shopping Center with a tenant whose principal permitted use is a studio salon concept (the "Exclusive Use"). The aforementioned restriction shall not: (a) apply to: (i) any existing tenants at the Shopping Center which presently have the right to engage in the Exclusive Use, or their successors, assigns or replacements, or (ii) any existing leases at the Shopping Center as same may be renewed, extended, modified or amended (except that no such renewal, extension, modification or amendment shall grant a tenant the right to engage in the Exclusive Use where such tenant did not previously have that right), or (iii) any store measuring 10,000 sq. ft. or more; or (b) prohibit Landlord from entering into a Lease (i) with a tenant whose principal permitted use is a beauty salon or day spa which is not a studio concept, or (ii) for the Exclusive Use that does not become effective until the expiration or sooner termination of this Lease.

STARBUCKS COFFEE

(M-1) Exclusive Use:

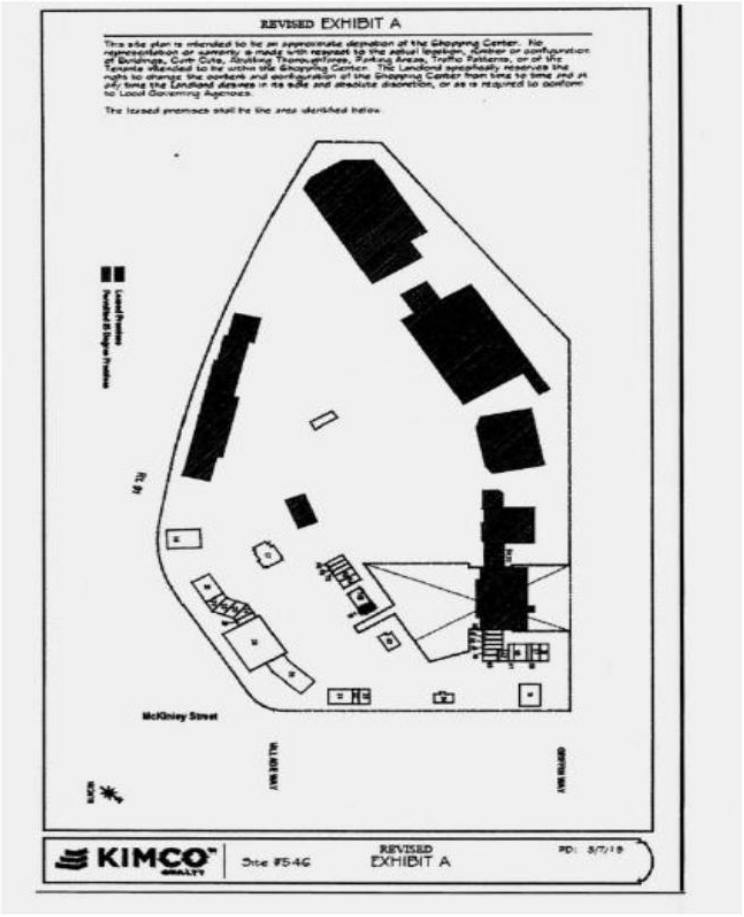
Landlord agrees that during the term of this Lease, but only for so long as Tenant is open and operating for business, using the Leased Premises for the Permitted Use and is not otherwise in default of any of the provisions of this Lease beyond any applicable cure period, Landlord will not hereafter enter into a new lease in the Shopping Center with a tenant who is permitted to sell: (a) freshly ground and whole coffee beans, (b) espresso, espresso-based and coffee-based drinks, and (c) gourmet brand-identified brewed coffee (the "Exclusive Use") provided, however, the foregoing Exclusive Use shall not be construed to include brewed coffee which is not gourmet brand-identified, so long as not more than twenty percent (20%) of any such retailer's gross sales is derived from the sale of non-gourmet brand-identified brewed coffee. Furthermore, the Exclusive Use shall not apply to: (i) existing tenants at the Shopping Center who are not prohibited under their current lease from selling such items protected by the Exclusive Use or their successors, assigns or replacements; or (ii) existing leases at the Shopping Center as same may be renewed, extended, modified or amended (except that no such modification shall grant a tenant the right to engage in the Exclusive Use where such tenant did not previously have that right); (iii) grocery stores including, by way of example and not limitation, Trader Joe's, Wholefoods and Henry's; (iv) tenants having more than 15,000 square feet; and (v) any full-service, sit-down restaurant with wait staff serving a complete breakfast, lunch and/or dinner menu which sells brewed gourmet coffee or espresso-based drinks for on-premises consumption or off-premises consumption if the restaurant is also providing a full take-out meal. Notwithstanding the foregoing, the restriction on the sale of gourmet, brand-identified brewed coffee shall not apply to any national retail chain occupant who sells gourmet, brand-identified brewed coffee in a manner consistent with the majority of its stores in such national chain; provided, however, that any such national retail chain occupant will not be allowed to sublet any portion of its premises to a coffee-shop use unless such sublet would otherwise be permitted pursuant to the other provisions of this Article 1(M-1).

2nd Amendment to Lease:

5. (A) Notwithstanding anything to the contrary contained in Article 1(M-1) of the Lease (Exclusive Use), Landlord shall have the right to enter into a lease with the tenant commonly known as "Eighty-Five (85°) Degrees" (the "Permitted Tenant") under the following conditions:

(i) the Permitted Tenant must be located within the area depicted and crosshatched as set forth on the Revised Exhibit "A" attached hereto and shall not include a drive-through as part of its operation at the Shopping Center; and

(ii) the Permitted Tenant shall not assign or sublease any portion of its space to a competing coffee use (i.e., for purveyors such as a Dunkin Donuts, Caribou Coffee, Tim Horton's, CBTL and the like; and



TEXAS ROADHOUSE (Section 11)

(b) Exclusive Use. Landlord covenants and agrees that during the Term of this Lease, but only for so long as Tenant is open for business (excluding reasonable periods of closure due to repair, renovation, casualty, condemnation or force majeure), occupying the Premises for Tenant's Exclusive (as defined below), and is not otherwise in Default of any of the provisions of this Lease beyond any applicable notice and/or cure periods, Landlord will not hereafter enter into a new lease, occupancy agreement, license agreement, or the like, for any part of the Development by any party whose principal permitted use is the operation of a full service restaurant featuring steaks or ribs ("Tenant's Exclusive"). The aforementioned restriction shall not (a) apply to the uses of any current tenants or occupants of the Development and their successors, subtenants and assigns (collectively, the "Existing Tenants") existing as of the Effective Date to the extent their leases allow such exclusive use (provided, however, that (i) to the extent Landlord has the right to withhold consent to a change in use by any Existing Tenant to a use that would violate Tenant's Exclusive, Landlord will withhold such consent, and (ii) no renewal, extension, modification or amendment to the lease of an Existing Tenant shall grant a tenant the right to engage in Tenant's Exclusive where such tenant did not previously have that right); or (b) prohibit Landlord from entering into a lease for Tenant's Exclusive that becomes effective upon the expiration of this Lease (including any available renewal terms, if exercised by Tenant). Tenant shall be entitled to include this restriction in any memorandum of lease placed of record by Tenant. In addition, to the extent that (i) a particular lease grants to Landlord the right to approve the tenant changing its use of the premises demised thereby, and (ii) the tenant requests the Landlord's prior consent to a change of use which would be included within the Tenant's Exclusive, then, the Landlord agrees that, to the extent permitted by applicable law, it will not consent to the change of use so long as Tenant is open for business with the public using the Premises for Tenant's Exclusive.

TJ MAXX - Exclusive:

4. (B) Excluding Home Depot, Office Depot, Ross, Costco and Office Max and other leases in effect as of the Lease Commencement Date, Landlord agrees that, from the date hereof until expiration of the term of this lease, no other premises in the Shopping Center (excluding the Building 51 space) shall at any time contain more than (i) fifteen thousand (15,000) square feet of floor area therein used or occupied for, or devoted to, the sale or display of off-price apparel and related accessories. The computation of such floor area shall include one half (1/2) of all floor area in any aisles, corridors, or similar spaces adjacent to or abutting any racks, gondolas, shelves, cabinets, counters or other fixtures or equipment containing or used for the sale or display of such protected merchandise.

Prohibited Uses:

4. (A) Landlord agrees that as long as any retail sales activity shall be conducted in the Demised Premises the Shopping Center shall not be used for any non-retail purposes (repairs, alterations and offices incidental to retailing, such as real estate offices, tutorial centers, banks and other financial institutions, medical/dental offices, financial planner/stock broker offices and other retail/financial/medical services uses found in other first-class shopping centers located in the general vicinity of the Shopping Center (collectively, "Retail-Service") not being deemed non-retail), subject to the aggregate ten percent (10%) cap on Retail-Service, or for any entertainment purposes such as a bowling alley, skating rink, cinema, bar, nightclub, discotheque, amusement gallery, poolroom, health club (however a health club is permitted at the location designated on the Lease Plan), massage parlor, sporting event, sports or game facility, off-track betting club or for any establishment for the sale or display of pornographic materials. Other than restaurants in the Shopping Center as of the Lease Commencement Date (or replacements for the same in the same location), no restaurants shall be located in the Shopping Center in-line within two hundred (200) feet of any part of the Demised Premises. Up to ten percent (10%) of the floor area of the Shopping Center may be used for retail service-oriented offices, provided other than retail service oriented offices existing as of the lease Commencement Date and replacements for the same in the same location none of these are within two hundred fifty (250) feet of the Demised Premises.

UFC GYMS

40. Exclusive.

(A) Landlord agrees that during the term of this Lease, but only for so long as Tenant is open for business as required in this Lease (excluding closures due to an Exempted Discontinuance (as hereinafter defined)), using the Leased Premises for the Exclusive Use (as hereinafter defined) and is not in Default, Landlord will not hereafter enter into a new lease in the Shopping Center with a tenant whose principal permitted use is the operation of a yoga/physical fitness club (the "Exclusive Use").

(B) The restriction set forth in Article 40(A) shall not prohibit Landlord from entering into leases whose principal permitted use is the operation of a (1) retail or other service use which, as of the date of this Lease, are operating within the Shopping Center, (2) tanning parlor, (3) weight reducing salon or nutritional center (4) vitamin shop (5) a sports or fitness equipment retail store, (6) a doctor or chiropractor's office, or (7) physical therapy office.

(C) The restrictions set forth in Article 40(A) shall not apply to: (i) any existing tenants at the Shopping Center or their successors or assigns; or (ii) any existing leases at the Shopping Center as same may be renewed, extended, modified or amended (except that no such modification shall grant a tenant the right to engage in the Exclusive Use where such tenant did not previously have that right).

US BANK

1.09. Uses. (Section 9.01)

Landlord shall not permit any new ATMs, banks or savings and loan associations, including Wells Fargo Bank, in the Shopping Center north of the location currently leased by Crabby Bob's Restaurant.

The foregoing shall not apply to any current banks or finance companies currently in the Shopping Center (excluding Wells Fargo Bank) or to the right of an anchor tenant to allow the establishment of such banking services offices, ATMs or finance companies wholly inside its premises.

WELLS FARGO

15. **Exclusive Right**

So long as this Agreement remains in effect, Landlord shall not permit, without the prior written consent of Tenant, which consent may be granted or withheld in Tenant's sole and absolute discretion, the installation of any freestanding kiosk with an automated teller machine or similar mechanism for effecting financial transactions by future tenants or occupants of the Real Property upon any part of the Real Property. Notwithstanding the foregoing (a) Landlord or other tenants of the Real Property may operate a point-of-sale electronic fund transfer processing system utilizing debit and credit cards; and (b) any tenant of a freestanding building upon the Real Property, may install and maintain an automated teller machine or similar mechanism for effecting financial transactions (including drive-throughs) upon the leased premises on which such freestanding building is located.

YOGURTLAND

(M-1) Exclusive:

Landlord agrees that during the term of this Lease, but only for so long as Tenant is open for business, using the Leased Premises for the Exclusive Use (as hereinafter defined) and is not otherwise in default of any of the provisions of this Lease beyond any applicable notice and cure periods, Landlord will not hereafter enter into a new lease in the in the portion in the Shopping Center designated on Exhibit "A" as "Exclusive Area" with a tenant whose principal permitted use is the retail sale of self-serve frozen yogurt (the "Exclusive Use"). The aforementioned restriction shall not (a) apply to: (i) any existing tenants at the Shopping Center which presently have the right to engage in the Exclusive Use, or their successors, assigns or replacements; or (ii) any existing leases at the Shopping Center as same may be renewed, extended, modified or amended (except that no such renewal, extension, modification or amendment shall grant a tenant the right to engage in the Exclusive Use where such tenant did not previously have that right); (iii) any store measuring 10,000 sq. ft. or more; or (b) prohibit Landlord from entering into a lease for the Exclusive Use that becomes effective upon the expiration of this Lease.

Exhibit 10.10

CHINO SPECTRUM MARKETPLACE
CHINO, CALIFORNIA

LEASE

by and between

SY VENTURES V, LLC, a California limited liability company

"Landlord"

and

GLOBAL AA GROUP, INC., a CA corporation

"Tenant"

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THE SUBMISSION OF THIS DOCUMENT FOR EXAMINATION AND NEGOTIATION DOES NOT CONSTITUTE AN OFFER TO LEASE, OR A RESERVATION OF, OR OPTION FOR, THE PREMISES; THIS DOCUMENT BECOMES EFFECTIVE AND BINDING ONLY UPON EXECUTION AND DELIVERY HEREOF BY LANDLORD AND TENANT. NO ACT OR OMISSION OF ANY EMPLOYEE OR AGENT OF LANDLORD OR OF LANDLORD'S BROKER SHALL ALTER, CHANGE OR MODIFY ANY OF THE PROVISIONS HEREOF.

CHINO SPECTRUM MARKETPLACE
CHINO, CALIFORNIA

SHOPPING CENTER RETAIL SHOP LEASE

THIS SHOPPING CENTER RETAIL SHOP LEASE ("LEASE") is dated 11/23, 2016 ("Effective Date"), and entered into by and between **SY Ventures V, LLC**, a California limited liability company ("Landlord"), and **Global AA Group, Inc.**, a CA corporation ("Tenant").

ARTICLE I.

FUNDAMENTAL LEASE PROVISIONS

Definitions.
For purposes of this Lease, the following terms shall have the following meanings:

Center:	That certain shopping center commonly known to be or known as Chino Spectrum Marketplace, in the City of Chino, County of San Bernardino, State of California.
Premises:	That certain space known as 4004 Grand Avenue, Suite C, Chino, California 91710, and having approximately one thousand eight hundred (1,800) square feet of floor area, as shown on the Site Plan attached hereto as **Exhibit "A"**.
Use of Premises:	The Premises shall be used *solely* for a full-service, sit down restaurant serving primarily Japanese style noodles and cuisine. The Premises may not be used for any other use or purpose whatsoever. Notwithstanding anything to the contrary set forth herein, in no event shall Tenant use or permit the use of the Premises for any purposes which would (a) breach any covenant of or affecting Landlord concerning radius, location, prohibited use or exclusivity in any other lease which prohibited uses and exclusives are set forth in **Exhibit "G"** attached hereto, financing agreement, or other agreement relating to the Center including, without limitation, the OEA (as defined in Section 22.1); or (b) compete with the primary use of another tenant of the Center.
Trade Name:	Yoshiharu Ramen
Lease Term:	One hundred twenty (120) months, commencing on the Rental Commencement Date, as defined below. (As set forth in Section 3.1.)

Renewal Option:	Tenant shall have two (2) consecutive options to extend the Lease Term, each for a period of five (5) years. (As set forth in Section 3.5.)
Commencement Date:	Subject to satisfaction of the Existing Tenant Contingency set forth in Article II below, the date Landlord initially tenders possession of the Premises to Tenant, with Landlord's Work substantially complete.
Rental Commencement Date:	That date that is one hundred eighty (180) days following the date Approved Construction Plans (as defined in **Exhibit "B"**) are achieved; provided, however, that Tenant shall deliver Tenant's construction Plans to Landlord within forty-five (45) days following receipt of Landlord's approved demised plans.

Minimum Annual Rent:	Lease Years	Monthly Annual Rent/square foot of floor area	Monthly Installments of Minimum Annual Rent
	1	$3.00	$5,400.00
	2	$3.09	$5,562.00
	3	$3.18	$5,724.00
	4	$3.28	$5,904.00
	5	$3.38	$6,084.00
	6	$3.48	$6,264.00
	7	$3.58	$6,444.00
	8	$3.69	$6,642.00
	9	$3.80	$6,840.00
	10	$3.91	$7,038.00
	First Option Term		
	11	Greater of: (a) Fair Market Rent determined pursuant to Section 4.2, and (b) Minimum Monthly Rent paid during Lease Year 10 increased by 3%	
	12	3% Increase	
	13	3% Increase	
	14	3% Increase	
	15	3% Increase	
	Second Option Term		
	16	Greater of: (a) Fair Market Rent, and (b) Minimum Monthly Rent paid during Lease Year 15 increased by 3%	
	17	3% Increase	
	18	3% Increase	
	19	3% Increase	
	20	3% Increase	

Percentage Rent:	None.
Exclusive:	None.
Security Deposit and Prepaid Rent:	$5,400.00. Upon Lease execution, Tenant shall also deliver (a) the first month's rent of $5,400.00, (b) the first month's estimated NNN charges of $1,098.00, and (c) the first month's Merchant's Association charge of $75.00. Accordingly, on Lease execution, Tenant shall deliver to Landlord a check payable to Landlord in the amount of $11,973.00. If this Lease is terminated by either party due to the failure to satisfy the Existing Tenant Contingency (as defined below), the Security Deposit and Prepaid Rent shall be reimbursed by Landlord to Tenant within five (5) business days of written notice of such termination.
Delayed Opening Rental:	$10,000.00
Merchant's Association Charge:	Seventy-Five and 00/100 Dollars ($75.00) per month, subject to increase annually pursuant to Article XXVII. (Article XXVII)
Address for Notices:	
To Landlord:	SY Ventures V, LLC c/o Shin Yen Equity, Inc. 3808 Grand Avenue, Suite B Chino, California 91710
To Tenant:	At the address of the Premises
Tenant Allowance:	An amount not to exceed Fifty Four Thousand and 00/100 Dollars ($54,000.00) (based on $30.00/square foot). (As set forth in Article IV of **Exhibit "B"**).
Guarantor:	LONGJI JIN, an individual

Exhibits.

The following drawings, documents and provisions are attached hereto as Exhibits and incorporated herein by this reference:

Exhibit "A": General Site Plan of the Center.

Exhibit "B": Provisions Relating to the Construction of the Premises.

Exhibit "C": Form of Guaranty of Lease.

Exhibit "D": Form of Tenant Estoppel Certificate.

Exhibit "E": Sign Criteria.

Exhibit "F": Rules and Regulations.

Exhibit "G": Existing Exclusives and Prohibited Uses.

ARTICLE II.

DEMISED PREMISES

Landlord hereby leases to Tenant and Tenant hereby leases from Landlord the Premises, which Premises are situated within the Center as delineated in **Exhibit "A"**. Tenant acknowledges that Landlord may unilaterally change the shape, size, location, number and extent of the improvements to any portion of the Center without Tenant's consent and without providing notice to the Tenant thereof. All measurements of the Premises shall be made from the outside of exterior walls and from the center of the interior demising partitions, including those measurements to establish the length and width of the Premises. Deductions shall not be allowed for columns, sprinkler risers, roof drains, vents, piping, wastelines, conduit, ventilation shafts and related items serving the other tenant spaces. This Lease is subject to the terms, covenants and conditions herein set forth, and Tenant covenants as a material part of the consideration of this Lease to keep and perform each and all of such terms, covenants and conditions to be kept and performed by it.

Tenant acknowledges that, as of the Effective Date, the Premises is occupied by another tenant ("Existing Tenant") of the Shopping Center, and that the Lease is subject to, and contingent upon, Landlord recapturing possession of the premises from the Existing Tenant (the "Existing Tenant Contingency"). Landlord shall have no liability to Tenant whatsoever in the event that Landlord, despite its good faith efforts, is unable to recapture the Premises from the Existing Tenant and Tenant hereby waives any claim against Landlord as a result of any delay in Landlord completing Landlord's Work, or delivering the Premises to Tenant except for Landlord's obligation to reimburse Tenant for the Security Deposit and Prepaid Rent as set forth below. If Landlord, despite its good faith efforts, is unable to satisfy the Existing Tenant Contingency, on or before March 1, 2017, then Landlord and Tenant shall each have the right to terminate this Lease immediately upon written notice to the other, and in the event of such termination, this Lease shall be deemed terminated, and neither Landlord nor Tenant shall thereafter have any rights or obligations provided hereunder; provided, however, that Landlord shall reimburse Tenant for the Security Deposit and Prepaid Rent within five (5) business days after either party provides written notice terminating this Lease pursuant to this paragraph.

ARTICLE III.

TERM

Commencement of Term.

The Lease shall be effective as of the Effective Date and shall continue thereafter for the period of the Lease Term set forth in Section 1.1 above, which Lease Term shall be computed from the first day of the first full calendar month immediately following the Rental Commencement Date or from the Rental Commencement Date, if the Rental Commencement Date occurs on the first day of the month, unless sooner terminated as hereinafter provided. The term "Lease Year" shall mean each consecutive twelve (12) month period from and after the Rental Commencement Date until expiration of the Lease Term. The term "Lease Term" shall collectively mean the original Lease Term and any exercised Option Term (as defined in Section 3.5). Landlord agrees to deliver to Tenant, and Tenant agrees to accept from Landlord, possession of the Premises upon "Substantial Completion" of "Landlord's Work" (as those terms are described in **Exhibit "B"**). Notice from Landlord of Substantial Completion of Landlord's Work in the Premises in accordance with **Exhibit "B"** hereof shall be conclusive and binding upon the parties hereto. If Landlord inadvertently fails to give Tenant such notice prior to Tenant taking possession of the Premises, such notice shall be deemed given as of the date Tenant takes possession of the Premises. In the event that Landlord has not delivered possession of the Premises within two hundred seventy (270) days from the Effective Date hereof, this Lease shall automatically terminate, and Landlord and Tenant shall be relieved from any and all liability hereunder. Such automatic termination shall be Tenant's sole and exclusive remedy at law or in equity for Landlord's failure to complete Landlord's Work on a timely basis.

Estoppel Certificate.

Within twenty (20) days after receipt of notice by Landlord, but in no event less than twenty (20) days after delivery of possession of the Premises by Landlord to Tenant, and at any other time during the Lease Term, within ten (10) days following request in writing by Landlord, Tenant will execute and deliver to Landlord an estoppel certificate substantially in the form attached hereto as **Exhibit "D"** indicating therein any exceptions thereto which may exist at that time. The failure of Tenant to execute and deliver such certificate on a timely basis shall constitute (a) an automatic acceptance of the Premises and an express acknowledgment by Tenant that the statements included in **Exhibit "D"** are true and correct, without exception, and (b) a material breach of Tenant's obligations under this Lease (which may be waived in writing by Landlord).

Tenant's Work.

Except as set forth in **Exhibit "B"**, Tenant shall commence Tenant's Work within thirty (30) days following (a) the notice from Landlord described in Section 3.1 above that Landlord's Work has been Substantially Completed in accordance with **Exhibit "B"**; or (b) the date Approved Construction Plans (as defined in **Exhibit "B"**) are achieved, whichever is later. Tenant, at its sole cost and expense, shall diligently perform all of Tenant's Work as set forth in **Exhibit "B"** and shall equip the Premises with all trade fixtures and personal property including, but not limited to, counters, signage and inventory and all other improvements not provided by Landlord suitable or appropriate for the regular and normal operation of the type of business in which Tenant is engaged. All materials, furnishings, trade fixtures, personal property, furniture and fixtures shall be new or of likenew quality. Tenant further agrees to open for business as

soon as possible after substantial completion of Landlord's Work as specified in **Exhibit "B"**. In any event, Tenant agrees to open for business not later than sixty (60) days following the Rental Commencement Date.

Delayed Opening Rental.

If Tenant fails to open for business to the public in the Premises on or before the date which is sixty (60) days following the Rental Commencement Date, Tenant shall pay to Landlord, in addition to Tenant's obligation to pay Minimum Annual Rent and all Additional Rent from and after the Rental Commencement Date, the amount set forth in Section 1.1 (Delayed Opening Rental), in arrears on the last day of the month for each month or partial month Tenant is not open for business in the Premises following the date which is sixty (60) days following the Rental Commencement Date ("Delayed Opening Rental"). Delayed Opening Rental for any partial month shall be prorated on the basis of thirty (30) days.

III.5 Option to Extend.

Option Term

. Provided that Tenant has not been in default of any material provision of this Lease during the Lease Term, and is not in default of any provision of this Lease at the time of exercise or at any time thereafter prior to the commencement of the "Option Term" (as defined below), Tenant may extend (the "Option to Extend") the Lease Term for two (2) additional five (5) year periods as specified in Section 1.1 above (each such period being referred to herein as an "Option Term" or "Option") only by giving Landlord written notice not more than three hundred sixty (360) days nor less than one hundred eighty (180) days before the expiration of the then-current Term. All of the terms and conditions of the Lease, except this right to extend the Term, any rental concession, construction allowance or other concession previously granted to Tenant, shall apply to the Option Term, and reference in this Section 3.5 and elsewhere in this Lease to the "Lease Term" or "Term" shall be deemed to include, as applicable, the Option Term(s).

Confirming Memorandum

. Upon the commencement of an Option Term, Landlord and Tenant shall execute, acknowledge and deliver an amendment to this Lease acknowledging the fact that the option has been exercised and confirming the commencement and expiration dates of the Option Term and the Minimum Annual Rent applicable to the Option Term. In the event that Tenant shall fail to give Landlord notice of exercise of the Option to Extend granted herein as provided above, the Option to Extend shall be terminated and Tenant shall join with Landlord in executing and acknowledging an instrument of termination in form suitable for recording in the public records of the county within which the Premises is located, to be effective upon the expiration date of the Lease Term.

Non-Transferable Option

. As a material consideration to Landlord granting an Option to Extend the Lease Term as provided herein, Landlord and Tenant have expressly agreed that the Option to Extend is granted solely to Global AA Group, Inc., a _____ corporation, is personal to Global AA Group, Inc., a _____corporation, and, except in connection with an assignment that is consented to by Landlord and undertaken in accordance with the terms of Article 16 of this Lease, is not assignable or transferable, whether separate from or incident to an assignment or other transfer of Global AA Group, Inc., a _____ corporation's interest under this Lease. Tenant acknowledges its understanding and awareness that the non-assignable and non-transferable nature of the Option is critical to Landlord, and that Landlord would not agree to grant the Option except in connection with an assignment that is consented to by Landlord and undertaken in accordance with the terms of Article 16 of this Lease. Any attempt to assign or transfer the Option, except as specifically set forth above, shall cause the Option to automatically cease and terminate and, in such event, this Lease shall terminate upon the expiration of the initial Lease Term.

ARTICLE IV.

RENT

Minimum Annual Rent

. Tenant agrees to pay to Landlord, at the times and in the manner herein provided, the Minimum Annual Rent specified in Section 1.1 above (including, if applicable, during the Option Term). Concurrently with Tenant's execution of this Lease, Tenant shall pay to Landlord the sum of the following amounts: the Security Deposit, the first month's Minimum Annual Rent, the first month's estimated NNN charges, the first month's Merchant's Association charge. Minimum Annual Rent shall be payable in advance in twelve (12) equal monthly installments on the first day of each calendar month, without demand or offset, commencing upon the Rental Commencement Date as provided in Section 1.1 above. If the Rental Commencement Date falls on a day of the month other than the first day of such month, the rental for the first fractional month shall accrue on a daily basis for the period from the date of such commencement to the end of such fractional calendar month at a rate equal to 1/365th of the Minimum Annual Rent per day. All other payments required to be made under the terms of this Lease which require proration on a time basis shall be prorated on the same daily basis.

Minimum Annual Rent During Option Term.

The Minimum Annual Rent for the first (1st) year of each Option Term shall be the then prevailing fair market rent (the "Fair Market Rent"), but shall in no event be less than the Minimum Annual Rent payable during the last year of the initial Term or the first Option Term, as the case may be, plus Three Percent (3.0%). Landlord shall, no later than thirty (30) days after receipt of Tenant's notice of exercise of the applicable Option to Extend, estimate the Fair Market Rent, as well as the annual increases thereto, as provided hereunder and notify Tenant of the same. The Fair Market Rent shall be determined by Landlord in good faith based on

comparable rentals then charged and collected in the area where the Center is located, taking in to account items customarily considered in such determinations, including location, the credit of tenants of other properties, size, age, design, utility and other relevant factors of other comparable properties in the area where the Center is located. In no event shall the Minimum Annual Rent during either the first or second Option Term be reduced pursuant to such determination, and if Landlord's determination of Fair Market Rent is less than the Minimum Annual Rent payable during the last year of the initial Term or the last year of the first Option Term, as the case may be, then the Fair Market Rent shall be deemed to be the Minimum Annual Rent paid during the last year of the initial Term or the last year of the first Option Term plus Three Percent (3.0%). During each Option Term, upon the dates set forth in Section 1.1 above, the Minimum Annual Rent, as increased hereunder, shall be increased by three percent (3.0%) over the amount of Minimum Annual Rent payable immediately preceding each such increase.

Security Deposit.

The Security Deposit shall be held by Landlord as security for the faithful performance by Tenant of all of the terms, covenants, and conditions of this Lease to be kept and performed by Tenant during the Lease Term. If Tenant defaults with respect to any provision of this Lease including, but not limited to, any provision relating to the payment of rent, Landlord may (but shall not be required to) use, retain and apply all or any part of the Security Deposit for the payment of any rent or any other sum in default, or for the payment of any amount which Landlord may spend or become obligated to spend by reason of Tenant's default, or to compensate Landlord for any other loss or damage which Landlord may suffer as a result of Tenant's default. If any portion of the Security Deposit is so used or applied, Tenant shall, within five (5) days after written demand therefor, deposit with Landlord in cash or a cashier's check an amount sufficient to restore the Security Deposit to its original amount, and Tenant's failure to do so shall constitute a material default under this Lease. Landlord shall not be required to keep the Security Deposit separate from its general funds, and Tenant shall not be entitled to interest on the Security Deposit. If Tenant shall fully and faithfully perform every provision of this Lease, the Security Deposit, or any balance thereof, shall be returned to Tenant (or, at Landlord's option, to the last assignee of Tenant's interest hereunder) within five (5) business days following the expiration of the Lease Term or vacation of the Premises by Tenant, whichever event occurs last. Additionally, in the event that the Existing Tenant Contingency is not satisfied and this Lease is terminated, the Security Deposit shall be returned to Tenant in accordance with Article II above. In the event of a termination of Landlord's interest in this Lease, the Security Deposit, or any portion thereof not previously applied, may be released by Landlord to Landlord's transferee and, if so released, Tenant agrees to look solely to such transferee for proper application of the Security Deposit in accordance with the terms of this Section 4.3 and the return thereof in accordance herewith. The holder of a mortgage or the beneficiary of a deed of trust encumbering the property which includes the Premises shall not be responsible to Tenant for the return or application of any such Security Deposit, whether or not such holder or beneficiary succeeds to the position of Landlord hereunder, unless such Security Deposit shall have been actually received by such holder or beneficiary.

Statement of Net Sales

. Although Tenant is not required to pay Percentage Rent, Tenant agrees to furnish or cause to be furnished to Landlord a statement of Tenant's monthly "net sales" within twenty (20) days after the close of each calendar month and a statement of Tenant's annual "net sales" within thirty (30) days after the close of each calendar year. Such statements shall be certified as accurate accountings of Tenant's "net sales" from the Premises by an officer of Tenant. Tenant shall record at the time of each sale transaction in the presence of the customer, all receipts from sales or other transactions, whether for cash or credit, in a cash register, or in cash registers, having a cumulative total and which shall number consecutive purchases. Tenant shall keep full and accurate books of account, records, and all such cash register receipts concerning gross and net sales, credits, refunds and other transactions made from or upon the Premises (including the gross and net sales of any subtenant, licensee or concessionaire). Such books, receipts and records shall be kept for a period of not less than three (3) years after the close of each calendar year and shall be available for inspection and audit by Landlord or its representatives at all times during regular business hours. In addition, upon request of Landlord, Tenant agrees to furnish to Landlord a copy of Tenant's sales tax return (State and Local Sales and Use Tax Return). _

Taxes and Insurance Expenses

. Commencing upon the Rental Commencement Date and for the balance of the Lease Term, Tenant shall pay to Landlord any and all amounts designated herein as real property taxes and insurance expenses allocable to the Premises. Such amounts shall mean all taxes and assessments levied with respect to any tax fiscal year applicable to the Lease Term, and the cost to Landlord concerning any policy or policies of insurance carried by Landlord pursuant to Section 8.6 hereof on the building of which the Premises are a part (excluding Tenant's leasehold improvements), and any other insurance maintained by Landlord in connection with the Shopping Center, which are allocable to the Premises as provided herein. During any portion of the Lease Term which is less than a full taxable fiscal year or less than a full period for which Landlord has obtained such insurance, Tenant's obligation for such real property taxes and insurance expenses shall be prorated on a daily basis.

Definition of Real Property Taxes

. As used herein, the term "real property taxes" shall include the reasonable costs of professional consultants and/or counsel to analyze tax bills and prosecute any protests, refunds and appeals for the period covered during the Lease Term, general real property and improvement taxes, any form of assessment, reassessment, license fee, license tax, business license tax, commercial rental tax, in lieu tax, levy, charge, penalty or similar imposition whatsoever or at all, imposed by any authority having the direct power to tax, including any city, county, state or federal government, or any school, agricultural, lighting, drainage or other improvement or special assessment district thereof, or any agency or public body, as against any legal or equitable interest of Landlord in the Premises and/or the Center including, but not limited to:

A. any tax on Landlord's rent, right to rent or other income from the Premises or as against Landlord's business of leasing the Premises;

B. any assessment, tax, fee, levy or charge in addition to, or in partial or total substitution of any assessment, tax, fee, levy or charge previously included within the definition of real property tax. Tenant and Landlord acknowledge that Proposition 13 was adopted by the people of the State of California in June 1978 and that assessments, taxes, fees, levies and charges may be imposed by governmental agencies for such services as fire protection, street, sidewalk and road maintenance, refuse removal and for other governmental services formerly provided without charge to property owners or occupants. It is the intention of Tenant and Landlord that all such new and increased assessments, taxes, fees, levies and charges and all similar assessments, taxes, fees, levies and charges be included within the definition of real property taxes for the purposes of this Lease;

C. any assessment, tax, fee, levy, or charge allocable to or measured by the area of the Premises or the rent payable hereunder including, but not limited to, any gross income tax with respect to the receipt of such rent, or upon or concerning the possession, leasing, operation, management, maintenance, alteration, repair, use or occupancy of the Premises, or any portion thereof, by Tenant;

D. any assessment, tax, fee, levy, or charge upon this lease transaction or any document to which Tenant is a party, creating or transferring an interest or an estate in the Premises; and

E. any assessment or reassessment related to any change of ownership of any interest in the Center or portion thereof held by Landlord, or any addition or improvement to the Center or a portion thereof.

Real property taxes shall not include Landlord's federal or state income, franchise, inheritance or estate taxes.

With respect to any assessment which may be levied against or upon the Premises and which under the laws then in force may be evidenced by improvement or other bonds, or may be paid in annual installments, there shall be included within the definition of real property taxes, with respect to any tax fiscal year, only the amount currently payable on such bonds, including interest, for such tax fiscal year, or the current annual installment or semiannual installments for such tax fiscal year.

Insurance Allocation.

In the event that the Premises are not separately appraised for insurance purposes, Tenant shall pay its "proportionate share" (as defined in this Section 4.8) of the costs for all insurance carried by Landlord pursuant to Section 8.6. For purposes of this Section 4.8 only, the term "proportionate share" shall mean a fraction, the numerator of which shall be the number of square feet of floor area of the Premises and the denominator of which shall be the number of leasable square feet of floor area of buildings located within the Center which are constructed as

of the end of each calendar year (excluding the floor area of (a) mezzanine space not utilized for retail sales area; (b) the outdoor sales area adjacent to the Target Store; and (c) buildings which are separately insured).

Allocation of Real Property Taxes.

In the event that the Premises are not separately assessed, Tenant shall pay its "proportionate share" (as defined in this Section 4.9) of all real property taxes. For purposes of this Section 4.9 only, the term "proportionate share" shall mean a fraction, the numerator of which shall be the number of square feet of floor area of the Premises and the denominator of which shall be the number of leasable square feet of floor area of buildings located within the Center which are constructed as of the end of each calendar year (excluding the floor area of (a) mezzanine space not utilized for retail sales area; (b) the outdoor sales area adjacent to the Target Store; and (c) buildings located on separately assessed parcels).

Tax and Insurance Fund

. Tenant shall pay to Landlord on the first day of each calendar month such amounts as Landlord shall from time to time estimate and so notify Tenant as are required for Landlord to establish a noninterest bearing fund with which to pay tax and insurance expenses prior to delinquency except that, with respect to the first year's insurance expenses, Tenant shall pay its prorata share of such expenses concurrently with the first monthly installment of the Minimum Annual Rent or at such later time as Landlord may designate. Tenant's prorata share of real property taxes payable pursuant to Article XVII hereof may also be treated as real property taxes pursuant to this Article. Landlord shall deliver to Tenant at least once annually a statement setting forth the actual real property taxes and insurance expenses allocable to the Premises together with the basis used by Landlord for computing same. If such actual expenses exceed Tenant's payments hereunder, Tenant shall pay the deficiency to Landlord within five (5) days after receipt of such statement. If payments made by Tenant for such year exceed such actual expenses, Landlord shall have the option of (a) paying such excess to Tenant upon Landlord's delivery of such statement; or (b) allowing Tenant to credit the excess against payments next thereafter to become due to Landlord for such expenses.

Other Charges

. Tenant shall pay to Landlord when due all sums of money required to be paid pursuant to this Article, Article XV (Repairs and Maintenance) and Article XVII (Common Areas and Expenses), and all other sums of money or charges including, without limitation, real property taxes, insurance, late charges, payment of attorneys' fees and costs, required to be paid by Tenant under this Lease as additional rent, whether or not the same is designated as additional rent. If such amounts or charges are not paid at the time provided in this Lease, they shall nevertheless be collectible with the next installment of Minimum Annual Rent thereafter falling due. The foregoing notwithstanding, nothing herein contained shall be deemed to suspend or delay the payment by Tenant of any amount of money or charge at the time same becomes due and payable hereunder, or limit any other right or remedy of Landlord. If Tenant shall fail to

pay, when due, any rent or other charge, such unpaid amount shall bear interest at the maximum lawful rate from the date due through the date of payment.

Place of Payment

. All rent and other charges shall be paid by Tenant to Landlord at the address specified for service of notice upon Landlord in Section 1.1 of this Lease, or at such other place as may from time to time be designated by Landlord in writing at least ten (10) days prior to the next ensuing payment date.

ARTICLE V.

"NET SALES"

As used in this Lease, the term "net sales" of Tenant is defined as the gross selling price or rental of all merchandise, food, beverages and/or services sold or rented upon or from the Premises by Tenant, its subtenants, licensees and concessionaires, whether for cash or on credit, whether collected or not, and whether made by store personnel or by vending machines, excepting therefrom the following:

A. the selling price of all merchandise returned by customers, purchased at the Premises and accepted for full credit, or the amount of discounts and allowances made therefor;

B. goods returned to sources or transferred to another store or warehouse owned by or affiliated with Tenant, provided such return or transfer results in no profit to Tenant's store located on the Premises;

C. sums and credits received in the settlement of claims for loss of, or damage to, merchandise;

D. the price allowed on all merchandise purchased at the Premises traded in by customers or the amount of credit for discounts and allowances made in lieu of acceptance therefor;

E. alterations, workroom charges and delivery charges, provided such services are rendered on a nonprofit basis;

F. cash refunds made to customers in the ordinary course of business, but specifically including within "net sales" any amount paid or payable for what are commonly referred to as trading stamps;

G. interest, service or sales carrying charges, however denominated, paid by customers for extension of credit on sales, where not included in the cash sales price;

H. receipts from public telephones, stamp machines, or public toilet locks, if any;

I. sales taxes, socalled luxury taxes, consumers' excise taxes, gross receipts taxes and other similar taxes now or hereafter imposed upon the sale of merchandise or services and collected from customers; and

J. sales of fixtures, equipment or property which do not constitute stock in trade.

All sales originating at the Premises shall be considered as made and completed from the Premises, even though bookkeeping and payment of the account may be transferred to another place for collection and even though actual filling of the sale or service order and actual delivery of the merchandise may be made from a place other than the Premises. Each installment sale or sale upon credit, including "lay away" sales, shall be treated as a sale for the full cash price at the time of sale.

ARTICLE VI.

PERMISSIBLE USE

VI.1 Permitted Uses.

A. Tenant shall use the Premises solely for the purpose and under the trade name specified in Section 1.1 hereof, and Tenant shall not use or permit the Premises to be used for any other purpose or purposes or under any other trade name whatsoever without the prior written consent of Landlord, which consent may be withheld in Landlord's sole, absolute and arbitrary discretion. Tenant further covenants and agrees that it will not use, nor suffer or permit any person or persons to use the Premises or any part thereof for any use or purpose contrary to the Rules and Regulations of the Center as set forth in **Exhibit "F"** hereof, as same may be amended by Landlord from time to time, or in violation of the laws of the United States of America, the State of California, or the ordinances, regulations or requirements of the local, municipal or county governing bodies or any other lawful governmental or quasigovernmental authorities having jurisdiction over the Center, or in violation of any regulations of any insurance carrier providing insurance for the Premises or Center. *For purposes of Section 1938 of the California Civil Code, Landlord hereby discloses to Tenant, and Tenant hereby acknowledges, that the Premises have not undergone inspection by a Certified Access Specialist (CASp).*

B. Tenant agrees not to conduct or operate its business in any manner which could jeopardize or increase the rate of any fire or other insurance on the Premises or Center or to engage in conduct which may constitute a nuisance to, or interfere with, the other property of Landlord or its business, or the property or business of other tenants of the Center. Tenant may not display or sell merchandise, or allow carts, portable signs, devices or any other objects to be stored or to remain outside the defined exterior walls or roof or permanent doorways of the Premises, or in the hallways. Any sign placed or erected by Tenant and permitted hereunder

shall be kept by Tenant safe, secure and in conformance with the requirements of the local governing body having jurisdiction over the Center and each of the restrictions and requirements set forth in **Exhibit "F"** hereof. No aerial or antenna shall be erected on the roof or exterior walls of the Premises without, in each instance, the prior written consent of Landlord. Any aerial or antenna so installed without such written consent shall be subject to removal by Landlord, Landlord's agents, and Landlord's employees, without notice at any time. In addition, Tenant agrees that it will not solicit in any manner in any of the automobile parking and common areas of the Center.

C. Tenant shall use its best efforts to complete or cause to be completed all deliveries, loading, unloading and services to the Premises prior to 10:00 A.M. of each day, and to prevent delivery trucks or other vehicles servicing the Premises from parking or standing in service areas for undue periods of time. Landlord reserves the right to further reasonably regulate the activities of Tenant in regard to deliveries and servicing of the Premises, and Tenant agrees to abide by such further reasonable rules and regulations which Landlord may impose from time to time.

ARTICLE VII.

UTILITIES

Utility Installation.

Landlord agrees that it will cause to be made available to Tenant upon or adjacent to the Premises, facilities for the delivery to the Premises of water, power, electricity, and telephone service, and for the removal of sewage from the Premises, all as provided in **Exhibit "B"**. Such utilities, except for water, shall be separately metered. ~~[CONFIRM].~~ Tenant agrees to use such utilities in connection with the use of the Premises.

Payment of Utility Cost.

Tenant agrees, at its own expense, to pay for all water, power, gas and electric current and all other utilities used by Tenant on or from the Premises from and after the commencement of the work to be performed by Tenant pursuant to **Exhibit "B"** hereof, and Tenant agrees to provide, at Tenant's sole cost and expense, any check meters of the type required by Landlord. In the event that any utilities are furnished to the Premises by Landlord, whether submetered or otherwise, then and in that event, Tenant shall pay Landlord for such utilities within ten (10) days after Tenant's receipt of a statement from Landlord, but the rates charged to Tenant by Landlord shall not exceed those of the public utility company furnishing same to Landlord as if its services were being furnished directly to Tenant. If Tenant fails to pay when due any charges referred to in this Article 9, Landlord may pay the charge and Tenant shall reimburse Landlord, as Additional Rent, for any amount so paid by Landlord, plus Interest thereon, within ten days after demand therefor.

No Liability.

Landlord shall not be liable in damages or otherwise for any failure or interruption of any utility service being furnished to the Premises, and no such failure or interruption shall entitle Tenant to terminate this Lease or withhold any rent or any other sums due under the terms of this Lease.

ARTICLE VIII.

INDEMNITY AND INSURANCE

VIII.1 Indemnification and Waiver.

A. Indemnification by Tenant. Tenant agrees that Landlord shall not be liable for any damage or liability of any kind, or for any injury to or death of persons, or damage to property of Tenant or any other person during the Lease Term, from any cause whatsoever, resulting from the use, occupation or enjoyment of the Premises or the operation of business therein or therefrom by Tenant or any person holding under Tenant. Tenant further assumes all risk of, and agrees that Landlord shall not be liable for, any and all loss, cost, damage, expense and liability (including without limitation all court costs and reasonable attorneys' fees) sustained as a result of the Premises not having been inspected by a Certified Access Specialist (CASp). Tenant hereby further agrees to defend, indemnify, protect and save harmless Landlord from all liability whatsoever including, without limitation, liability for any real or claimed damage or injury and from all liens, claims and demands arising out of the use of the Premises and its facilities, any repairs or alterations which Tenant may make upon the Premises, any claims of any employee of Tenant against Landlord, any acts, omissions, negligence or willful misconduct of Tenant or its agents, employees, servants or contractors, or any breach of this Lease by Tenant. Tenant shall not be liable for damage or injury occasioned by the gross negligence of Landlord and its designated agents, servants or employees, unless the same is covered by insurance Tenant is required to provide. The foregoing obligation of Tenant to indemnify shall survive the expiration or earlier termination of the Lease Term and shall include all costs of legal counsel and investigation, together with other costs, expenses and liabilities incurred in connection with any and all claims of damage.

B. Waiver of Subrogation. To the extent any such loss or damage is covered by insurance, Landlord and Tenant each hereby waive any rights one may have against the other on account of any loss or damage occasioned to Landlord or Tenant, as the case may be, their respective properties, the Premises or their contents, or to other portions of the Center arising from any risk generally covered by fire and extended coverage insurance or from vandalism, malicious mischief or sprinkler leakage. The parties hereto, on behalf of their respective insurance companies insuring such losses, waive any right of subrogation that one may have against the other. The foregoing waivers of subrogation shall be operative provided that no policy of insurance required herein is invalidated thereby.

Tenant's Insurance Obligation.

Tenant further covenants and agrees that it will carry and maintain during the entire Lease Term hereof, at Tenant's sole cost and expense, the following types of insurance in the amounts and forms hereinafter specified:

Public Liability and Property Damage.

Tenant shall at all times during the Lease Term maintain in effect a policy or policies of bodily injury liability and property damage liability insurance with limits of not less than Two Million Dollars ($2,000,000.00) combined single limit insuring against any and all liability of the insured with respect to the Premises or arising out of the maintenance, condition, use or occupancy thereof, and property damage liability. All such bodily injury liability insurance and property damage liability insurance shall specifically insure the performance by Tenant of the indemnity agreement as to liability for injury to or death of persons and injury or damage to property contained in Section 8.1 hereof. Such policies shall include, without limitation, coverage for fire, explosion and water damage legal liability coverage.

Plate Glass.

Tenant shall be responsible for the maintenance of the plate glass on the Premises, but shall have the option either to insure the risk pursuant to Section 8.2(C) hereof or to self-insure same, which shall obligate Tenant to be personally liable for any claim, loss or damage related thereto, together with the cost of the repair of same. Tenant's responsibility for maintenance of the plate glass includes its replacement in the event repair of the glass would not restore the glass to its original condition at the time of installation.

Tenant Improvements.

Insurance covering all of Tenant's Work as described in **Exhibit "B"** hereof, Tenant's leasehold improvements, alterations or additions permitted under Article IX hereof, Tenant's trade fixtures, merchandise and all personal property from time to time in, on or upon the Premises, in an amount not less than one hundred percent (100%) of their full replacement cost, without depreciation, during the Lease Term, providing protection against any peril included within the classification "Fire and Extended Coverage", together with insurance against sprinkler damage, vandalism and malicious mischief. Any insurance policy proceeds shall be used for the repair or replacement of the property damaged or destroyed unless this Lease shall cease and terminate under the provisions of Article XVI hereof, whereupon any proceeds of insurance covering Tenant's leasehold improvements and any alterations or additions permitted under Article IX hereof shall be payable to Landlord.

Workers' Compensation.

Tenant shall carry Workers' Compensation insurance for all of Tenant's employees.

Business Interruption.

Business interruption or loss of income insurance in amounts sufficient to cover Minimum Annual Rent and all other rent due under the Lease for twelve (12) months.

Builder's Risk Insurance.

Tenant shall at all times during the performance of Tenant's Work, pursuant to **Exhibit "B"**, or any alterations or improvements to the Premises pursuant to Article IX, maintain in effect a policy of "All Physical Loss Builder's Risk Insurance" on the work to be performed by Tenant in the Premises as it relates to the building within which the Premises are located. The policy shall include Landlord as an insured. The amount of the insurance to be provided shall be one hundred percent (100%) replacement cost.

Policy Requirements.

All policies of insurance provided for herein shall be issued by insurance companies with a general policy holder's rating of not less than A and a financial rating of not less than Class VII as rated in the most current available Best's Insurance Reports and qualified to do business in the State of California. All such policies shall name Landlord as an additional insured and, if requested by Landlord, Landlord's lender(s) and/or Landlord's lessor, which policies shall be for the mutual and joint benefit and protection of Landlord, Tenant, Landlord's lender(s), and/or Landlord's lessor. Executed copies of such policies of insurance or original certificates thereof shall be delivered to Landlord within ten (10) days after delivery of possession of the Premises to Tenant and thereafter at least thirty (30) days prior to the expiration of the term of each such policy. All public liability and property damage policies shall contain a provision that Landlord, although named as an additional insured, shall nevertheless be entitled to recovery under such policies for any loss occasioned to it, its servants, agents, or employees by reason of any act or omission of Tenant or its servants, agents, employees or contractors. As often as any such policy shall expire or terminate, renewal or additional policies shall be procured and maintained by Tenant pursuant to the terms of this Article VIII. All policies of insurance delivered to Landlord must contain a provision that the company writing such policy will give to Landlord at least thirty (30) days' notice in writing in advance of any cancellation or lapse or the effective date of any reduction in the amount of or other material change of insurance. All public liability, property damage and other casualty policies maintained by Tenant shall be written as primary policies, and any insurance maintained by Landlord shall be excess insurance only.

Increase in Coverage.

In the event Landlord or Landlord's lender(s) deems it necessary to increase the amounts or limits of insurance required to be carried by Tenant hereunder, Landlord may reasonably increase such amounts or limits of insurance, and Tenant shall increase the amounts or limits of the insurance required to be carried by Tenant hereunder and shall provide Landlord with policies or original certificates indicating the increased amounts or limits as provided in Section 8.3 hereof.

Blanket Coverage.

Tenant's obligations to carry insurance provided for in this Article may be brought within the coverage of a socalled blanket policy or policies of insurance carried and maintained by Tenant; provided, however, that (i) Landlord, Landlord's lender(s) and Landlord's lessor, shall be named as an additional insured thereunder as their respective interests may appear; (ii) any general aggregate limit under Tenant's liability policy shall apply separately to the Premises and to each other location of Tenant; and (iii) the coverage afforded Landlord will not be reduced or diminished by reason of the use of such blanket policy of insurance, and provided further that the requirements set forth herein are otherwise satisfied. Tenant agrees to permit Landlord at all reasonable times to inspect the policies of insurance of Tenant covering risks upon the Premises for which policies or copies of certificates thereof are not required to be delivered to Landlord.

Landlord's Insurance Obligations.

Landlord shall maintain in effect a policy or policies of insurance covering the building of which the Premises are a part, including the leasehold improvements included within "Landlord's Work" as described in **Exhibit "B"** (but not "Tenant's Work" as described in **Exhibit "B"** hereof, Tenant's leasehold improvements, alterations or additions permitted under Article IX hereof, Tenant's trade fixtures, merchandise or other personal property), in an amount of not less than eighty percent (80%) of its full replacement cost (excluding excavations, foundations and footings) during the Lease Term, providing protection against any peril generally included within the classification "Fire and Extended Coverage" (and "Earthquake Insurance" and "Flood Insurance" if Landlord or its lender deems such insurance to be necessary or desirable), together with insurance against sprinkler damage, vandalism and malicious mischief and such further insurance as Landlord or Landlord's lender deems necessary or desirable. Landlord's obligation to carry the insurance provided for herein may be brought within the coverage of a socalled blanket policy or policies of insurance carried and maintained by Landlord, provided that the coverage afforded will not be reduced or diminished by reason of the use of such blanket policy of insurance.

Insurance Use Restrictions.

Tenant agrees that it will not at any time during the Lease Term carry any stock of goods or do or permit anything to be done in or about the Premises which will tend to increase the insurance rates upon the building of which the Premises are a part. Tenant agrees to pay to Landlord forthwith upon demand the amount of any increase in premiums for insurance against loss by fire or any other peril normally covered by fire and extended coverage insurance that may be charged during the Lease Term on the amount of insurance to be carried by Landlord on the building of which the Premises are a part resulting from the foregoing or from Tenant doing any act in or about the Premises which does so increase the insurance rates, whether or not Landlord shall have consented to such act on the part of Tenant. If Tenant installs upon the Premises any electrical equipment which constitutes an overload on the electrical lines of the Premises, Tenant shall at its own expense make whatever changes or provide whatever equipment safeguards are necessary to comply with the requirement of the insurance underwriters and any governmental

authority having jurisdiction thereover, but nothing herein contained shall be deemed to constitute Landlord's consent to such overloading.

ARTICLE IX.

TENANT'S ALTERATIONS

Permitted Alterations.

Landlord agrees that Tenant may, from time to time during the Lease Term, at Tenant's sole cost and expense and after giving Landlord at least thirty (30) days' prior written notice of its intention to do so, make such alterations, additions and changes in and to the interior of the Premises (except those of a structural nature or those that may affect any of the building systems) as Tenant may find necessary or convenient, provided that the value of the Premises is not thereby diminished, and provided that no alterations, additions or changes costing in excess of Five Thousand Dollars ($5,000.00) may be made without first procuring the prior written consent of Landlord. In no event shall Tenant make any alterations, additions or changes to the storefront, or the exterior walls or roof of the Premises, nor shall Tenant erect any mezzanine or increase the size of same, if one be initially constructed, unless and until the written consent of Landlord shall first have been obtained, which consent may be withheld in Landlord's sole and arbitrary discretion. Tenant shall not make or cause to be made any penetration through the roof or demising walls of the Premises without the prior written consent of Landlord. Landlord hereby reserves the right to condition Landlord's consent to any alteration, addition or change to the Premises by Tenant upon Landlord's receipt from Tenant of a written agreement, in form and substance acceptable to Landlord, pursuant to which Tenant shall agree to remove any such alteration, addition or change from the Premises upon expiration or earlier termination of the Lease Term and restore the Premises to its original condition prior to such alteration, addition or change. Tenant shall be directly responsible for any and all damages resulting from any violation of the provisions of this Article.

Manner of Construction.

All alterations, additions, or changes to be made to the Premises shall be under the supervision of a competent architect or competent licensed structural engineer satisfactory to Landlord and shall be made in accordance with plans and specifications with respect thereto, approved in writing by Landlord before the commencement of work. Failure of Landlord to disapprove any such plans and specifications within fifteen (15) days of submission shall be deemed its approval of same. All work with respect to any alterations, additions or changes must be done in a good and workmanlike manner and diligently prosecuted to completion to the end that the Premises shall at all times be a complete unit except during the period of work. Upon completion of any alterations, additions or changes, Tenant agrees to cause a Notice of Completion to be recorded in the office of the Recorder of the County in which the Premises is located in accordance with Section 3093 of the Civil Code of the State of California or any successor statute. Such alterations, additions or changes shall be considered as improvements

and shall become an integral part of the Premises upon installation thereof and shall not be removed by Tenant. All improvements to the Premises by Tenant including, but not limited to, light fixtures, floor coverings and partitions, and other items comprising Tenant's Work pursuant to **Exhibit "B"**, but excluding trade fixtures and signs, shall be deemed to be the property of Landlord upon installation thereof. All materials used in any alterations or changes to the Premises shall be new or likenew quality and condition. Any such alterations, additions or changes shall be performed and done strictly in accordance with the laws and ordinances relating thereto. In performing the work of any such alterations, additions or changes, Tenant shall have the work performed in such manner as not to obstruct the access to the premises of any other occupant to the Center. Tenant shall furnish Landlord with a copy of all applicable construction permits and plans so that Landlord may hold in its file a complete and accurate set of permits and plans for all alterations, additions and changes to the Premises and for all of Tenant's Work on the Premises.

ARTICLE X.

MECHANICS' LIENS

Tenant's Lien Obligations.

Tenant agrees that it will pay, or cause to be paid, all costs for work done by it or caused to be done by it on the Premises and that it will keep the Premises and the Center free and clear of all mechanics' liens and other liens for or arising from work done by or for Tenant or for persons claiming under it. Tenant agrees to, and shall indemnify and save Landlord free and harmless from and against, liability, loss, damage, costs, attorneys' fees, and all other expenses on account of claims of contractors, subcontractors, laborers or materialmen or others for work performed or materials or supplies furnished for Tenant or persons claiming under it. If any laborer, person or firm supplying or providing labor, materials or equipment or services to Tenant, or to any of Tenant's contractors or subcontractors for Tenant's Work, shall make any claim or demand against Landlord, the Premises or the Center, or shall file any claim, stop notice, lien, or otherwise, against Landlord, the Premises, the Center or the lender for the Center and Tenant shall not cause the effect of such claim, stop notice or lien to be removed, rescinded or dismissed, including, without limitation, the posting of a bond pursuant to California Civil Code §§3143 and/or 3171, as the case may be, and in the event Tenant shall fail to do so, within five (5) days after written demand by Landlord to cause the effect of said claim, stop notice or lien to be removed, rescinded or dismissed, such failure shall constitute a default hereunder. In such event, in addition to such other remedies it may have, Landlord shall have the right (but not the obligation) to use whatever means in its discretion it may deem appropriate to cause said claim, stop notice, or lien to be rescinded, discharged, compromised, dismissed or removed, including, without limitation, (a) posting a bond pursuant to California Civil Code §§3143 and/or 3171; or (b) paying a sum sufficient to discharge, in full, any and all such claims, demands, or liens. Any such sums paid by Landlord, including attorneys' fees and bond premiums, shall be immediately due and payable to Landlord by Tenant.

Notice.

Tenant shall immediately give Landlord notice of any claim, demand, stop notice or lien made or filed against the Premises or the Center or any action affecting the title to such Premises or Center.

Inspection.

Landlord or its representative shall have the right to go upon and inspect the Premises at all reasonable times, and shall have the right to post and keep posted thereon notices as permitted or provided by law or which Landlord may deem to be proper for the protection of Landlord's interest in the Premises. Tenant shall, before the commencement of any work which might result in any such lien, give to Landlord a written notice of its intention to do so in sufficient time to enable Landlord to file and record such notices.

ARTICLE XI.

SIGNS

Tenant shall not affix or maintain upon the glass panes or supports of the show windows, or within sixty (60) inches of any window or upon the doors, roof or exterior walls of the Premises, any signs, advertising placards, names, insignia, trademarks, descriptive material or any other similar item or items except those approved in writing in advance by Landlord as to the size, design, type, color, location, copy, nature and display qualities of such item. Failure of Landlord to approve any such item within thirty (30) days of Tenant's submission of same to Landlord shall constitute disapproval of same. Tenant shall provide Landlord with drawings of its storefront sign, which Landlord may approve or disapprove in its reasonable discretion. All signs erected by Tenant shall be at Tenant's sole cost and expense and shall comply with the provisions of **Exhibit "E"** hereof. In addition, no advertising medium shall be utilized by Tenant the sound or effect of which extends beyond the Premises including, without limitation, flashing lights, searchlights, loudspeakers, phonographs, radios or televisions. Tenant shall not display, paint or place or cause to be displayed, painted or placed, any handbills, bumper stickers or other advertising devices on any vehicle parked in the parking area or structure of the Center, whether belonging to Tenant or to Tenant's agents or to any other person; nor shall Tenant distribute, or cause to be distributed, in the Center any handbill or other advertising devices. In the event Tenant shall violate any provision of this Article XI or any provision of **Exhibit "E"** hereof, Tenant hereby grants to Landlord the right to enter the Premises and correct such violation at Tenant's sole cost and expense. If any such violation shall occur in the common areas, Landlord shall have the immediate right to cure such violation, which right shall include, without limitation, removal of any and all unapproved signage.

ARTICLE XII.

TRADE FIXTURES AND PERSONAL PROPERTY

Ownership.

Any trade fixtures, signs and other personal property of Tenant not permanently affixed to the Premises shall remain the property of Tenant, and Landlord agrees that Tenant shall have the right, provided Tenant is not in default under the terms of the Lease, at any time, and from time to time, to remove any and all of its trade fixtures, signs and other personal property which it may have stored or installed in the Premises including, but not limited to, counters, shelving, showcases, mirrors and other movable personal property. Nothing contained in this Article shall be deemed or construed to permit or allow Tenant to remove any personal property without the immediate replacement thereof with similar personal property of comparable or better quality, so as to render the Premises unsuitable for conducting the type of business described in Section 1.1. Tenant, at its expense, agrees to immediately repair any damage occasioned to the Premises by reason of the removal of any such trade fixtures, signs, and other personal property, and upon expiration or earlier termination of this Lease, Tenant agrees to leave the Premises in a neat and broomclean condition and free of trash and debris. All trade fixtures, signs and other personal property installed in or attached to the Premises by Tenant shall be new or of new quality when so installed or attached.

Removal

. If Tenant fails to remove any of its trade fixtures, furniture and other personal property upon expiration or the sooner termination of this Lease, Landlord may at Landlord's option retain all or any of such property, and title thereto shall thereupon automatically vest in Landlord, or Landlord may remove same from the Premises and dispose of all or any portion of such property, in which latter event Tenant shall, upon demand, pay to Landlord the actual expense of such removal and disposition together with the cost of repair of any and all damage to the Premises resulting from or caused by such removal. Tenant waives any and all rights it may have under California Civil Code §1980 et seq.

Personal Property Tax.

Tenant shall pay before delinquency all taxes, assessments, license fees and public charges levied, assessed or imposed upon its business operation, as well as upon its trade fixtures, merchandise and other personal property in or upon the Premises. In the event any such items of property are assessed with property of Landlord, such assessment shall be divided between Landlord and Tenant to the end that Tenant shall pay only its equitable portion of such assessment as conclusively determined by Landlord. No taxes, assessments, fees or charges referred to in this paragraph shall be considered as real property taxes under the provisions of Section 4.7 hereof.

ARTICLE XIII.

ASSIGNMENT, SUBLEASE AND OTHER TRANSFERS

XIII.1 Restrictions.

A. Landlord and Tenant agree that the Center consists of an interdependent group of retail enterprises and that the realization of the benefits of this Lease, both to Landlord and Tenant, is dependent upon Tenant's creating and maintaining a successful and profitable retail operation in the Premises. Landlord and Tenant further agree that the "tenant mix" of the Center is also vital to the realization of the benefits of this Lease, both to Landlord and Tenant. Accordingly, Tenant shall not transfer, assign, sublet, mortgage or otherwise hypothecate or encumber this Lease, or Tenant's interest in and to the Premises, nor enter into any license or concession agreements with respect to the Premises, without in each instance procuring the prior written consent of Landlord, which consent shall not be unreasonably withheld, conditioned or delayed. Any such attempted or purported transfer, assignment, subletting, mortgage or hypothecation, or license or concession agreement (hereinafter collectively a "Transfer") without Landlord's prior written consent shall be void and of no force and effect, shall not confer any interest or estate in the purported transferee, and shall at Landlord's sole, exclusive, and absolute discretion, entitle Landlord to terminate this Lease upon written notice to Tenant.

B. The consent of Landlord required hereunder shall not be unreasonably withheld; provided, however, Landlord and Tenant agree that it shall not be unreasonable for Landlord to withhold its consent to any proposed Transfer for any reasonable reason including, but not limited to:

(i) A conflict between the contemplated use of the Premises by the proposed transferee, assignee, or sublessee following the proposed Transfer (hereinafter referred to as the "Transferee") with the "Use of Premises" clause contained in Section 1.1 hereof;

(ii) The financial worth and/or financial stability of the Transferee is less than that of the Tenant hereunder at the commencement of the Lease Term or not reasonably suitable to Landlord in Landlord's sole discretion so as to insure the ability of the Transferee to perform its obligations under the Lease for the full Lease Term or sublease (as the case may be);

(iii) A Transferee whose reputation or proposed use of the Premises would have an adverse effect upon the reputation of the Center and/or the other business located therein;

(iv) Percentage Rent, if any, following the proposed Transfer that could be reasonably anticipated from Transferee's net sales, which could be reasonably expected to be less than that of Tenant hereunder;

(v) A Transferee which would breach any covenant of or affecting Landlord concerning radius, location, use or exclusivity in any other lease, financing agreement, or other agreement relating to the Center including, without limitation, the OEA (as defined in Section 22.1); and

(vi) The proposed Transfer would, in Landlord's sole and exclusive discretion, require an amendment to any material term of the Lease.

Procedure for Transfer.

Should Tenant desire to make a Transfer hereunder, Tenant shall, in each instance, give written notice of its intention to do so to Landlord at least sixty (60) days before the intended effective date of any proposed Transfer, specifying in such notice whether Tenant proposes to assign or sublet, or enter into license, franchise or concession agreements, the proposed date thereof, and specifically identifying the proposed Transferee, the net worth and previous business experience of the proposed Transferee including, without limitation, copies of the proposed Transferee's last two years' income statement, balance sheet and statement of changes in financial position (with accompanying notes and disclosures of all material changes thereto) in audited form, if available, and certified as accurate by the proposed Transferee. Such notice shall be accompanied, in the case of a proposed assignment, subletting, license, franchise or concession agreement, by a copy of the proposed assignment, sublease, license, franchise or concession agreement or, if same is not available, a letter of commitment or a letter of intent. In the case of a proposed sale of Tenant's business, Tenant shall provide a copy of the proposed sale and financing agreements. Landlord shall, within thirty (30) days after its receipt of such notice of a proposed Transfer, by giving written notice to Tenant of its intention to do so: (a) pursuant to Section 13.1(A) or 13.1(B), whichever shall be applicable, withhold consent to the Transfer; (b) consent to the Transfer; or (c) terminate this Lease, such termination to be effective thirty (30) days after receipt of such notice by Tenant. Failure of Landlord to give Tenant written notice of Landlord's action with respect to any request for Landlord's consent to a proposed Transfer shall not constitute or be deemed Landlord's consent to such Transfer. Landlord's consent to a proposed Transfer shall only be given if and when Landlord has notified Tenant in writing that Landlord consents to such proposed Transfer. No Transfer of this Lease or agreement entered into with respect thereto, whether with or without Landlord's consent, no modification of this Lease by Landlord and the Transferee, whether with or without Tenant's consent, or any indulgences, waivers or extensions of time granted by Landlord to any Transferee or any failure by Landlord to take action against any Transferee, shall relieve Tenant or any Guarantor of this Lease from primary liability under this Lease. Landlord hereby reserves the right to condition Landlord's consent to any assignment, sublease or other transfer of all or any portion of Tenant's interest in this Lease or the Premises upon Landlord's receipt from Tenant of a written agreement, in form and substance acceptable to Landlord, pursuant to which Tenant shall pay over to Landlord all rent or other consideration received by Tenant from any such assignee, sublessee, or transferee either initially or over the term of the assignment, sublease or transfer, in excess of the rent called for hereunder.

Transfer Rent Adjustment.

In the event Tenant shall make a permitted Transfer hereunder, then the Minimum Annual Rent specified in Section 1.1 shall be increased, effective as of the date of such Transfer, to the highest of (a) the total rental payable by the Transferee pursuant to such Transfer; (b) an amount equal to the total of the Minimum Annual Rent, plus Percentage Rent (if any), required to be paid by Tenant hereunder during the twelve (12) month period immediately preceding such Transfer; (c) the Minimum Annual Rent specified in Section 1.1, adjusted in accordance with the provisions of Section 4.2 of this Lease; or (d) a sum equal to the fair market rental of the Premises as determined by Landlord, the amount of which Landlord shall provide notice to Tenant prior to the effective date of the Transfer. In no event shall the Minimum Annual Rent,

after the Transfer, be less than the Minimum Annual Rent specified in Section 1.1. In addition to the foregoing, in the event Landlord consents to a proposed Transfer, Tenant shall repay to Landlord any and all sums received by Tenant from Landlord for the construction and/or remodeling of the Premises.

Required Documents.

Each Transfer to which Landlord has consented shall be evidenced by a written instrument, the form and content of which is satisfactory to Landlord, executed by Tenant and Transferee under which the Transferee shall agree in writing for the benefit of Landlord to perform and to abide by all of the terms, covenants and conditions of this Lease to be done, kept and performed by Tenant, including the payment of all amounts due or to become due under this Lease directly to Landlord and the obligation to use the Premises only for the purpose specified in Section 1.1 hereof. Tenant agrees to reimburse Landlord for Landlord's reasonable attorneys' and administrative fees incurred in conjunction with the processing of and documentation for each proposed Transfer, whether or not the Transfer is consummated.

Merger and Consolidation.

If Tenant is a corporation which, under the current laws, rules or guidelines promulgated by the governmental body or agency having jurisdiction and authority to promulgate the same, is not deemed a public corporation, or is an unincorporated association or partnership, the transfer, assignment or hypothecation, in the aggregate of more than twentyfive percent (25%) of the total outstanding stock or interest in such corporation, association or partnership, shall be deemed a Transfer within the meaning and provisions of this Article and shall require Landlord's prior written consent.

XIII.6 Bankruptcy.

A. If this Lease is assigned to any person or entity pursuant to the provisions of the United States Bankruptcy Code, 11 U.S.C. Section 101 et. seq. (the "Bankruptcy Code"), any and all monies or other consideration payable or otherwise to be delivered in connection with such assignment shall be paid or delivered to Landlord, shall be and remain the exclusive property of Landlord, and shall not constitute property of Tenant or of the estate of Tenant within the meaning of the Bankruptcy Code. Any and all monies or other considerations constituting Landlord's property under this Section 13.6 not paid or delivered to Landlord shall be held in trust for the benefit of Landlord and be promptly paid or delivered to Landlord.

B. Any person or entity to which this Lease is assigned pursuant to the provisions of the Bankruptcy Code shall be deemed without further act or deed to have assumed all of the obligations arising under this Lease on and after the date of such assignment, including the obligation to operate the business which Tenant is required to operate pursuant to Section 1.1 hereof.

Assignment of Sublease Rentals.

The following terms and conditions shall apply to any subletting by Tenant of all or any part of the Premises and shall be deemed included in all subleases under this Lease whether or not expressly incorporated therein:

A. Tenant hereby assigns and transfers to Landlord all of Tenant's interest in all rentals and income arising from any sublease of all or a portion of the Premises heretofore or hereafter made by Tenant, and Landlord may collect such rent and income and apply same toward Tenant's obligations under this Lease; provided, however, that until a breach shall occur in the performance of Tenant's obligations under this Lease, Tenant may, except as otherwise provided in this Lease, receive, collect and enjoy the rents accruing under such sublease. Landlord shall not, by reason of this or any other assignment of such sublease to Landlord, nor by reason of the collection of the rents from a subtenant, be deemed liable to the subtenant for any failure of Tenant to perform and comply with any of Tenant's obligations to such subtenant under such sublease. Tenant hereby irrevocably authorizes and directs any such subtenant, upon receipt of a written notice from Landlord stating that a breach exists in the performance of Tenant's obligations under this Lease, to pay to Landlord the rents and other charges due and to become due under the sublease. The subtenant shall rely upon any such statement and request from Landlord and shall pay such rents and other charges to Landlord without any obligation or right to inquire as to whether such breach exists and notwithstanding any notice from or claim from Tenant to the contrary. Tenant shall have no right or claim against said subtenant or, until the breach has been cured, against Landlord, for any such rents and other charges so paid by said subtenant to Landlord.

B. In the event of a breach by Tenant in the performance of its obligations under this Lease, Landlord, at its option and without any obligation to do so, may require any subtenant to attorn to Landlord, in which event Landlord shall undertake the obligations of the sublandlord under such sublease from the time of the exercise of said option to the expiration of such sublease; provided, however, Landlord shall not be liable for any prepaid rents or security deposit paid by such subtenant to Tenant or for any other prior defaults or breaches of Tenant as sublandlord under such sublease.

ARTICLE XIV.

OPERATION OF TENANT'S BUSINESS

Continuous Operation.

Tenant covenants and agrees that it will operate and conduct within the Premises, continuously and uninterruptedly during the Lease Term, the business which it is required to operate and conduct under the provisions hereof, except while the Premises are untenantable by reason of fire or other unavoidable casualty, and that it will at all times keep and maintain within and upon the Premises an adequate stock of merchandise and trade fixtures and have sufficient personnel to service and supply the demands and requirements of its customers. Landlord and Tenant agree that, if Tenant shall fail to continuously and uninterruptedly operate the business

which it is required to operate under the terms of this Lease, monetary damages will be inadequate to compensate the Landlord. Landlord and Tenant agree that injunctive relief shall be appropriate in the event of the failure on the part of Tenant to continuously operate, and Landlord shall be entitled to injunctive relief ordering Tenant to operate. Tenant agrees that it will keep the Premises in a neat, clean and orderly condition and that all trash and rubbish generated by it shall be deposited within prescribed receptacles in designated service areas within the Center. Tenant further agrees to cause such receptacles to be emptied and trash removed at its own cost and expense so as, on its part, to keep such service areas in a clean and orderly condition. In the event Tenant fails to continuously operate its business in the Premises as required by this Section 14.1 for a period of three (3) or more consecutive days, then in addition to all remedies available to Landlord (including, without limitation, injunction and/or damages), Landlord may, but is not obligated to, elect to terminate this Lease upon written notice of Landlord's intent to Tenant, whereupon this Lease shall terminate, and Tenant shall vacate the Premises upon the date specified in Landlord's notice to Tenant. Landlord's notice pursuant to this Section shall be in lieu of, and not in addition to, the notice and cure period set forth in Article XVIII or any notice and cure period required under California Code of Civil Procedure Section 1161 (or any similar or succeeding statute).

Operating Hours.

Commencing with the opening for business by Tenant in the Premises, and for the remainder of the Lease Term, Tenant shall remain open for business Monday through Friday from 9:00 a.m. to 7:00 p.m., and Saturdays from 10:00 am to 6:00 p.m. Tenant further agrees to have its window displays, exterior signs and exterior advertising displays adequately illuminated continuously during those hours determined by Landlord in Landlord's sole and absolute discretion. It is agreed, however, that the foregoing provision shall be subject to any governmental regulations to which Tenant may be subject concerning the hours of operation of Tenant's business.

Rules and Regulations.

Tenant shall observe faithfully and comply with and shall cause its employees and invitees to observe faithfully and comply with reasonable rules and regulations governing the Center as may from time to time be promulgated and amended by Landlord, which rules and regulations shall include the provisions of **Exhibit "F"** hereof.

Radius Clause.

Tenant shall not, without Landlord's prior written consent, own, operate, maintain or control, directly or indirectly, or in any way participate in the ownership, management, control operation or profits of, any retail business similar to that conducted in the Premises within a radius of five (5) miles from the Premises (measured on a straight-line basis on a map and not by following contours of land or streets).

ARTICLE XV.

REPAIRS AND MAINTENANCE

Tenant's Maintenance Obligations.

Tenant agrees at all times from and after delivery of possession of the Premises to Tenant, and at its own cost and expense, to repair and maintain the Premises and every part thereof in good and tenantable condition including, but not limited to, floor coverings, utility meters, pipes and conduits, all fixtures, heating and air conditioning equipment and ducting installed by Landlord pursuant to **Exhibit "B"**, and all other equipment therein, the storefront or storefronts, including plate glass, all Tenant's signs, locks and closing devices, and all window sash, casement or frames, doors and door frames, and all items of repair, maintenance and improvement or reconstruction as may at any time or from time to time be required with respect to the Premises by any governmental agency having jurisdiction, but excluding the roof structure, exterior walls, structural portions of the Premises and structural floor, unless the same are required to be modified because of Tenant's use of the Premises or Tenant's alterations, improvements, additions, fixtures or personal property. Tenant agrees to operate the air conditioning equipment serving the Premises during all business hours so that inside temperatures of the Premises are maintained within a range in which a majority of adults will be comfortable in the Premises. All glass, both exterior and interior, shall be maintained at Tenant's sole cost and expense, and any glass broken shall be promptly replaced by Tenant with glass of the same kind, size and quality. Tenant's failure to replace broken glass within seventytwo (72) hours following the occurrence of the breakage, or the failure by Tenant to replace same with glass of the same kind, size and quality, shall constitute a material and incurable breach hereof which may, at Landlord's sole and arbitrary discretion, entitle Landlord to terminate this Lease upon written notice to Tenant.

Landlord's Maintenance Obligations.

Subject to the foregoing paragraph, Landlord shall keep and maintain in good and tenantable condition and repair and replace as necessary the roof structure, exterior walls, structural parts and structural floor of the Premises; provided, however, that Landlord shall not be required to make any repairs necessitated by reason of the negligence or willful misconduct of Tenant, its servants, agents, employees or contractors, or anyone claiming under Tenant, or by reason of the failure of Tenant to perform or observe any conditions or agreements in this Lease contained, or caused by alterations, additions or improvements made by Tenant or anyone claiming under Tenant. Anything to the contrary notwithstanding contained in this Lease, Landlord shall not be liable to Tenant for failure to make repairs as herein specifically required of it unless Tenant has previously notified Landlord, in writing, of the need for such repairs, and Landlord has failed to commence and complete said repairs within a reasonable period of time following receipt of Tenant's written notification. Tenant shall pay Tenant's prorata share of the cost of such repair and replacement to the building of which the Premises are a part to Landlord on the first day of each calendar month in such amounts as Landlord shall from time to time estimate. Tenant shall pay its prorata share of such cost concurrently with the first monthly installment of Minimum Annual Rent or at such later time as Landlord may designate. Landlord

shall deliver to Tenant at least once annually a statement setting forth the actual cost of such repair, maintenance and replacement allocable to the Premises. If such actual expenses exceed Tenant's payments hereunder, Tenant shall pay the deficiency to Landlord within ten (10) days after receipt of such statement. If payments made by Tenant for such year exceed such actual expenses, Landlord shall have the option of (a) paying such excess to Tenant upon Landlord's delivery of such statement; or (b) allowing Tenant to credit the excess against payments next thereafter to become due to Landlord for such expenses. The provisions of Section 1942 of the Civil Code of the State of California, if applicable, specifically are waived by Tenant. Under no circumstances shall Tenant be entitled to terminate this Lease as a result of Landlord's failure or alleged failure to make repairs hereunder.

Tenant's Failure to Maintain.

If Tenant refuses or neglects to make repairs and/or maintain the Premises, or any portion thereof, including Tenant's storefront(s), in a manner reasonably satisfactory to Landlord, Landlord shall have the right, upon giving Tenant written notice of its election to do so, to make such repairs or perform such maintenance on behalf of and for the account of Tenant. In such event, the cost of such work shall be paid by Tenant promptly upon receipt of bills therefor. Failure of Tenant to pay any of said charges within ten (10) days of receipt of bills therefor shall constitute a default hereunder. Upon any surrender of the Premises, Tenant shall deliver the Premises to Landlord, upon the expiration or earlier termination of this Lease, in good order, condition and state of repair, ordinary wear and tear excepted, and excepting such items of repair as may be Landlord's obligation hereunder.

Definition of Exterior Walls.

As used in this Article, the expression "exterior walls" shall not be deemed to include storefront or storefronts, plate glass, window cases, or window frames, doors or door frames, security grilles or similar enclosures. It is understood and agreed that Landlord shall be under no obligation to make any repairs, alterations, renewals, replacements or improvements to or upon the Premises or the mechanical equipment exclusively serving the Premises at any time except as otherwise provided in this Lease.

Right to Enter.

Tenant agrees to permit Landlord and its authorized representatives to enter the Premises at all times for the purpose of making emergency repairs and during usual business hours for the purpose of inspecting the same. Tenant further agrees that Landlord may go upon the Premises and make any necessary repairs thereto and perform any work therein which may be necessary to comply with any laws, ordinances, rules or regulations of any public authority, any fire rating bureau, or of any similar body, or that Landlord may deem necessary to prevent waste or deterioration in connection with the Premises if Tenant does not make or cause such repairs to be made or performed or cause such work to be performed promptly after receipt of written demand from Landlord. Nothing herein contained shall imply any duty on the part of Landlord to do any such work which, under provisions of this Lease, Tenant may be required to

do, nor shall Landlord's failure to elect to perform such work constitute a waiver of Tenant's default. No exercise by Landlord of any rights herein reserved shall entitle Tenant to any damage for any injury or inconvenience occasioned thereby, to any abatement of rent, or to terminate this Lease.

Grant of License.

Tenant hereby grants to Landlord such licenses and/or easements in, over, and under the Premises or any portion thereof as shall be reasonably required for the installation or maintenance of mains, conduits, shafts, pipes or other facilities to serve any other portion of the Center including, but not by way of limitation, the premises of any other occupant of the Center; provided, however, that Landlord shall pay for any alteration required on or to the Premises as a result of any such exercise, occupancy under or enjoyment of any such license or easement and provided, further, that no exercise, occupancy under or enjoyment of such license or easement shall result in any unreasonable permanent interference with Tenant's use, occupancy or enjoyment of the Premises as contemplated by this Lease.

XV.7 Heating and Air Conditioning Equipment.

A. Tenant shall keep in good order and repair all heating and air conditioning equipment for the Premises. Tenant agrees to enter into a regularly scheduled preventative maintenance/service contract (the "Service Contract") within thirty (30) days after the Commencement Date with a maintenance contractor approved by Landlord, for the servicing of all heating and air conditioning systems and equipment within the Premises. The Service Contract shall include all scheduled maintenance as recommended by the equipment manufacturer as set forth in the operation/maintenance manual. Notwithstanding the foregoing, Landlord may (but shall not be obligated to) elect to maintain the heating and air conditioning equipment serving the Premises, in which event, Tenant shall pay to Landlord all costs and expenses for the repair, maintenance and replacement of all heating and air conditioning equipment for the Premises. Commencing on the Rental Commencement Date and thereafter on the first (1st) day of each calendar month of the Lease Term, Tenant shall pay to Landlord onetwelfth (1/12) of an amount estimated by Landlord to be Tenant's share of such heating and air conditioning expenses for the ensuing calendar year or balance thereof (including reasonable reserves). Within sixty (60) days following the end of each calendar year, Landlord shall furnish Tenant a statement covering the preceding calendar year and the payments made by Tenant with respect to such calendar year as set forth above. If Tenant's share of such heating and air conditioning expenses exceeds Tenant's payments so made, Tenant shall pay Landlord the deficiency within ten (10) days after receipt of Landlord's statement. If Tenant's payments exceed Tenant's share of such heating and air conditioning expenses, Landlord shall have the option of (i) paying such excess to Tenant upon Landlord's delivery of such statement; or (ii) allowing Tenant to credit the excess against payments next thereafter to become due to Landlord for such expenses as set forth above. Failure of Tenant to pay any of the charges required by this Section 15.7 to be paid when due shall constitute a material default under the terms of this Lease.

B. Expenses incurred in connection with the operation, maintenance, repair and replacement of heating and air conditioning equipment by the party performing same shall include, but not be limited to, all sums expended in connection with such heating and air conditioning equipment for all general maintenance, lubrication and/or adjustments, cleaning and/or replacing filters, replacing belts, repairing and/or replacing worn out parts, repairing and/or replacing utilities, duct work and machinery, maintenance and insurance contracts carried on the heating and air conditioning equipment, and all other items of expense incurred by such party in connection with the operation, maintenance, repair and replacement of the heating and air conditioning equipment, together with a fifteen percent (15%) supervision fee on such expenses. In any event, Landlord may elect to be responsible for the replacement, as necessary, of the heating, ventilating and air conditioning equipment or any element, component or portion thereof, in which event Landlord shall have the right to establish and collect from Tenant, as additional rent, a reasonable reserve to be maintained by Landlord and used for the purpose of paying the cost of such replacement. All costs under this Section 15.7 and such reserve may, at Landlord's option, either be collected as part of common area expenses under Article 17, or billed to Tenant separately.

ARTICLE XVI.

DAMAGE AND DESTRUCTION

Insured Casualty.

In the event that the Premises are partially or totally destroyed by fire or any other peril covered by insurance maintained by Landlord, Landlord shall, within a period of one hundred eighty (180) days after the occurrence of such destruction, but only to the extent that proceeds of such insurance are available to Landlord for such purpose, commence reconstruction and restoration of the Premises and prosecute the same diligently to completion, in which event this Lease shall continue in full force and effect. In the event insurance proceeds are not sufficient to pay the cost of such reconstruction, or if the damage or destruction is due to the acts or omissions of Tenant, its agents, employees or contractors, or if Landlord is restricted by any governmental authority, Landlord may elect to either terminate this Lease or pay the cost of such reconstruction. Such reconstruction shall be only to the extent necessary to restore the "Landlord's Work" in the Premises as described in **Exhibit "B"**, and Tenant shall be obligated for the restoration of all of the items specified as "Tenant's Work" in **Exhibit "B"** in the event of such reconstruction, as well as Tenant's other leasehold improvements, trade fixtures and other personal property on the Premises.

Uninsured Casualty.

In the event that the Premises are partially or totally destroyed as a result of any casualty or peril not covered by Landlord's insurance, Landlord may within a period of one hundred eighty (180) days after the occurrence of such destruction (a) commence reconstruction and restoration of the Premises and prosecute the same diligently to completion, in which event this

Lease shall continue in full force and effect; or (b) notify Tenant in writing that it elects not to so reconstruct or restore the Premises, in which event this Lease shall cease and terminate as of the date of service of such notice, unless Tenant is unable to continue the operation of its business after the occurrence of such destruction, in which event this Lease shall cease and terminate as of the date of such destruction. In the event of any reconstruction of the Premises by Landlord following destruction as a result of any casualty or peril not covered by Landlord's insurance, such reconstruction shall be only to the extent necessary to restore the "Landlord's Work" in the Premises as described in **Exhibit "B"** and Tenant shall be obligated for the restoration of all of the items specified as "Tenant's Work" in **Exhibit "B"** in the event of such reconstruction, as well as Tenant's other leasehold improvements, trade fixtures and other personal property on the Premises.

Damage to the Center.

Notwithstanding anything to the contrary herein contained, in the event of a total destruction of the Center or a partial destruction of the Center, the cost of restoration of which would exceed onethird (1/3) of the then replacement value of the Center, by any cause whatsoever, whether or not insured against and whether or not the Premises are partially or totally destroyed, Landlord may, within a period of one hundred eighty (180) days after the occurrence of such destruction, notify Tenant in writing that it elects not to so reconstruct or restore the Center, in which event this Lease shall cease and terminate as of the date of such destruction.

Damage Near End of Term.

Notwithstanding the foregoing, in the event that the Premises are partially or totally destroyed during the last two (2) years of the Lease Term, Landlord shall have the option to terminate this Lease by giving written notice to Tenant of the exercise of such option within thirty (30) days after such destruction, in which event this Lease shall cease and terminate as of the date of service of such notice. For the purposes of this Article, partial destruction shall be deemed to be a destruction to an extent of at least onethird (1/3) of the full replacement cost of the Premises as of the date of destruction.

Release of Liability.

In the event of any termination of this Lease in accordance with this Article, the parties shall be released thereby without further obligation to the other party coincidental with the surrender of possession of the Premises to Landlord except for items which have theretofore accrued and are then unpaid or unperformed.

Abatement of Rent.

In the event of reconstruction and restoration as herein provided, and provided Tenant has maintained the business interruption or loss of income insurance required pursuant to Article VIII, to the extent that the proceeds of such business interruption or loss of income insurance may be exhausted during the period of reconstruction and restoration, Minimum Annual Rent

payable hereunder shall be thereafter abated proportionately with the degree to which Tenant's use of the Premises is impaired during the remainder of the period of reconstruction and restoration; provided, however, the amount of Minimum Annual Rent abated pursuant to this Section 16.6 shall in no event exceed the amount of loss of rental insurance proceeds actually received by Landlord. Tenant shall continue the operation of its business on the Premises during any such period to the extent reasonably practicable from the standpoint of prudent business management, and the obligation of Tenant to pay all other charges, except the entire Minimum Annual Rent, shall remain in full force and effect. Tenant shall not be entitled to any compensation or damages from Landlord for loss of the use of the whole or any part of the Premises, Tenant's personal property or any inconvenience or annoyance occasioned by such destruction, reconstruction or restoration. Tenant hereby waives any statutory rights of termination, which may arise by reason of any partial or total destruction of the Premises, which Landlord is obligated to restore or may restore under any of the provisions of this Lease.

ARTICLE XVII.

COMMON AREAS AND EXPENSES

Use of Common Areas.

There shall be available in the Center certain areas and facilities to be used for automobile parking and for the general use, convenience and benefit of the customers and patrons of Tenant and of the other tenants, owners and occupants of the Center, which areas together with the service corridors and all other service facilities and equipment are referred to herein as "common areas". Except as otherwise specifically provided in this Lease, Tenant and its employees and invitees are authorized, empowered and privileged to use the common areas in common with other authorized persons, as determined by Landlord, during the Lease Term. Landlord shall keep or cause to be kept said common areas in a neat, clean and orderly condition, properly lighted and landscaped, and shall repair any damage to the facilities thereof.

XVII.2 Common Area Expenses.

A. The expenses incurred by Landlord in connection with the operation, maintenance, repair and replacement of the common areas (collectively the "common area expenses") shall be apportioned among the various occupants and tenants of the Center, and Tenant hereby agrees to pay to Landlord its pro-rata share (as defined herein) of such common area expenses. Tenant's "pro-rata share" shall mean Tenant's share based upon a fraction, the numerator of which is the gross leasable floor area of the Premises as set forth in Section 1.1, and the denominator of which is the total gross leasable floor area of all retail stores constructed from time to time in the Center as of the end of the calendar year (excluding the floor area of (i) mezzanine space not utilized for retail sales area; (ii) the outdoor sales area adjacent to the Target Store; and (iii) the buildings of occupants of the Center which separately maintain the common area of the parcel upon which such buildings are located).

B. Commencing on the Rental Commencement Date and thereafter on the first (1st) day of each calendar month of the Lease Term, Tenant shall pay to Landlord onetwelfth (1/12) of an amount estimated by Landlord to be Tenant's share of such total annual common area expenses for the ensuing calendar year or balance thereof. Landlord may adjust the common area expenses charged to Tenant at the end of any calendar quarter on the basis of Landlord's experience and reasonably anticipated costs and a reasonable reserve for unanticipated expenses. On or before April 1 of each calendar year, Landlord shall furnish Tenant a statement covering the calendar year just expired showing the total common area expenses for the preceding calendar year, the amount of Tenant's share of such common area expenses, and the payments made by Tenant with respect to such calendar year as set forth above. If Tenant's share of such common area expenses exceeds Tenant's payments so made, Tenant shall pay Landlord the deficiency within ten (10) days after receipt of Landlord's statement. If Tenant's payments exceed Tenant's share of such common area expenses, Landlord shall have the option of (i) paying such excess to Tenant upon Landlord's delivery of such statement; or (ii) allowing Tenant to credit the excess against payments next thereafter to become due to Landlord for such expenses. Failure of Tenant to pay any of the charges required by this Article to be paid when due shall constitute a material default under the terms of this Lease. If Tenant fails to give Landlord written notice that Tenant objects to any common area expenses, taxes or insurance within one (1) year after Tenant receives Landlord's annual statement of such expenses, Tenant shall be deemed to have conclusively accepted such statement as correct and to have waived any and all rights at law or in equity to object to the common area expenses, taxes or insurance set forth in such statement. If Tenant provides notice that Tenant objects to any such expenses, Tenant's notice must set forth in reasonable detail the specific expenses to which Tenant objects and the reasons for Tenant's objections.

Expenses Included.

Expenses incurred pursuant to Section 17.2 shall include, but are not limited to, all sums expended in connection with the common areas for all general maintenance, repairs, replacements and restoration, resurfacing, painting, restriping, cleaning, sweeping and janitorial services; maintenance and repair of sidewalks, curbs and Center signs; sprinkler systems, elevators, escalators and stairways, planting and landscaping including maintenance and replacement thereof; lighting and other utilities including, without limitation, gas, water, electricity and the operation of heating and cooling equipment, directional signs and other markers and bumpers; maintenance and repair of any fire protection systems, lighting fixtures and systems (including replacement of tubes and bulbs as necessary), storm drainage systems, irrigation systems and any other utility systems; repair any Center signs; maintenance, repair and replacement of mechanical equipment including automatic door openers, installation, repair and replacement of all security systems and trash compactors or other similar devices; personnel to implement such services including, if Landlord deems necessary, the cost of security guards or devices; Landlord's share of real and personal property taxes and governmental charges, fees or assessments of any kind or nature on the facilities, improvements and land comprising the common areas; the cost of any capital improvements made to the Premises or the Center by Landlord that reduce common area expenses or that are required under any governmental law or regulation not applicable to the Center at the time it was constructed; premiums for public

liability, property damage, fire and extended coverage insurance (including "Earthquake Insurance" and "Flood Insurance" if Landlord or Landlord's lender or ground lessor deems such insurance to be necessary or desirable) together with insurance against vandalism, malicious mischief, and any other insurance carried by Landlord on the common areas; and an allowance to Landlord for Landlord's supervision of said common areas in an amount equal to fifteen percent (15%) of the total of the aforementioned expenses for each calendar year. In the event Landlord shall contest any tax or assessment affecting the Center, the expenses involved in such contest shall be part of the common area expenses, regardless of whether such contest affects the buildings or the common areas. "Food Court" means that area, if any, of the Shopping Center for which specific Common Area is designated by Landlord, in its sole and absolute discretion, for the purpose of providing facilities to accommodate the consumption of food and beverages by customers of food use tenants in the Shopping Center. "Food Court Expenses" means all Expenses which are attributable to the operation and use of a Food Court in the Shopping Center. If Tenant is located in a Food Court, then Expenses shall also include Food Court Expenses as defined herein, and Tenant's pro rata share of Food Court Expenses shall be the proportion of all Food Court Expenses that the floor area of the Premises bears to the floor area of all food use tenants within the Food Court that are occupied and open for business.

Enlargement of Common Areas.

Should Landlord acquire or make available additional land not shown as part of the Center on **Exhibit "A"** and make the same available as common areas, the expenses incurred by Landlord in connection with the operation, maintenance, repair and replacement of common areas also shall include all of the aforementioned expenses incurred and paid in connection with said additional land.

XVII.5 Common Area Rules and Regulations.

A. Landlord shall at all times have the right and privilege of determining the nature and extent of the common areas, whether the same shall be surface, underground or multipledeck, and of making such changes therein and thereto from time to time which in its opinion are deemed to be desirable and for the best interests of all persons using such common areas, including the location and relocation of driveways, entrances, exits, automobile parking spaces, the direction and flow of traffic, designation of prohibited areas, landscaped areas and all other facilities thereof.

B. Nothing contained herein shall be deemed to create any liability upon Landlord for any damage to motor vehicles of customers or employees or for loss of property from within such motor vehicles, unless caused by the gross negligence or willful misconduct of Landlord, its agents, servants or employees.

C. Landlord shall have the right to establish and, from time to time, to change, alter and amend, and to enforce against Tenant and the other users of the common areas, such reasonable rules and regulations (including the exclusion of, or designation of area[s] for, employees' parking) as may be deemed necessary or advisable by Landlord for the proper and

efficient operation and maintenance of the common areas. The rules and regulations herein provided for may include, without limitation, the hours during which the common areas shall be open for use. Landlord may, if in its opinion the same be advisable, establish a system or systems of validation or similar operation, including a system of charges against nonvalidated parking checks of users, and Tenant agrees to conform to and abide by all such rules and regulations in its use and the use of its customers and patrons with respect to said automobile parking areas; provided, however, that all such rules and regulations and such types of operation or validation of parking checks and other matters affecting the customers and patrons of Tenant shall apply equally and without discrimination to all persons entitled to the use of such automobile parking areas.

Control of Common Area.

Landlord shall at all times during the Lease Term have the sole and exclusive control of the automobile parking areas and structures, the parking spaces therein, driveways, entrances and exits and the sidewalks and pedestrian passageways and other common areas and may, at any time and from time to time during the Lease Term, exclude and restrain any person from use or occupancy thereof excepting, however, bona fide customers, patrons and service suppliers of Tenant and other tenants of Landlord who make use of such areas in accordance with the rules and regulations established by Landlord from time to time with respect thereto. The rights of Tenant in and to the common areas shall at all times be subject to the rights of Landlord, the other tenants of Landlord, if any, to use the same in common with Tenant, and it shall be the duty of Tenant to keep all of such areas free and clear of any obstructions created or permitted by Tenant or resulting from Tenant's operation and to permit the use of any of such areas only for normal parking and ingress and egress by customers, patrons and service suppliers to and from the building occupied by Tenant and the other tenants of Landlord.

If in the opinion of Landlord unauthorized persons are using any of the common areas by reason of the presence of Tenant in the Premises, Tenant, upon demand of Landlord, shall enforce such rights against all such unauthorized persons by appropriate proceedings. Nothing herein shall affect the rights of Landlord at any time to remove any such unauthorized persons from the common areas or to restrain the use of any of such areas by unauthorized persons.

Employee Parking Restrictions.

It is acknowledged and agreed that the employees of Tenant and the other tenants within the Center and employees of other occupants of the Center shall not be permitted to park their automobiles or other vehicles in the automobile parking areas which may from time to time be designated for patrons of the Center. Landlord agrees to furnish and/or cause to be furnished either within the Center or reasonably close thereto, a limited amount of space for employee parking. Landlord at all times shall have the right to designate the particular parking area to be used by any or all of such employees and any such designation may be changed by Landlord from time to time at Landlord's sole and absolute discretion. Tenant and its employees shall park their cars only in those portions of the parking area, if any, designated for that purpose by

Landlord, and shall attach to their cars any identification stickers or passes required by Landlord. Tenant shall furnish Landlord with its and its employees' license numbers within five (5) days after requested by Landlord, and Tenant shall thereafter notify Landlord of any change within five (5) days after such change occurs. If Tenant or its employees fail to park their vehicles in designated parking areas, Landlord may charge Tenant Fifteen Dollars ($15.00) per day for each day or partial day per vehicle parked in any areas other than those designated; provided, however, Landlord agrees to give Tenant written notice of the first violation of this provision and Tenant shall have two (2) days thereafter within which to cause the violation to be discontinued and if not discontinued within said 2day period, then the Fifteen Dollar ($15.00) per day fine shall commence. After notice of such violation, no prior notice of any subsequent violation shall be required. All amounts due under the provisions of this paragraph shall be payable by Tenant within ten (10) days after demand therefor. Tenant hereby authorizes Landlord to tow away from the Center any vehicle or vehicles belonging to Tenant or Tenant's employees which are parked in violation of the foregoing or the rules and regulations issued by Landlord from time to time and/or to attach violation stickers or notices to such vehicles.

ARTICLE XVIII.

TENANT'S DEFAULTS; REMEDIES

Events of Default.

The occurrence of any of the following shall constitute a default and material breach of this Lease by Tenant:

A. Any failure by Tenant to pay any rent or any other charge required to be paid under this Lease, or any part thereof, for a period of three (3) days after written notice from Landlord to Tenant (provided, however, any notice shall be in lieu of, and not in addition, to any notice required under Section 1161 of the Code of Civil Procedure of California or any similar, superseding statute); or

B. Any failure by Tenant to observe or perform any other provision, covenant or condition of this Lease to be observed or performed by Tenant where such failure continues for fifteen (15) days after written notice thereof from Landlord to Tenant; provided that if the nature of such default is such that the same cannot reasonably be cured within a fifteen (15) day period, Tenant shall not be deemed to be in default if it shall commence such cure within such period and thereafter diligently pursue such cure to completion (provided, however, any notice shall be in lieu of, and not in addition to, any notice required under Section 1161 of the Code of Civil Procedure of California or any similar, superseding statute); or

C. The cessation of Tenant's business from the Premises or closure of the Premises following the initial construction of tenant improvements to the Premises for a period in excess of seventytwo (72) consecutive hours; or

D. Abandonment or vacation of the Premises by Tenant;

E. Failure to continually operate as provided in Sections 14.1 and 14.2; or

F. To the extent permitted by law, a general assignment by Tenant or any Guarantor of this Lease for the benefit of creditors, or the filing by or against Tenant or any Guarantor of any proceeding under an insolvency or bankruptcy law, unless in the case of a proceeding filed against Tenant or any Guarantor the same is dismissed within ninety (90) days, or the appointment of a trustee or receiver to take possession of all or substantially all of the assets of Tenant or any Guarantor, unless possession is restored to Tenant or such Guarantor within thirty (30) days, or any execution or other judicially authorized seizure of all or substantially all of Tenant's assets located upon the Premises or of Tenant's interest in this Lease, unless such seizure is discharged within thirty (30) days.

Remedies.

In the event of a default by Tenant, Landlord, in addition to any other remedies available to it at law or in equity, including injunction, at its option, and without further notice or demand of any kind to Tenant or any other person may:

A. Terminate this Lease and declare the Lease Term hereof ended and reenter the Premises and take possession thereof and remove all persons and property therefrom, and Tenant shall have no further claim thereon or hereunder;

B. Have the remedy described in California Civil Code Section 1951.4 (Landlord may continue the Lease in effect after Tenant's breach and recover rent as it becomes due);

C. Even though Landlord may have reentered the Premises, thereafter elect to terminate this Lease and all of the rights of Tenant in or to the Premises.

In addition to any rights or remedies hereinbefore or hereinafter conferred upon Landlord under the terms of this Lease, the following remedies and provisions shall specifically apply in the event Tenant engages in any one or more of the acts contemplated by the provisions of Section 18.1(E) of this Lease;

D. Any receiver or trustee in bankruptcy shall either expressly assume or reject this Lease within sixty (60) days following the entry of an "Order for Relief" or within such earlier time as may be provided by applicable law;

E. In the event of an assumption of this Lease by a debtor or by a trustee, such debtor or trustee shall, within fifteen (15) days after such assumption (i) cure any default or provide adequate assurance that defaults will be promptly cured; and (ii) compensate Landlord for actual pecuniary loss or provide adequate assurance that compensation will be made for actual pecuniary loss including, but not limited to, all attorneys' fees and costs incurred by Landlord resulting from any such proceedings; and (iii) provide adequate assurance of future performance;

F. Where a default exists in this Lease, the trustee or debtor assuming this Lease may not require Landlord to provide services or supplies incidental to this Lease before its assumption by such trustee or debtor, unless Landlord is compensated for such services and supplies provided and the default cured before the assumption of such Lease;

G. The debtor or trustee may assign this Lease only if each of the following conditions is satisfied: (i) the Lease is assumed; (ii) adequate assurance of future performance by the assignee is provided, whether or not the Lease is then under default; and (iii) any consideration paid by any assignee in excess of the rental reserved in this Lease shall be the sole property of, and paid to, Landlord;

H. Landlord shall be entitled to the fair market value for occupancy of the Premises and the services provided by Landlord (but in no event less than the rental reserved in this Lease) subsequent to the commencement of a bankruptcy event;

I. Any security deposit given by Tenant to Landlord to secure the future performance by Tenant of all or any of the terms and conditions of this Lease, shall be automatically transferred to Landlord upon the entry of an "Order of Relief"; and

J. The parties agree that Landlord is entitled to adequate assurance of further performance of the terms and provisions of this Lease in the event of any assumption and assignment of the Lease under the provisions of the Bankruptcy Code. For purposes of any such assumption or assignment, the parties agree that the term "adequate assurance" shall include, without limitation, the following:

(i) Any proposed assignee must have demonstrated to Landlord's satisfaction a net worth (as defined in accordance with generally accepted accounting principles consistently applied) of an amount sufficient to assure that the proposed assignee will have the resources with which to conduct the business to be operated in the Premises, including the payment of all rent and other charges hereunder, for the balance of the Lease Term. The financial condition and resources of Tenant are material inducements to Landlord entering into this Lease.

(ii) Any proposed assignee must have engaged in the permitted use described in Section 1.1 hereof for at least five (5) consecutive years prior to the proposed assignment.

(iii) Any proposed assignee must have had minimum sales at each location at which it operated such a business equal to at least ninety percent (90%) of Tenant's average monthly sales at the Premises for the eighteen (18) month period preceding initiation of a proceeding under the Bankruptcy Code.

(iv) In entering into this Lease, Landlord considered extensively Tenant's permitted use and determined that such permitted business would add substantially to the tenant mix in the Center, and were it not for the Tenant's agreement to operate only Tenant's permitted business on the Premises, Landlord would not have entered into this Lease.

Landlord's operation of the Center will be materially impaired if a trustee in bankruptcy or any assignee of this Lease operates any business other than Tenant's permitted business.

(v) The provisions of Section 14.4 of this Lease regarding competing locations and Landlord's acceptance thereof upon the terms and conditions specified therein were a material inducement to Landlord to enter into this Lease. Any individual or entity proposed by a trustee in bankruptcy to be an assignee of this Lease shall comply with the provisions of Section 14.4 of this Lease. Any proposed assignee of this Lease must assume and agree to be personally bound by each term, provision and covenant of this Lease.

(vi) Any assumption of this Lease by a proposed assignee shall not adversely affect Landlord's relationship with any of the remaining tenants in the Center, taking into consideration any and all other "use" clauses and/or "exclusivity" clauses which may then exist under such tenants' leases with Landlord.

Should Landlord have reentered the Premises under the provisions of paragraph B above, Landlord shall not be deemed to have terminated this Lease or the liability of Tenant to pay any rental or other charges thereafter accruing, or to have terminated Tenant's liability for damages under any of the provisions hereof by any action in unlawful detainer or otherwise to obtain possession of the Premises, unless Landlord shall have notified Tenant in writing that it has so elected to terminate this Lease, and Tenant further covenants that the service by Landlord of any notice pursuant to the unlawful detainer statutes of the State of California and the surrender of possession pursuant to such notice shall not (unless Landlord elects to the contrary at the time of or at any time subsequent to the serving of such notice and such election is evidenced by a written notice to Tenant) be deemed to be a termination of this Lease. In the event of any entry or taking possession of the Premises as aforesaid, Landlord shall have the right, but not the obligation, to remove therefrom all or any part of the personal property located therein and may place the same in storage at a public warehouse at the expense and risk of Tenant.

Should Landlord elect to terminate this Lease pursuant to the provisions of paragraph A or C above, Landlord may recover from Tenant as damages the following:

(i) The worth at the time of the award of any unpaid rent and other charges which had been earned at the time of termination; plus

(vii) The worth at the time of the award of the amount by which the unpaid rent and other charges which would have been earned after termination until the time of the award exceeds the amount of the loss of such rental and other charges that Tenant proves could have been reasonably avoided; plus

(viii) The worth at the time of the award of the amount by which the unpaid rent and other charges for the balance of the Lease Term after the time of the award exceeds the amount of the loss of such rental and other charges that Tenant proves could have been reasonably avoided; plus

(ix) Any other amount necessary to compensate Landlord for all of the detriment proximately caused by Tenant's failure to perform its obligations under this Lease or which in the ordinary course of things would be likely to result therefrom including, but not limited to, any costs or expenses incurred by Landlord in (a) retaking possession of the Premises, including reasonable attorneys' fees thereof; (b) maintaining or preserving the Premises after such default; (c) preparing the Premises for reletting to a new tenant, including repairs or alterations to the Premises for such reletting; (d) leasing commissions; and (e) any other costs necessary or appropriate to relet the Premises; plus

(x) At Landlord's election, such other amounts in addition to or in lieu of the foregoing as may be permitted from time to time by applicable California law.

Computations.

For the purposes of the preceding paragraph, all rental and charges other than Minimum Annual Rent including, but not limited to, common area expenses and Percentage Rent, if any, shall be computed on the basis of the average monthly amount thereof accruing during the twelve (12) month period immediately preceding notice to Tenant of Tenant's default unless a twelve (12) month period of this Lease has not elapsed, in which case the average monthly amount shall be based upon the entire period of Tenant's occupancy of the Premises. In the event of default, all of Tenant's fixtures, furniture, equipment, improvements, additions, alterations and other personal property shall remain on the Premises and, during the period of such default, Landlord shall have the right to require Tenant to remove the same forthwith.

Definition of Worth at the Time of Award.

As used in subparagraphs (i) and (ii) above, the "worth at the time of the award" shall be computed by allowing interest at the interest rate specified in Section 30.13. As used in subparagraph (iii) above, the "worth at the time of the award" shall be computed by discounting such amount at the discount rate of the Federal Reserve Bank of San Francisco at the time of award, plus one percent (1%).

Efforts to Relet.

For the purposes of this Article, Tenant's right to possession shall not be deemed to have been terminated by efforts of Landlord to relet the Premises, by its acts of maintenance or preservation with respect to the Premises, or by appointment of a receiver to protect Landlord's interests hereunder. The foregoing enumeration is not exhaustive, but merely illustrative of acts, which may be performed by Landlord without terminating Tenant's right to possession.

No Waiver.

The waiver by Landlord of any breach of any term, covenant or condition herein contained shall not be deemed to be a waiver of such term, covenant or condition or any subsequent breach of the same or any other term, covenant or condition herein contained. The subsequent acceptance of rent by Landlord shall not be deemed to be a waiver of any preceding

breach by Tenant of any term, covenant or condition of this Lease other than the failure of Tenant to pay the particular rent so accepted, regardless of Landlord's knowledge of such preceding breach at the time of acceptance of such rent. No covenant, term or condition of this Lease shall be deemed to have been waived by Landlord unless such waiver is in writing and executed by Landlord.

ARTICLE XIX.

DEFAULT BY LANDLORD

Landlord shall not be in default hereunder unless Landlord fails to perform the obligations required of Landlord within a reasonable time, but in no event later than thirty (30) days after written notice by Tenant to Landlord and, following Landlord's failure to act within such thirty (30) day notice period, to the holder of any first mortgage or deed of trust covering the Premises whose name and address shall have theretofore been furnished to Tenant in writing specifying wherein Landlord has failed to perform such obligation; provided, however, if the nature of Landlord's obligation is such that more than thirty (30) days are required for performance, then Landlord shall not be in default if Landlord commences performance within such thirty (30) day period and thereafter diligently prosecutes the same to completion. In the case of a default by Landlord, prior to Tenant's exercise of any remedy, the holder of any first mortgage or deed of trust encumbering the Center shall have the right, but not the obligation, to cure such a default. In no event shall Tenant have the right to terminate this Lease as a result of Landlord's default, and Tenant's remedies shall be limited to an action at law for monetary damages. Nothing herein contained shall be interpreted to mean that Tenant is excused from paying rent due hereunder as a result of any default by Landlord. In no event shall Landlord be liable for consequential damages or Tenant's lost profits resulting from Landlord's default.

ARTICLE XX.

ATTORNEYS' FEES

In the event that either party shall institute any legal action or proceeding against the other relating to the provisions of this Lease, or any default hereunder, the unsuccessful party in such action or proceeding agrees to pay to the prevailing party the reasonable attorneys' fees and costs actually incurred by the prevailing party.

ARTICLE XXI.

EMINENT DOMAIN

Taking Resulting in Termination.

In the event that all or substantially all of the Premises shall be taken under the power of eminent domain, or that any portion of the Center shall be so taken so as to render the Center not reasonably suitable for continuation of business in Landlord's or Landlord's lender's absolute discretion, this Lease shall thereupon terminate as of the date possession shall be so taken. In the event that a portion of the floor area of the Premises shall be taken under the power of eminent domain and the portion not so taken will not be reasonably adequate for the operation of Tenant's business, notwithstanding Landlord's performance of restoration as hereinafter provided, this Lease shall terminate as of the date possession of such portion is taken. If this Lease is terminated, all rent shall be paid up to the date that actual possession of the Premises, or a portion thereof, is taken by public authority, and Landlord shall make an equitable refund of any rent paid by Tenant in advance and not yet earned.

Partial Taking.

In the event of any taking under the power of eminent domain which does not terminate this Lease as aforesaid, any obligation of Tenant under this Lease to pay Percentage Rent, and all of the other provisions of this Lease, shall remain in full force and effect, except that the Minimum Annual Rent only shall be reduced in the same proportion that the amount of floor area of the Premises taken bears to the floor area of the Premises immediately prior to such taking, and Landlord shall, to the extent of the condemnation award, at Landlord's own cost and expense, restore such part of Landlord's Work in the Premises described in **Exhibit "B"** as is not taken to as near its former condition as the circumstances will permit, and Tenant shall do likewise with respect to such part of Tenant's Work as is not taken.

Award.

All damages awarded for any such taking under the power of eminent domain, whether for the whole or a part of the Premises, shall belong to and be the property of Landlord, whether such damages shall be awarded as compensation for diminution in value of the leasehold or for the fee of the Premises; provided, however, that nothing herein contained shall prevent Tenant from making claim for loss or damage to Tenant's trade fixtures and removable personal property.

Transfer Under Threat of Taking.

A voluntary sale by Landlord of all or any portion of the Center to a public or quasipublic body, agency or person, corporate or otherwise, having the power of eminent domain, either under threat of condemnation or while condemnation proceedings are pending, shall be deemed to be a taking by eminent domain.

Requisitioning.

Notwithstanding anything to the contrary in the foregoing provisions, the requisitioning of the Premises or any part thereof by military or other public authority for purposes arising out of a temporary emergency or other temporary situation or circumstances shall constitute a taking of the Premises by eminent domain only when the use and occupancy by the requisitioning

authority has continued for one hundred eighty (180) days. During such one hundred eighty (180) consecutive day period, and if this Lease is not terminated under the foregoing provisions, then for the duration of the use and occupancy of the Premises by the requisitioning authority, any obligation of Tenant under this Lease to pay Percentage Rent or other amounts, and all of the other provisions of this Lease, shall remain in full force and effect, except that Minimum Annual Rent shall be reduced in the same proportion that the amount of the floor area of the Premises requisitioned bears to the total floor area of the Premises, and Landlord shall be entitled to whatever compensation may be payable from the requisitioning authority for the use and occupation of the Premises for the period involved.

ARTICLE XXII.

SUBORDINATION; ATTORNMENT

Subordination.

This Lease is subject and subordinate to all ground and/or other underlying leases including sale and leaseback leases, mortgages and deeds of trust or other encumbrances which now affect the Center, the Premises or any portion thereof, together with all renewals, modifications, consolidations, replacements and extensions thereof; provided, however, if the lessor under any such lease or the holder or holders of any such mortgage, deed of trust or any encumbrance shall advise Landlord that it or they desire to require this Lease to be prior and superior thereto, upon written request of Landlord to Tenant, Tenant agrees to promptly execute, acknowledge and deliver any and all documents or instruments which Landlord or such lessor, holder or holders deem necessary or desirable for purposes therefor. This Lease is further subject and subordinate to (a) all covenants, conditions, restrictions, easements and any other matters or documents of record including, but not limited to, that certain recorded or unrecorded document entitled "Operation and Easement Agreement" between Dayton Hudson Corporation, a Minnesota corporation, and Landlord (hereinafter referred to as the "OEA"), together with all renewals, modifications, consolidations, replacements and extensions thereof; and (b) any zoning laws of the city, county and state where the Center is situated. Tenant hereby covenants that Tenant, and all persons in possession or holding under Tenant, will conform to and will not violate the terms of the OEA or said matters of record.

Future Encumbrance.

Landlord shall have the right to cause this Lease to be and become and remain subject and subordinate to any and all ground and/or other underlying leases, including sale and leaseback leases, mortgages or deeds of trust or other encumbrances which may hereafter be executed covering the Center, the Premises, the real property thereunder or any portion thereof, for the full amount of all advances made or to be made thereunder and without regard to the time or character of such advance, together with interest thereon, and subject to all of the terms and provisions thereof; and Tenant agrees, within ten (10) days after Landlord's written request therefor, to execute, acknowledge and deliver upon request any and all documents or instruments

requested by Landlord or necessary or proper to assure the subordination of this Lease to any such mortgages, deeds of trust, leasehold estates or other encumbrances.

Attornment.

Notwithstanding anything to the contrary set forth in this Article, Tenant hereby attorns and agrees to attorn to any person, firm or corporation purchasing or otherwise acquiring Landlord's interest in the Center, the Premises, or the real property thereunder or any portion thereof, at any sale or other proceeding or pursuant to the exercise of any rights, powers, or remedies under such mortgages or deeds of trust or ground or underlying leases as if such person, firm or corporation had been named as Landlord herein, it being intended hereby that, if this Lease shall be terminated, cut off, or otherwise defeated by reason of any act or actions by the owner or holder of any such mortgage or deed of trust, or the lessor under any such leasehold estate, then at the option of any such person, firm or corporation so purchasing or otherwise acquiring Landlord's interest in the Center, the Premises, or the real property thereunder or any portion thereof, this Lease shall continue in full force and effect. Tenant hereby irrevocably appoints Landlord the attorneyinfact of Tenant to execute and deliver any documents provided herein for and in the name of Tenant, and such power, being coupled with any interest, is irrevocable.

Estoppel Certificate.

Tenant agrees to deliver in recordable form within ten (10) days after written request therefor by Landlord, an estoppel statement substantially in the form attached hereto as **Exhibit "D"**. Tenant's failure or refusal to timely execute such certificate, or such other certificate reasonably requested by Landlord shall constitute (a) an acknowledgment by Tenant that the statements in such certificate are true and correct without exception, and (b) a material breach of Tenant's obligations under this Lease (which may be waived in writing by Landlord).

Mortgagee Changes.

Tenant shall not unreasonably withhold its consent to changes or amendments to this Lease requested by Landlord's ground lessor, if any, or any present or future holder of a mortgage or deed of trust or such similar financing instrument covering Landlord's fee or leasehold interest in the Premises, as the case may be, so long as such changes do not materially alter the economic terms of this Lease or otherwise materially diminish the rights or materially increase the obligations of Tenant.

ARTICLE XXIII.

SALE OF PREMISES BY LANDLORD

In the event of any sale, exchange or other conveyance of Landlord's interest in the Center or any portion or portions thereof by Landlord and an assignment by Landlord of this Lease, Landlord shall be and is hereby entirely freed and relieved of all liability under any and

all of its covenants and obligations contained in or derived from this Lease arising out of any act, occurrence or omission relating to the Premises or this Lease occurring after the consummation of such sale, exchange or conveyance and assignment.

ARTICLE XXIV.

HOLDOVER BY TENANT

This Lease shall terminate without further notice upon the expiration of the Term. Upon the expiration or earlier termination of the Term, Tenant shall peaceably and quietly surrender the Premises broom-clean and in the same condition (including, at Landlord's option, the demolition and removal of any improvements made by Tenant to the Premises) as the Premises were in upon delivery of possession of same to Tenant by Landlord, reasonable wear and tear excepted. Should Tenant hold over in the Premises beyond the expiration or earlier termination of this Lease, the holding over shall not constitute a renewal or extension of this Lease or give Tenant any rights under this Lease. In such event, Landlord may, in its sole discretion, treat Tenant as tenant at will or at sufferance, subject to all of the terms and conditions in this Lease, except that Minimum Annual Rent shall be an amount equal to the greater of (a) 200 percent of the sum of Minimum Annual Rent which was payable by Tenant for the 12 month period immediately preceding the expiration or earlier termination of this Lease, or (b) the then current fair market rent for comparable space in the Center, as the same is determined by Landlord in its reasonable business judgment. In the event Tenant fails to surrender the Premises upon the expiration or earlier termination of this Lease, Tenant, in addition to paying all amounts required to paid pursuant to the Lease (including, without limitation, this Section 24.1), shall indemnify and hold Landlord harmless from all loss or liability which may accrue therefrom including, without limitation, any claims made by any succeeding tenant founded on or resulting from Tenant's failure to surrender. Acceptance by Landlord of any Minimum Annual Rent or any other charges payable by Tenant under this Lease after the expiration or earlier termination of this Lease shall not constitute a consent to a holdover hereunder, or constitute acceptance of Tenant as tenant at will, or result in a renewal of this Lease.

ARTICLE XXV.

NOTICES

Wherever in this Lease it shall be required or permitted that notice, approval, advice, consent or demand be given or served by either party to this Lease to or on the other, or any notices Landlord is required or authorized to serve upon Tenant in order to advise Tenant of alleged violations of Tenant's covenants contained in Article XI (improper advertising medium/signs), Article XV (failure of Tenant to properly repair and/or maintain the Premises), or Article XVII (improper parking of automobiles), such notice, approval, advice, consent or

demand shall be given or served, and shall not be deemed to have been duly given or served unless, in writing and shall be sent to the addresses listed in Section 1.1 hereof by personal service or by United States certified or registered mail, postage prepaid, return receipt requested, or by overnight private courier, addressed to the party to be served at the address indicated in Section 1.1 or such other address as the party to be served may from time to time designate in a notice to the other party. All notices shall be deemed effective from the date they are personally delivered or, if mailed, two (2) days after the date such notices were placed in the United States Mail.

ARTICLE XXVI.

LANDLORD'S RIGHT TO RELOCATE PREMISES

Landlord shall have the right to relocate the Premises to another part of the Center in accordance with the following:

Decor.

The new Premises shall be substantially the same in size, decor, and nature as the Premises described in this Lease and shall be placed in such condition by Landlord at its cost.

Relocation.

The physical relocation of the Premises shall be accomplished by Landlord at Landlord's cost.

Notice.

Landlord shall give Tenant at least thirty (30) days' notice of Landlord's intention to relocate the Premises.

Time.

Landlord shall diligently pursue the relocation of the Premises, and Minimum Annual Rent and all other sums and charges payable under this Lease shall abate during the period of such relocation.

Costs.

All incidental costs incurred by Tenant as a result of the relocation including, without limitation, costs incurred in changing addresses on stationery, business cards, directories, advertising, and other such items, shall be paid by Landlord in a sum not to exceed One Thousand Dollars ($1,000.00).

Frequency.

Landlord shall not have the right to relocate the Premises more than two (2) times during the Lease Term.

Size.

If the relocated Premises are smaller than the Premises as they existed before the relocation, Minimum Annual Rent and other charges hereunder shall be reduced to a sum computed by multiplying the Minimum Annual Rent by a fraction, the numerator of which shall be the gross leasable square footage floor area of the relocated Premises and the denominator of which shall be the gross leasable square footage floor area of the Premises before relocation.

Amendment.

The parties shall immediately execute an amendment to this Lease stating the relocation of the Premises and the reduction of Minimum Annual Rent, if any.

ARTICLE XXVII.

MERCHANT'S ASSOCIATION

By its execution of this Lease, Tenant has become a member of the Center's Merchant's Association. The Merchant's Association was formed, among other reasons, to provide financial assistance to Landlord in connection with the advertising, promotion, public relations and administration of the Center. During the calendar year in which the Rental Commencement Date occurs, Tenant shall pay to Landlord (monthly, on the first day of each month, together with Tenant's monthly payment of Minimum Annual Rent) the amount set forth in Section 1.1 of the Lease as Tenant's Merchant's Association Charge. Tenant's Merchant's Association Charge shall increase (but not decrease) on January 1 of each year in direct proportion to the increase in the Consumer Price Index for All Urban Consumers (Los Angeles/Anaheim/Riverside Area; Base 198284=100) ("Index"), as published by the United States Department of Labor, Bureau of Labor Statistics, for the preceding calendar year (or portion thereof occurring with the Lease Term). If at any time the Index does not exist, a substitute for the Index shall be selected by Landlord, in Landlord's reasonable discretion.

ARTICLE XXVIII.

CAPTIONS AND TERMS

Reference Only.

The captions of Articles and Sections of this Lease are for convenience only and do not in any way limit or amplify the terms and provisions of this Lease. Except as otherwise

specifically stated in this Lease, the "Lease Term" shall include the original term and any extension, renewal or holdover thereof.

Parties.

If more than one (1) person or corporation is named as Tenant in this Lease and executes the same as such, the word "Tenant", wherever used in this Lease, is intended to refer to all such persons or corporations, and the liability of such persons or corporations for compliance with the performance of all of the terms, covenants and provisions of this Lease shall be joint and several. The masculine pronoun used herein shall include the feminine or the neuter as the case may be, and the use of the singular shall include the plural, as the context may require.

ARTICLE XXIX.

OBLIGATIONS OF SUCCESSORS

Each and all of the provisions of this Lease shall be binding upon and inure to the benefit of the parties hereto, and except as otherwise specifically provided in this Lease (including, without limitation, Article 13), their respective heirs, executors, administrators, successors and assigns, subject, however, to all agreements, covenants, and restrictions contained elsewhere in this Lease with respect to the assignment, transfer, encumbering or subletting of all or any part of Tenant's interest in this Lease or the Premises.

ARTICLE XXX.

MISCELLANEOUS PROVISIONS

Separability.

It is agreed that, if any provision of this Lease shall be determined to be void by a court of competent jurisdiction, then such determination shall not affect any other provision of this Lease, and all such other provisions shall remain in full force and effect.

Warranty of Authority.

If Tenant is a corporation or partnership, each individual executing this Lease on behalf of the corporation or partnership represents and warrants that he/she is duly authorized to execute and deliver this Lease on behalf of the corporation or partnership and that this Lease is binding upon the corporation or partnership. If Tenant is a corporation, the persons executing this Lease on behalf of Tenant hereby covenant and warrant that (a) Tenant is a duly qualified corporation and all steps have been taken prior to the Effective Date hereof to qualify Tenant to do business in the State of California; (b) all franchise and corporate taxes have been paid to date; and (c) all forms, reports, fees and other documents necessary to comply with applicable laws will be filed when due. Tenant hereby represents and warrants that neither Tenant, nor any persons or entities

holding any legal or beneficial interest whatsoever in Tenant, are (i) the target of any sanctions program that is established by Executive Order of the President or published by the Office of Foreign Assets Control, U.S. Department of the Treasury ("OFAC"); (ii) designated by the President or OFAC pursuant to the Trading with the Enemy Act, 50 U.S.C. App. § 5, the International Emergency Economic Powers Act, 50 U.S.C. §§ 1701-06, the Patriot Act, Public Law 107-56, Executive Order 13224 (September 23, 2001) or any Executive Order of the President issued pursuant to such statutes; or (iii) named on the following list that is published by OFAC: "List of Specially Designated Nationals and Blocked Persons." If the foregoing representation is untrue at any time during the Term, an Event of Default will be deemed to have occurred, without the necessity of notice to Tenant.

Merger.

It is understood and acknowledged that there are no oral agreements between the parties hereto affecting this Lease, and this Lease entirely supersedes and cancels any and all previous negotiations, arrangements, brochures, agreements and understandings, if any, between the parties hereto or displayed by Landlord to Tenant with respect to the subject matter thereof, and none thereof shall be used to interpret or construe this Lease. This Lease contains all of the terms, covenants, conditions, warranties and agreements of the parties relating in any manner to the rental, use and occupancy of the Premises and shall be considered to be the only agreement between the parties hereto and their representatives and agents. None of the terms, covenants, conditions or provisions of this Lease may be modified, deleted or added to except by written Lease Amendment signed by the parties hereto. All negotiations and oral agreements acceptable to both parties have been merged into and are included herein. There are no other representations or warranties between the parties, and all reliance with respect to representations is totally upon the representations and agreements contained in this Lease.

Right to Lease.

Landlord reserves the absolute right to effect such other tenancies in the Center as Landlord in the exercise of its sole business judgment shall determine. Tenant does not rely on the fact, nor does Landlord represent, that any specific tenant or type or number of tenants shall, during the Lease Term, occupy any space in the Center.

Governing Law.

The laws of the State of California shall govern the validity, construction, performance and enforcement of this Lease. Should either party institute legal action to enforce any obligation contained herein, it is agreed that the proper venue of such suit or action shall be the county and judicial district in which the Center is located. Although the printed provisions of this Lease were drawn by Landlord, this Lease shall not be construed either for or against Landlord or Tenant but shall be interpreted in accordance with the general tenor of its language.

Force Majeure.

Any prevention, delay or stoppage due to strikes, lockouts, labor disputes, acts of God, inability to obtain labor or materials or reasonable substitutes therefor, governmental actions, civil commotions, fire or other casualty, and other nonfinancial causes beyond the reasonable control of the party obligated to perform, shall excuse the performance of such party for a period equal to any such prevention, delay or stoppage, except the obligations, once accrued, imposed with regard to rental and other charges to be paid by Tenant pursuant to this Lease. Tenant must provide notice of any force majeure delay to Landlord within five (5) days of the occurrence of such delay or Tenant waives its right to claim a force majeure delay. In addition, delays caused by governmental authorities in obtaining Tenant's permits shall not be deemed to be a force majeure event and shall not postpone the Rental Commencement Date.

Cumulative Rights.

The various rights, options, elections, powers and remedies contained in this Lease shall be construed as cumulative, and no one remedy shall be exclusive of any other remedy, or of any other legal or equitable remedy which either party might otherwise have in the event of breach or default in the terms hereof, and the exercise of one right or remedy by such party shall not impair its right to any other right or remedy until all obligations imposed upon the other party have been fully performed.

Time.

Time is of the essence with respect to the performance of each of the covenants and agreements contained in this Lease.

Relationship of Parties.

Nothing contained in this Lease shall be deemed or construed by the parties hereto or by any third person to create the relationship of principal and agent or of partnership or of joint venture or of any association between Landlord and Tenant, and neither the method of computation of rent nor any other provision contained in this Lease nor any acts of the parties hereto shall be deemed to create any relationship between Landlord and Tenant other than the relationship of landlord and tenant.

Late Charges.

Tenant hereby acknowledges that late payment by Tenant to Landlord of rent or other sums due hereunder will cause Landlord to incur costs not contemplated by this Lease, the exact amount of which is extremely difficult to ascertain. Such costs include, but are not limited to, processing and accounting charges, and late charges which may be imposed upon Landlord by the terms of any mortgage or deed of trust covering the Premises. Accordingly, if any installment of rent or any other sum due from Tenant shall not be received by Landlord or Landlord's designee when due, then Tenant shall pay to Landlord a late charge equal to Two Hundred Fifty Dollars ($250.00) or five percent (5%) of the amount due, whichever is higher, provided that such amount will not exceed the maximum rate permitted by law, plus any attorneys' fees incurred by Landlord by reason of Tenant's failure to pay rent and/or other

charges when due hereunder. The parties hereby agree that such late charge represents a fair and reasonable estimate of the costs that Landlord will incur by reason of the late payment by Tenant. Acceptance of such late charge by Landlord shall in no event constitute a waiver of Tenant's default with respect to such overdue amount, nor prevent Landlord from exercising any of the other rights and remedies granted hereunder. Tenant hereby agrees that, if Tenant is subject to a late charge for two (2) consecutive months, Minimum Annual Rent for the following twelve (12) months shall automatically be adjusted to be payable quarterly, in advance, commencing upon the first day of the month following such consecutive late month and continuing for the next twelve (12) months on a quarterly basis in advance.

Financial Statements.

At any time during the Lease Term, Tenant shall, upon ten (10) days' prior written notice from Landlord, provide Landlord or any institutional lender which is negotiating with Landlord for interim, construction or permanent financing, with a confidential current financial statement (dated within ninety [90] days of the date Tenant receives Landlord's notice) and financial statements for each of the two (2) years prior to the then current fiscal statement year. Such current statement shall be prepared in accordance with generally accepted accounting principles and, if such is the normal practice of Tenant, shall be audited by an independent certified public accountant.

Real Estate Brokers.

Landlord and Tenant represent and warrant that, except for a commission owed by Landlord to Charles Dunn Real Estate Services, Inc., (who represents Landlord) and New Star Realty & Inv. (who represents Tenant) pursuant to a separate written agreement (which will be paid by Landlord), there are no claims for brokerage commissions or finder's fees in connection with the execution of this Lease, and agree to indemnify the other against and hold it harmless from all liability arising from any such claim including, without limitation, the cost of attorneys' fees in connection therewith.

Interest.

Tenant shall pay to Landlord when due all sums of money required to be paid pursuant to this Lease. If such amounts or charges are not paid at the time provided in this Lease, they shall nevertheless be collectible with the next installment of Minimum Annual Rent thereafter falling due, but nothing herein contained shall be deemed to suspend or delay the payment of any amount of money or charge at the time the same becomes due and payable hereunder, or limit any other remedy of Landlord. If Tenant shall fail to pay, when the same is due and payable, any rent or other charge, such unpaid amounts shall bear interest at the lesser of ten percent (10%) per annum or the maximum lawful rate from the date due to the date of payment. If the interest rate specified herein is higher than the rate permitted by law, the interest rate is hereby decreased to the maximum legal interest rate permitted by law.

No Offer to Lease.

The submission of this document for examination and negotiation does not constitute an offer to lease, or a reservation of, or option for, occupancy of the Premises; and this document shall become effective and binding only upon execution and delivery hereof by Tenant and by Landlord. No act or omission of any agent of Landlord or Landlord's broker, if any, shall alter, change or modify any of the provisions hereof.

Limitation of Landlord Liability.

Notwithstanding any other provision hereof, Landlord shall not have any personal liability hereunder. If Landlord shall fail to perform any covenant, term or condition of this Lease upon Landlord's part to be performed, and if as a consequence of such default Tenant shall recover a money judgment against Landlord, such judgment shall be satisfied only out of the proceeds of sale received upon execution of such judgment and levied thereon against the right, title and interest of Landlord in the Center and out of rents or other income from such property receivable by Landlord, or out of the consideration receivable by Landlord from the sale or other disposition of all or any part of Landlord's right, title and interest in the Center, subject to the rights of Landlord's mortgagee, and neither Landlord, nor any affiliate of Landlord, nor their employees, officers, directors, shareholders or affiliates shall be liable for any deficiency.

Hazardous Materials

. Tenant covenants as follows:

A. Except for ordinary and general office supplies typically used in the ordinary course of business, such as copier toner, liquid paper, glue and ink and common household cleaning materials (some or all of which may constitute "Hazardous Materials" as herein defined), Tenant agrees not to cause or permit any Hazardous Materials to be brought upon, stored, used, handled, generated, released or disposed of, on, in, under or about the Premises, the common areas or any portion of the Center by Tenant, its agents, employees, subtenants, assignees, contractors or invitees (collectively, "Tenant Parties"), without the prior written consent of Landlord, which consent Landlord may withhold in its sole and absolute discretion. At all times and in all respects, Tenant and the other Tenant Parties shall comply with all federal, state and local laws, statutes, ordinances and regulations including, but not limited to, the Federal Water Pollution Control Act (33 U.S.C. Section 1251 et seq.), Resource Conservation & Recovery Act (42 U.S.C. Section 16901 et seq.), Safe Drinking Water Act (42 U.S.C. Section 3000[f] et seq.), Toxic Substances Control Act (15 U.S.C. Section 2601 et seq.), the Clean Air Act (42 U.S.C. Section 7401 et seq.), Comprehensive Environmental Response, Compensation and Liability Act (42 U.S.C. Section 9601 et seq.), California Health & Safety Code (Section 25100 et seq. and 39000 et seq.), California Water Code (Section 13000 et seq.) and other comparable state laws (collectively, "Hazardous Materials Laws"), relating to industrial hygiene, environmental protection or the use, analysis, generation, manufacture, storage, disposal or transportation of any oil, flammable explosives, asbestos, urea formaldehyde, radioactive materials or waste, or other hazardous, toxic, contaminated or polluting materials, substances or wastes including, without limitation, any "hazardous substances", "hazardous

wastes", "hazardous materials", or "toxic substances" under any such federal, state or local laws, statutes, ordinances or regulations (collectively, "Hazardous Materials").

B. At Tenant's own expense, Tenant shall procure, maintain in effect and comply with all conditions of any and all permits, licenses, and other governmental and regulatory approvals required for the use of the Premises including, without limitation, discharge of (appropriately treated) materials or wastes into or through any sanitary sewer serving the Center or the Premises. Except as discharged into the sanitary sewer in strict accordance and conformity with all applicable Hazardous Materials Laws, Tenant shall not cause any and all Hazardous Materials removed from the Center to be removed and transported, except solely by duly licensed haulers to duly licensed facilities for final disposal of such materials and wastes. Tenant shall in all respects handle, treat, deal with and manage any and all Hazardous Materials in, on, under or about the Center in total conformity with all applicable Hazardous Materials Laws and prudent industry practices regarding management of such Hazardous Materials. Upon transfer of possession of the Premises, such transferor shall cause all Hazardous Materials to be removed from the Premises, transferred and transported for use, storage or disposal in accordance with and in compliance with all applicable Hazardous Materials Laws. Upon the expiration or sooner termination of this Lease, Tenant agrees to remove from the Premises, at its sole cost and expense, any and all Hazardous Materials, including any equipment or systems containing Hazardous Materials which are installed, brought upon, stored, used, generated or released upon, in or under the Premises or any portion of the Center by Tenant or any of the Tenant Parties.

C. Tenant shall immediately notify Landlord in writing of (i) any enforcement, clean-up, removal or other governmental or regulatory action instituted, completed or threatened pursuant to any Hazardous Materials Laws; (ii) any claim made or threatened by any person against Tenant, any of the Tenant Parties, the Premises, or any portions of the Center including, without limitation, any buildings located thereon, relating to damage, contribution, cost recovery compensation, loss or injury resulting from or claimed to result from any Hazardous Materials; and (iii) any reports made to any environmental agency arising out of or in connection with any Hazardous Materials in or removed from the Premises or any portions of the Center, including any complaints, notices, warnings or asserted violations in connection therewith. Tenant shall also supply to Landlord as promptly as possible, and in any event within five (5) business days after any Tenant Party first receives or sends the same, copies of all claims, reports, complaints, notices, warnings or asserted violations, relating in any way to the Premises, any portions of the Center or Tenant's or any Tenant Party's use thereof.

D. Tenant shall immediately remove all Hazardous Materials and indemnify, defend, protect, and hold Landlord and each of its partners, employees, agents, attorneys, successors and assigns, free and harmless from and against any and all claims, liabilities, penalties, forfeitures, losses and expenses (including attorneys' fees), as well as the death of or injury to any person and damage to any property whatsoever, arising from or caused in whole or in part, directly or indirectly, by Tenant's or any Tenant Party's use, analysis, storage, transportation, disposal, release, threatened release, discharge or generation of Hazardous Materials to, in, on, under, about or from the Premises or any portion of the Center including,

without limitation, any buildings located thereon. Tenant's obligations hereunder shall include, without limitation, and whether foreseeable or unforeseeable, all costs of any required or necessary repair, clean-up or detoxification or decontamination of the Premises or Center or any building thereon, or the preparation and implementation of any closure, remedial action or other required plans in connection therewith. For purposes of the release and indemnity provisions hereof, any acts or omissions of Tenant or any Tenant Party, or anyone holding under Tenant or any Tenant Party, or by any of their employees, agents, assignees, contractors or subcontractors or others acting for or on behalf of Tenant or any Tenant Party (whether or not they are negligent, intentional, willful or unlawful) shall be strictly attributable to Tenant. The terms of the indemnification by Tenant set forth in this Section 30.16 shall survive the expiration or earlier termination of this Lease.

Nondiscrimination

. Tenant herein covenants by and for itself, its heirs, executors, administrators, successors and assigns, and all persons claiming under or through them, and this Lease is made and accepted upon and subject to the following conditions:

That there shall be no discrimination against or segregation of any person, or group of persons, on account of status, race, color, creed, religion, sex, marital status, age, physical or mental disability, ancestry or national origin, in the leasing, renting, subleasing, transferring, use, occupancy, tenure or enjoyment of the land herein leased, nor shall the lessee itself, or any person claiming under or through it, establish or permit any such practice or practices of discrimination or segregation with reference to the selection, location, number, use or occupancy of tenants, lessees, sublessees, subtenants or vendees in the land herein leased.

Revenue and Expense Accounting

. Landlord and Tenant agree that, for all purposes (including any determination under Section 467 of the Internal Revenue Code), rental income will accrue to Landlord and rental expenses will accrue to Tenant in the amounts and as of the dates rent is payable under the Lease.

Waiver of Rights of Redemption

. Tenant waives all rights of redemption granted under any present and future law if Landlord obtains the right to possession of the Premises by reason of the violation by Tenant of any of the covenants and conditions of this Lease or otherwise.

Intentionally Omitted

.

30.21 Execution of Guaranty of Lease. The effectiveness of this Lease is expressly conditioned upon the receipt by Landlord of a Guaranty of Lease ("Guaranty") executed by

Longji Jin, an individual, and dated effective as of the date of this Lease, in the form attached as **Exhibit "C"**.

[Remainder of Page Intentionally Left Blank]

[Signatures on Following page]

IN WITNESS WHEREOF, Landlord and Tenant have duly executed and delivered this Lease as of the day and year first above written.

"TENANT"

GLOBAL AA GROUP, INC., a
CA corporation

By: _____

Name: _____

Title: CFO

"LANDLORD"

SY VENTURES V, LLC
a California limited liability company

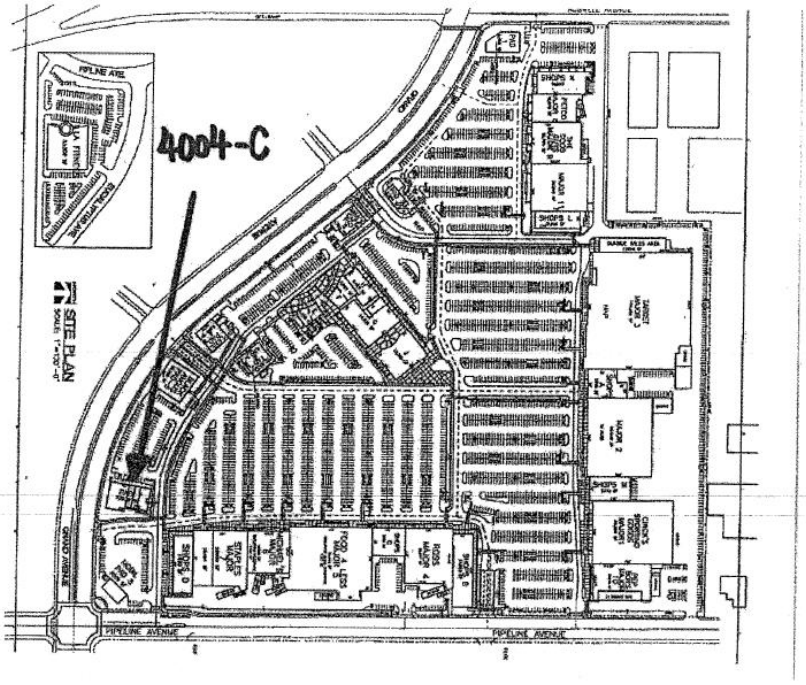
By: Shin Yen Equity, Inc.,
a California corporation
Its: Managing Member

By: _____
Wan-I-Huang, President

IF TENANT SHALL BE A CORPORATION, THE AUTHORIZED OFFICERS MUST SIGN ON BEHALF OF THE CORPORATION. THE LEASE MUST BE EXECUTED BY THE PRESIDENT OR VICEPRESIDENT AND THE SECRETARY OR ASSISTANT SECRETARY, UNLESS THE BYLAWS OR A RESOLUTION OF THE BOARD OF DIRECTORS SHALL OTHERWISE PROVIDE, IN WHICH EVENT, THE BYLAWS OR A CERTIFIED COPY OF THE RESOLUTION, AS THE CASE MAY BE,

MUST BE FURNISHED. ALSO, THE APPROPRIATE CORPORATE SEAL MUST BE AFFIXED.

EXHIBIT "A"
SITE PLAN



This Site Plan on this page is for illustration and the owner reserves the right to change, add to or omit the structures, common areas and/or land areas shown. This Plan is not intended to make any representations or warranty as to the size and nature of improvements to be constructed, or as to the identity or location of any tenant in the Shopping Center.

~~EXHIBIT "A-1"~~
~~PROTECTED PARKING AREA~~

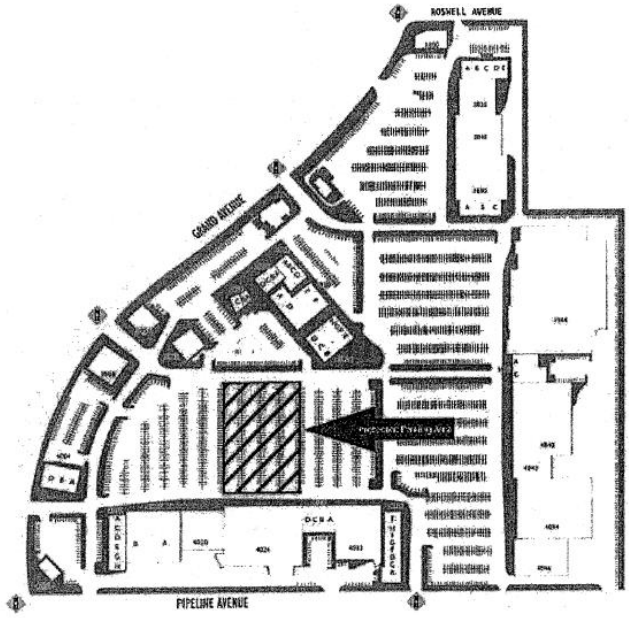


EXHIBIT "B"

PROVISIONS RELATING TO THE CONSTRUCTION OF THE PREMISES

Except as specifically set forth in Article I hereinbelow (Landlord's Work), Landlord shall deliver and Tenant shall accept the Premises in its current "**As-Is**" condition.

I. LANDLORD'S WORK. Landlord shall have no obligation to perform or pay for any work whatsoever in the Premises, and Tenant shall accept possession of the Premises from Landlord in its "as-is" condition (without a ceiling) and state of repair as of the date that Landlord initially tenders possession of the Premises to Tenant. Notwithstanding the foregoing to the contrary, upon the date that Landlord delivers possession of the Premises to Tenant, Landlord shall have constructed a new demising wall to create the Premises and installed in the Premises: ~~(a) a new heating and air conditioning system and (b)~~ a separate electrical ~~and water~~ meters.

II. DELIVERY OF PREMISES. For the purposes of this section, the Landlord's Work shall be "Substantially Complete" as soon as Landlord completes the construction and installation of Landlord's Work, subject to minor "punch list" items. Within five (5) days following the date Landlord notifies Tenant that Landlord's Work is Substantially Complete, Tenant shall provide Landlord with a list ("Punchlist") of those items, if any, of Landlord's Work which are either incomplete or defective. Landlord shall, within a reasonable time after receipt of the Punchlist, complete or repair the items of Landlord's Work set forth in the Punchlist.

III. PERFORMANCE OF TENANT'S WORK

A. Conditions for Commencement of Tenant's Work. Tenant shall not commence any work in the Premises unless and until the following conditions have been met:

1. Landlord shall have approved the Tenant's construction plans (the "Approved Construction Plans");

2. Landlord shall have approved Tenant's contractor;

3. Tenant shall have obtained all permits and approvals from all authorities for Tenant's Work and shall furnish Landlord with copies of all said permits;

4. Tenant shall have obtained all insurance required under the Lease and shall have furnished Landlord with duplicate originals or certificates of such insurance in accordance with the Lease;

5. Tenant shall have furnished Landlord with a certificate of its contractor's worker's compensation and liability insurance, which shall name Landlord as an additional insured;

6. Tenant shall have supplied Landlord with a key to all locks installed by Tenant in the Premises;

7. Landlord shall have consented to the commencement of Tenant's Work in the Premises; and

8. Tenant shall have made payments for work to be done by Landlord.

B. General Requirements. All Tenant's Work shall be performed strictly in accordance with the following:

1. All Tenant's Work shall comply with the requirements of all governing codes and ordinances, Landlord's insurance carrier or rating organization, Landlord's lender and any requirements of all governmental authorities having jurisdiction, and any and all agencies thereof, including requirements relating to utilizing union labor and paying prevailing wages in the locality in which the Center is located;

2. All Tenant's Work shall be performed in accordance with the Approved Construction Plans, a copy of which shall be maintained by Tenant at the Premises at all times until final completion of Tenant's Work;

3. All Tenant's Work shall be performed without interference with other work being performed in and about the Center, including the Premises;

4. Tenant shall cooperate and comply with all rules and regulations which Landlord, its architect or contractor may make in connection with the construction work in the Center;

5. Tenant shall comply with Landlord's guidelines for Tenant's construction which are provided to Tenant by Landlord prior to and/or during the course of the performance of Tenant's Work;

6. Tenant shall at all times during the performance of Tenant's Work provide Landlord with a key to all locks installed by Tenant or its contractor in the Premises and, after completion of Tenant's Work, Tenant shall, at Tenant's cost and expense, change all such locks; and

7. Tenant's entry prior to the commencement of the Lease Term shall be subject to all of the provisions of this Lease, other than the payment of rent and other charges to Landlord.

C. Tenant's Work Which Affects the Building in Which the Premises Are Situated. All work to be performed by Tenant shall not damage the building of which the Premises are a part or any part thereof, and shall be handled in the following manner:

1. Work attached to the structure and/or the roof, such as additional electrical, plumbing, heating, ventilating and air conditioning systems, and any items of Tenant's Work, which, in Landlord's sole discretion, affect the structural or weatherproof integrity of the building in which the Premises are located, including all roof penetrations or roof work of any

kind, and any work which affects Landlord's roof warranty, guarantee or bond, shall, at Landlord's option, be:

(a) Awarded by Tenant to a licensed contractor, written approval of whom has been given by Landlord; or

(b) Awarded to Landlord's Contractor and administered by Landlord. In the event Landlord elects to have Landlord's Contractor perform such work, Landlord shall obtain a bid for such work from Landlord's Contractor and shall charge Tenant the actual cost of such work as charged by Landlord's Contractor, plus an administration fee to Landlord, not to exceed fifteen percent (15%) of the actual cost of said work. The cost of any Tenant's Work performed by Landlord's Contractor pursuant to this subparagraph shall be paid for by Tenant prior to the commencement of the work, upon demand by Landlord.

D. Landlord's Reserved Rights. Landlord reserves the following rights with respect to Tenant's Work:

1. Landlord shall at all times during the performance of Tenant's Work have a right of access to the Premises for the purpose of performing work in and about the Premises, both in connection with Landlord's construction and/or repair of the Center and the performance of Landlord's Work;

2. Landlord shall not be responsible to Tenant for any loss of or damage to any Tenant's property installed or left in the Premises or such other space within the Center prior to completion of Tenant's Work or at any time thereafter during the entire Lease Term.

E. Completion of Tenant's Work. Tenant's Work shall be deemed to be complete at such time as all of the following shall have occurred:

1. Tenant has furnished Landlord with a Certificate of Occupancy for the Premises;

2. Tenant has furnished Landlord with lien waivers or other evidence satisfactory to Landlord of Tenant's lienfree completion of Tenant's Work;

3. Landlord, its architect or other authorized designee of Landlord shall have inspected the Premises and approved Tenant's Work;

4. Tenant shall have changed all locks to all doors and windows to the Premises; and

5. Tenant shall have furnished Landlord with all keys to the Premises.

F. Tenant's Use of a Contractor Other than Landlord's Contractor. It is further understood and agreed that the items set forth below shall be incorporated as "Special Conditions" into the contract between Tenant and its contractor as follows (with a copy of the

contract to be furnished to Landlord for Landlord's approval prior to the commencement by Tenant of Tenant's Work):

1. Prior to the start of Tenant's Work, Tenant's contractor shall provide Landlord with a construction schedule indicating the completion dates of all phases of Tenant's Work, which schedule shall be subject to the progress of Landlord's construction in the Center of which Landlord shall have the right to notify Tenant from time to time.

2. Tenant's contractor shall perform its work in a manner and at times which do not impede or delay Landlord's Contractor in the completion of the Center and/or the Premises. Any delays in the completion of the Center and/or the Premises or the commencement of the payment of Minimum Annual Rent and any damage to any work caused by Tenant's contractor shall be Tenant's responsibility and shall be at Tenant's sole cost and expense.

3. Tenant's contractor shall be responsible for the repair, replacement or cleanup of any damage done by it to other contractors' work (including Landlord's Contractor's work), which specifically includes accessways to Tenant's Premises which may be concurrently used by others.

4. Tenant's contractor shall accept the Premises prior to starting any trenching or coring operation. Any rework of subbase or compaction required after Tenant's contractor's initial acceptance of the Premises shall be done by Tenant's contractor, which shall include the removal from the Center of any excess dirt or debris.

5. Tenant's contractor shall contain its storage of material and its operation within the Premises and such other space as may be assigned by Landlord's contractor. Should such items be assigned space outside of the Premises, same shall be moved to such other space as Landlord's contractor shall direct from time to time to avoid interference or delays with other work.

6. All trash and surplus construction materials shall be stored within the Premises and shall be promptly removed from the Center.

7. Tenant's contractor shall provide temporary utilities, portable toilet facilities and portable drinking water as required for its work within the Premises and shall pay to Landlord's Contractor the cost of any temporary utilities and facilities provided by Landlord's Contractor.

8. Tenant's contractor shall notify Landlord and Landlord's manager of the Center of any planned work to be done on weekends or other than normal job hours.

9. Tenant and Tenant's contractors are responsible for compliance with all applicable codes and regulation of duly constituted authorities having jurisdiction insofar as the performance of the work and completed improvements are concerned for all work performed by Tenant or Tenant's contractor and all applicable safety regulations established by the general contractor for the Center, and Tenant further agrees to indemnify, defend, protect and hold

Landlord harmless from and against any loss, costs liability or expense in any way arising out of said work as provided in Article VIII of the Lease. Prior to commencement of construction, Tenant shall submit to Landlord evidence of insurance as required by Section 8.3 of the Lease.

10. Tenant's contractor and subcontractors shall not post signs in any part of the Center or in or about the Premises.

11. Notwithstanding the provisions herein, Tenant shall be responsible for and shall obtain and record a Notice of Completion promptly following completion of Tenant's Work.

12. Prior to the commencement of construction, Tenant shall obtain, or cause its contractor to obtain, payment and performance bonds covering the faithful performance of the contract for the construction of Tenant's Work and the payment of all obligations arising thereunder. Such bonds shall be for the mutual benefit of both Landlord and Tenant and shall be issued in the names of both Landlord and Tenant as obligees and beneficiaries. Prior to the date Tenant commences construction of Tenant's Work, Tenant shall submit evidence satisfactory to Landlord that such bonds have been issued.

IV. TENANT ALLOWANCE.

Landlord agrees to contribute: (a) a sum not to exceed Fifty Four Thousand and 00/100 Dollars ($54,000.00) (based on $30.00/square foot) toward the cost of Tenant's Work, provided that said sum shall in no event be applied toward Tenant's personal property, trade fixtures, equipment or inventory, plus (b) a sum equal to Fifteen Thousand and 00/100 Dollars ($15,000.00) to be used by Tenant to install in the Premises a 1,500 gallon grease trap (collectively, the "Tenant Allowance"). Upon written request, Landlord shall pay Tenant the Tenant Allowance within thirty (30) days after Tenant's Work is complete, and Tenant has opened for business in the Premises and delivered to Landlord the following:

1. The original "Certificate of Occupancy" issued by the applicable building department in the city in which the Center is located;

2. A copy of Tenant's recorded, valid "Notice of Completion," if applicable in the state where the Center is located;

3. Copies of all invoices from Tenant's contractor, subcontractors, vendors and/or suppliers of labor and/or materials for Tenant's Work, which Tenant has paid;

4. All mechanics' lien releases or other lien releases on account of Tenant's Work, which are notarized, unconditional and in recordable form or in such form as Landlord shall have approved;

5. Copies of all building permits, indicating inspection and approval of the Premises by the issuer of said permits; and

6. An architect's certification that the Premises have been constructed in accordance with the approved Tenant's Plans and are one hundred percent (100%) complete in accordance with this Exhibit C.

The cost of any additional work performed by Landlord for the benefit of Tenant as well as any rentals owing under this Lease, shall be deducted from the Tenant Allowance before said Tenant Allowance is paid to Tenant.

EXHIBIT "C"
GUARANTY OF LEASE

This GUARANTY OF LEASE given by LONGJI JIN, an individual (hereinafter called the "Guarantors", whether one or more) to SY VENTURES II, LLC, a California limited liability company (hereinafter call the "Landlord").

WITNESSETH:

In order to induce the Landlord to demise to GLOBAL AA GROUP, INC., a CA corporation (hereinafter referred to as the "Tenant"), certain premises in the Landlord's Shopping Center which has been constructed on land situated at Chino Spectrum Marketplace, in the City of Chino, County of San Bernardino, State of California, and being described in and pursuant to a certain Shopping Center Retail Shop Lease dated _____, 2016 (which lease together with any and all modifications, amendments and extensions is hereinafter referred to as the "Lease"), the Guarantors agree as follows:

1. The Guarantors do hereby jointly and severally, unconditionally and absolutely guarantee to the Landlord the full, prompt and complete payment by the Tenant of the rent and all other sums which may be payable by the Tenant under the Lease and the full, prompt and complete performance by the Tenant of any and all terms, covenants, conditions and provisions of the Lease required to be performed by the Tenant without regard to any forbearance, delay, neglect or failure on the part of the Landlord in enforcing same.

2. The Guarantors do hereby waive notice of acceptance hereof and any and all other notices which by law or under the terms and provisions of the Lease are required to be given to the Tenant, and also waive any demand for or notice of default of the payment of rent and other sums which may be payable by the Tenant under the Lease and the performance of all and singular the terms, covenants, conditions and provisions in the Lease required to be performed by the Tenant; and the Guarantors do further expressly hereby waive any legal obligation, duty or necessity for the Landlord to proceed first against the Tenant or to exhaust any remedy the Landlord may have against the Tenant, it being agreed that in the event of default or failure of performance in any respect by the Tenant under the lease, the Landlord may proceed and have right of action solely against either the Guarantors (or any of them) of the Tenant or jointly against the Guarantors (or any of them) and the Tenant. The Guarantors further agree that the Landlord may grant relief or indulgence to the Tenant, or otherwise amend or modify the Lease, without such actions being or being deemed to be a release of the Guarantor's liability under this Guaranty. Any delay on the part of the Landlord in enforcing any rights under this Guaranty or under the Lease or in proceeding first against the Tenant shall not operate as a waiver of rights against the Guarantors hereunder.

3. In the event of any bankruptcy, reorganization, winding up or similar proceedings with respect to the Tenant, no limitation of the Tenant's liability under the Lease which may now or hereafter be imposed by any federal, state or other statute, law or regulation applicable to such

proceedings, shall in any way limit the obligations of Guarantors hereunder, which obligation is co-extensive with the Tenant's liability as set forth in the Lease without regard to any such statutory limitation. If any trustee, receiver or conservator of the Tenant appointed under any federal or state law relating to bankruptcy, insolvency, debtor's relief or corporate reorganizations rejects the Lease pursuant to any right to do so under the provisions of any such law, the Guarantors' obligation under this Guaranty shall not be affected thereby, but, to the contrary, shall continue to remain in full force and effect as if the Lease had not been rejected by such trustee, receiver or conservator and was continuing in full force and effect.

5. The Guarantors shall not be entitled to make any defense against any claim asserted by the Landlord in any suite or action instituted by the Landlord to enforce this Guaranty or the Lease or to be excused from any liability hereunder which the Tenant could not make or invoke, and the Guarantor's hereby expressly waive any defense in law or in equity which is not or would not be available to the Tenant, it being the intent hereof that the liability of the Guarantors hereunder is primary and unconditional.

6. In the event it shall be asserted that the Tenant's obligations are void or void able due to illegal or unauthorized acts by the Tenant in the execution of the Lease, the Guarantors shall nevertheless be liable hereunder to the same extent as the Guarantors would have been if the obligations of the Tenant had been enforceable against the Tenant.

7. This Guaranty shall remain in full force and effect for the entire Lease Term and despite any assignment of the Tenant's interest under the Lease or any subletting of all or any portion of the leased premises. The Guarantors agree that the terms of the Lease may be altered or modified by agreement of the Tenant or its assignee(s) without notice to the Guarantors and without securing their consent, approval or waiver as such act shall not, in any way, affect this Guaranty or release the Guarantors from any liability under this Guaranty. This Guaranty shall remain in full force and effect regardless of whether or not the Tenant is or continues to be owned in whole or in part by Guarantors. The provisions of this Guaranty (and Landlord's right to enforce the same) shall survive any expiration or early termination of the Lease or Tenant's occupancy of the Premises.

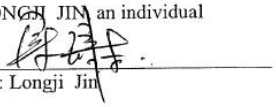
8. This Guaranty shall be binding upon the heirs, legal representatives, successors and assigns of the Guarantors, and shall inure to the benefit of the heirs, legal representatives, successors and assigns of the Landlord. The Guarantors agree that this contract is performable in California, and waive the right to be sued elsewhere.

9. If the Guarantors, or any of them, are a corporation, then the undersigned officer of each such corporation personally represents and warrants that the Board of Directors of each such corporation, in a duly held meeting, has determined that this Guaranty may reasonably be expected to benefit said corporation.

10. The Guarantors hereby waive trial by jury in any action, proceeding or counterclaim brought by the Landlord or the Guarantors against the other as to any matter of any kind or nature arising out of or in any way connected with this Guaranty or the Lease. In the event suit or action be brought upon and in connection with the enforcement of this Guaranty, the Guarantors shall pay reasonable attorneys' fees and all court costs incurred by the Landlord.

GUARANTORS:

LONGJI JIN, an individual



By: Longji Jin

EXHIBIT "D"

FORM OF TENANT ESTOPPEL CERTIFICATE

TO: _____
_____
_____

RE: Premises Address: Chino Spectrum Marketplace (Shopping Center)
Building No. _____; Suite No. _____
Address: _____

Lease Date: _____
By and Between: _____ (Landlord), and
_____ (Tenant)
Square Footage Leased: Approximately _____ Square Feet

The undersigned is the Tenant under the above-referenced lease and a true, correct and complete copy of which Lease and any and all amendments thereto is attached hereto as **Exhibit "A"** and are hereinafter collectively referred to as the "**Lease**." The undersigned hereby acknowledges and certifies on behalf of itself, its successors and assigns, to (as applicable) Landlord, Buyer (its successors and assigns) and any lender that may extend credit secured all or in part by a deed of trust on the Premises or the Shopping Center within which the Premises is located (the "**Center**"), and each of their respective successors and assigns, the following:

1. The above-described Lease is unmodified and in full force and effect except for the following: _____.

2. There is no prepaid rent, other than the current month's rent paid in advance, except _____ Dollars ($_____), and the amount of the security deposit is $_____. The undersigned is not entitled to any "free" rent, rental concessions or other similar benefits, except for _____.

3. Possession of the Premises was taken by Tenant on _____. Tenant began paying rent on _____. Tenant's current minimum monthly base rental payments are _____. Tenant's current percentage rent is _____ of _____. Base rent was last paid on _____ and has been paid through _____.

4. No payments are required to be made by Landlord to Tenant and all work to be performed for Tenant by or on behalf of Landlord under the Lease has been performed as required and has been accepted by Tenant, except for

5. The Lease terminates on _____ and Tenant has the following renewal option(s): _____ option(s) to extend and renew the Lease for _____ each. The exercise date(s) of said option(s) are: _____.

6. Tenant has no right or option pursuant to the Lease or otherwise (i) to purchase all or any part of the premises or the Center; (ii) for additional space in the Center, and/or (iii) to terminate the Lease prior to its stated expiration date except as follows: _____.

7. As of the date hereof, neither Landlord nor Tenant is in default under the Lease, and Tenant has no knowledge of the occurrence of any event which with notice and/or the passage of time would constitute a default under the Lease, nor does Tenant have any claims against Landlord nor any defenses or offsets against rent.

8. The undersigned acknowledges that Landlord and its respective successors and/or assigns, and any purchaser of the center from Landlord, may rely upon this Estoppel Certificate and that any lenders who make a loan which is secured in whole or in part on the Center and each of their successors and/or assigns may rely upon this Estoppel Certificate.

9. The undersigned is duly authorized to execute this certificate on behalf of the Tenant.

10. The undersigned has not assigned or sublet the premises nor does Tenant hold the premises under an assignment or sublease except: _____.

IN WITNESS WHEREOF, Tenant has executed this Tenant's Estoppel Certificate this ____ day of _____, 20__.

TENANT:

_____,
a _____

By: _____
Name: _____
Its: _____

EXHIBIT "E"

SIGN CRITERIA

Project: **CHINO SPECTRUM MARKETPLACE**
Grand Avenue and Pipeline Avenue
Chino, California

Date: 11-16-93 Revision: 11-19-93

A. INTRODUCTION

The intent of this Sign Criteria is to provide the guidelines necessary to achieve a visually coordinated, balanced and appealing signage environment at the above mentioned project. Performance of the Sign Criteria shall be rigorously enforced and any non-conforming signs shall be removed by the Tenant or his sign contractors at their expense, upon demand by Landlord. Exceptions will retain full rights of the approval of any sign used in the center.

B. GENERAL OWNER/TENANT REQUIREMENTS

1. Each Tenant shall submit, within thirty (30) days of lease execution, five (5) copies to the Landlord (one in full color) for written review, detailed shop drawings of the proposed sign, indicating conformance with the sign criteria herein outlined, send to:

Landlord:
SY Ventures, LLC
Chino Spectrum Marketplace
3808 Grand Avenue, Suite B
Chino, California 91710
Phone: 909-902-5555
Fax: 909-902-5559

2. Tenant shall submit a sign drawing approved by the Landlord to the appropriate City authority for approval prior to the start of any sign construction or fabrication.

3. Tenant shall pay for all signs, their installation (including final connection, transformers and all other labor and materials) and maintenance.

4. Tenant shall obtain all necessary permits.

5. Tenant shall be responsible for fulfillment of all requirements of this Sign Criteria.

6. Tenant shall provide the wired connection from the Tenant's sign to the Landlord's house timer to terminate at Tenant's electrical panel. The Landlord shall have control over the timing of any building, pylon, or monument and its hours of illumination.

7. It is the responsibility of Tenant's sign company to verify all conduit and transformer locations and service prior to fabrication.

8. The location of all signs shall be per the accompanying design criteria.

9. Except as permitted herein, any illuminated sign or lighting device shall employ only lights emitting a light of constant intensity, and no sign shall be illuminated by or contain flashing, intermitted, rotating or moving lighting or lights. In no event shall an illuminated sign or light device be so placed or so directed upon a public street, highway, sidewalk or adjacent premises so as to cause glare or reflection that may constitute a traffic hazard or nuisance.

10. All illuminated Building Wall and Fascia Signs shall be internally illuminated channel letters or halo lit letters.

11. Banners or theme flags are permitted for special events only and shall be subject to Landlord's approval and the approval of the Community Development Department of the City of Chino.

12. Temporary window signage for special or seasonal sales shall be subject to Landlord approval and shall be limited to a maximum of twenty-five percent (25%) of the window area per elevation. All such signs shall be professionally prepared. No window painting shall be permitted.

13. Tenant shall verify his sign location and size with Landlord prior to fabrication.

14. Signs which vary from this sign criteria must first be approved by Landlord and the respective City authority.

15. Tenant is required to maintain their sign in a first class condition and replace bulbs, plex faces, etc., as necessary

C. FREE-STANDING RESTAURANT SIGNS

1. This provision includes menu signs for drive-through restaurants. Such signs are intended to be viewed by patrons, and shall not be designed to advertise the restaurant along street rights-of-way. Such signs shall be a maximum of six feet (6') in height, and Sign Copy Area shall be a maximum of sixteen (16) square feet.

2. Restaurant menus located at the main entry to the restaurant, not exceeding three (3) square feet of Sign Area, placed at a maximum height of six feet (6'). Such signs shall not be self-illuminated, and may only be lit by external lighting, and shall be designed for view by pedestrians only.

3. No freestanding sign shall cause a visual obstruction within a driveway corner cut-off.

D. GENERAL SIGN SPECIFICATIONS

1. No exposed raceway, crossovers, conduits, conductors, transformers, etc. shall be permitted.

2. All lettering shall be restricted to the "maximum sign letter copy area" and have a matte finish. See attached design criteria for specific information.

3. No projection above or below the "maximum sign letter copy area" will be permitted (except as otherwise approved by the Landlord in writing).

4. All signs and their installation must comply with all local building and electrical codes and bear a UL label placed in an inconspicuous location. Electrical service to the sign shall be paid for by Tenant.

5. For purposes of store identification, Tenant will be permitted to place upon each entrance to its premises not more than four (4) square feet of white vinyl decal application lettering not to exceed four (4) inches in height, indicating tenant's name, hours of business, emergency telephone, etc. The number and letter type shall be Helvetica, Optima or Helvetica Italic.

E. INTERNALLY ILLUMINATED CHANNELIZED LETTER SIGN SPECIFICATIONS

1. Shop signs shall be attached to the building wall or fascia in designated areas only. The sign area shall be a minimum of sixteen (16) square feet. In case of conflict, City requirements shall govern.

2. The face of the channel letters shall be constructed of "Rohm & Haas" acrylic plastic (3/16" thick minimum) and fastened to the metal can in an approved manner. All metal shall receive a minimum of two (2) coats of primer and one (1) coat of finish. Plastic sheet seam joints shall be by electric weld only.

3. The "copy" (letter type), logs and their respective colors shall be submitted to the Landlord for written review prior to fabrication.

4. No more than one row of letters are permitted, unless otherwise approved by Landlord, provided that in any event the maximum total height does not exceed the height allowed in Section "H" hereof.

5. Tenant shall display only its established trade name or their basic product name, e.g., "John's Jeans", or combination thereof.

6. Internal illumination to be 60 mill-amp neon lamps installed and labeled in accordance with the "National Board of Fire Underwriters Specifications".

7. Channel Letters to have service access to lamps, ballasts and wiring.

8. Color of exposed portions of channel letters return and tramcar shall be matte black or a color which matches and compliments either the face of the channel letter or otherwise approved by Landlord.

9. All penetrations of the building structure required for sign installation shall be sealed in a water tight condition and shall be patched to match adjacent finish.

10. Upon removal of any sign, the building or wall surface shall be patched, textured, sealed and painted in order to match its original condition.

F. PROHIBITED SIGNS

1. Signs Constituting a Traffic Hazard:
No person shall install or maintain or cause to be installed or maintained any sign which simulates or imitates in size, color, lettering or design any traffic sign or signal, or any other symbols, or characters in such a manner to interfere with, mislead or confuse traffic.

2. Immoral or Unlawful Advertising:
It shall be unlawful for any person to exhibit, post or display cause to be exhibited, posted or displayed upon any sign, anything of an obscene, indecent, or immoral nature or unlawful activity.

3. Signs on Doors, on Windows:
No sign shall be installed, relocated, or maintained so as to prevent free ingress to or egress from any door. No exterior sign shall be placed on the exterior premises except as permitted herein. No sign of any kind shall be attached to a stand pipe except those signs as required by code or ordinance.

4. Animated, Audible or Moving Signs:
Signs, consisting of any moving, swinging, rotating, flashing or otherwise animated light are prohibited.

5. Off-Premise Signs:
Any signs, off premises are subject to Landlord's written approval. Any unauthorized off premises sign may be removed without notice or by Landlord at Tenant's expense.

6. Vehicle Signs:
Signs, parking lot fliers on or affixed to trucks, automobiles, trailers, or other vehicles which advertise, identify, or provide direction to a use of activity not related to its lawful making of deliveries of sales or merchandise or rendering of services from such vehicles, is prohibited.

7. Any sign located on the roof or projecting above the roofline of a building.

8. Freestanding Signs except as provided in this document.

G. PEDESTRIAN UNDER-CANOPY SIGNS

Under-canopy signs are intended to provide identification of tenants to pedestrians near building storefronts. Such signs are required of each tenant shop and shall be located under the canopy, perpendicular to the building storefront, and shall have a maximum sign area of three (3) square feet per sign face. Such signs shall have a maximum of two (2) faces. Tenant shall submit a sign drawing approved by Landlord prior to start of any sign construction or fabrication. See Page 8.

H. BUILDING WALL AND FASCIA SIGNS

Building wall and fascia signs are permitted which identify the name and associated corporate logo of a business, subject to the provisions below.

1. Maximum Letter Height and Sign Copy Area
Maximum letter height and maximum Sign Copy Area are determined based on the amount of Gross Leasable Area of a tenant's business, with letter height and Sign Copy Area increasing as the size of the tenant increases.

BUILDING SQ. FOOTAGE	MAXIMUM LETTER HEIGHT	MAXIMUM SIGN LETTER COPY AREA
45,000 or greater	Five (5) feet*	Two-hundred (200) Sq.Ft.
20,000 to 44,999	Four (4) feet*	Two-hundred (200) Sq.Ft.
10,000 to 19,999	Three (3) feet*	One-hundred-fifty (150) Sq.Ft.
5,000 to 9,999	Thirty (30) inches	One-hundred-fifty (150) Sq.Ft.
0 to 4,999	Two (2) feet	One-hundred-fifty (150) Sq.Ft.

The first letter of a word or abbreviation is permitted to exceed these maximums by one additional foot of letter height.

2. Maximum Sign Length
The maximum sign length for building wall and fascia signs is seventy percent (70%) of the horizontal length of the building elevation or tenant space of the wall on which they are located.

3. Number of Building Wall and Fascia Signs Permitted

a. In-Line Tenants - In-Line tenants are permitted to have one building wall and fascia sign facing the public street and/or main parking lot or public entry. If the tenant space is located on an end cap position such that the tenant is at the end or corner

of the corner of a building, the tenant may have one (1) additional building wall or fascia sign on one additional elevation facing the parking area or public street.

b. Street Oriented Tenants - Street Oriented Tenants may have two building wall and fascia signs; one facing the street frontage, and one facing the interior parking or public entry for the building.

c. Street Oriented Buildings which are only one Tenant - Street Oriented Buildings which are occupied by a single tenant may have one building wall and fascia sign per elevation up to a maximum of three elevations, provided that there is not a monument sign included in the signage for the building pursuant to Section "J" hereof.

d. All other tenants which are not addressed under Sections (b) and (c) above may have one (1) building wall and fascia sign.

4. Except as specifically permitted herein, sign copy is limited to the display of the business name and corporate logo or trademark.

5. Supermarkets, electronics and electrical appliance stores, and home improvement centers may have additional signs advertising general products sold such as ("seafood", "deli", "bakery", "pharmacy", "electronics", "garden center", etc.). A maximum of two (2) such secondary signs are permitted per tenant. Letter height shall be a maximum of twelve inches (12"). The size of such signs shall be a maximum of twelve inches (12"). The size of such signs shall be included in the maximum Sign Letter Copy Area permitted under Section (H1). Signs of this type may be permitted for other uses approved by Landlord and the City of Chino.

6. Signs identifying the location of specialized services or operations that are provided at a particular location within an establishment such as "Installation", "Auto Service", "Customer Pick-up", etc. are permitted. Such sign shall have a maximum letter height of twelve inches (12") and shall have no internal illumination. The size of such signs shall be included in the maximum Sign Letter Copy Area permitted under Section (H1).

I. MISCELLANEOUS NOTES

1. The provisions of this Exhibit, except as otherwise expressly provided by this Exhibit, shall not be applicable to the identification signs of "Major Tenants" or other occupancy designated as a "Junior Major" tenant that may be located in the Shopping Center, it being understood and agreed that these occupants may have their usual signage on similar buildings operated by them in California; provided however, there shall be no rooftop signs which are flashing, moving, or audible and provided said sign is architecturally compatible and has been approved by Landlord.

J. MONUMENT SIGNAGE

1. Subject to City regulations, for street tenant and single tenant buildings, such tenants shall be allowed a one (1), two (2) sided monument sign not exceeding fifty (50) square feet per sign face and dimensions of eight (8) feet high and ten (10) feet long. All designs shall be consistent with the monument sign elevation attached hereto or otherwise approved by landlord and City of Chino.

K. PYLON SIGNAGE

1. Pylon signage is permitted for tenants greater than 25,000 square feet, if available, and approved by Landlord in Landlord's sole discretion on a case to case basis.

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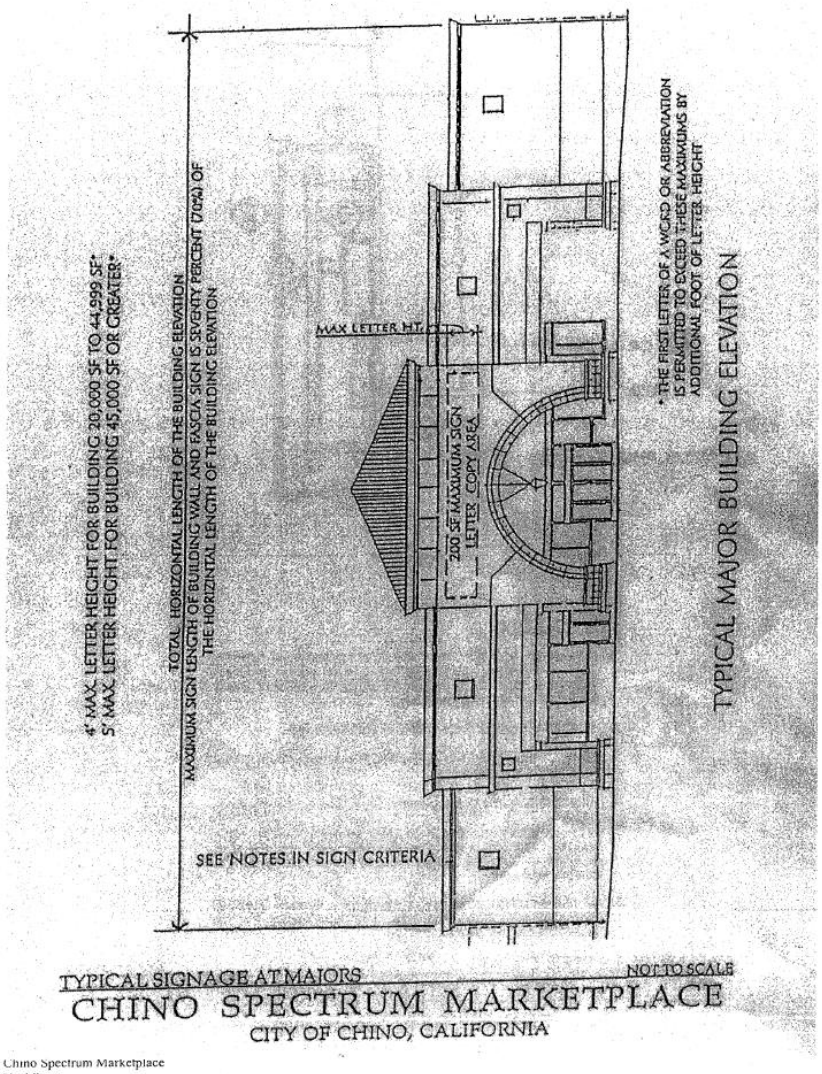
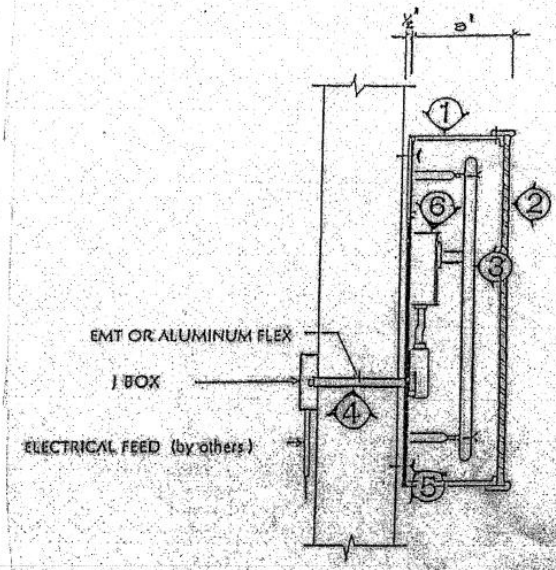


TYPICAL SIGNAGE AT MAJORS NOT TO SCALE

CHINO SPECTRUM MARKETPLACE

CITY OF CHINO, CALIFORNIA



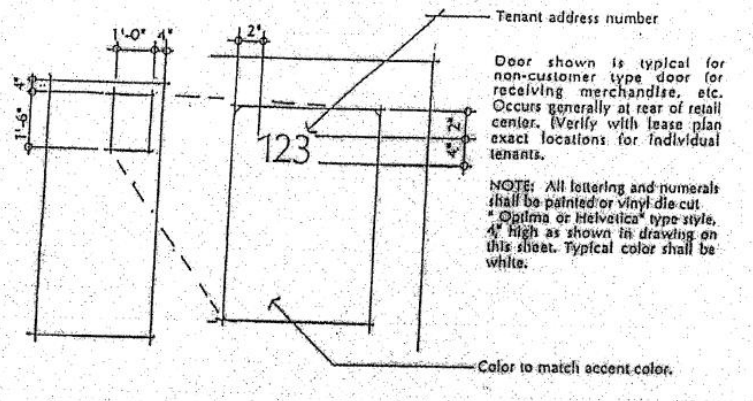
SPECIFICATIONS

1. Fabricated sheet aluminum or paint-loc steel-letter channels, finished in acrylic automotive enamel over primer undercoat. Exterior color is tenants option (subject to approval) interior shall have white reflective finish.
2. 3/16" acrylic plastic face with 3/4" trim cap edge.
3. 60 milli-amp neon interior illumination system. Transformers shall be high power factor.
4. All wiring secondary and primary shall be housed in conduit.
5. All sign letters are to be secured to wall via concealed fastners. Fastners are to be stainless steel, or nickel or cadmium plated steel. Letters shall be spaced 1/2" from wall to allow drainage.
6. 60 milli-amp high power factor transformer in each letter, all neon electrodes, shall terminate all in transformers or other U.L. approved electrode housings.

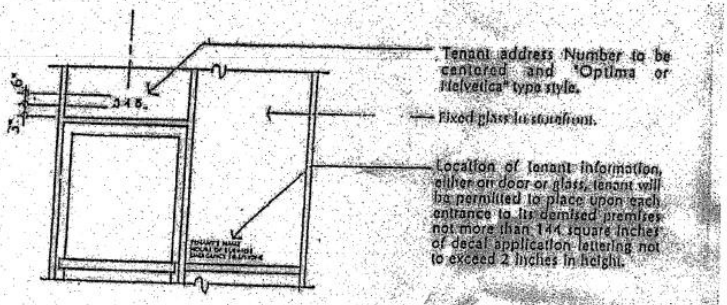
CHANNEL LETTER DETAIL NOT TO SCALE

CHINO SPECTRUM MARKETPLACE

CITY OF CHINO, CALIFORNIA



REAR TENANT DOOR DETAIL

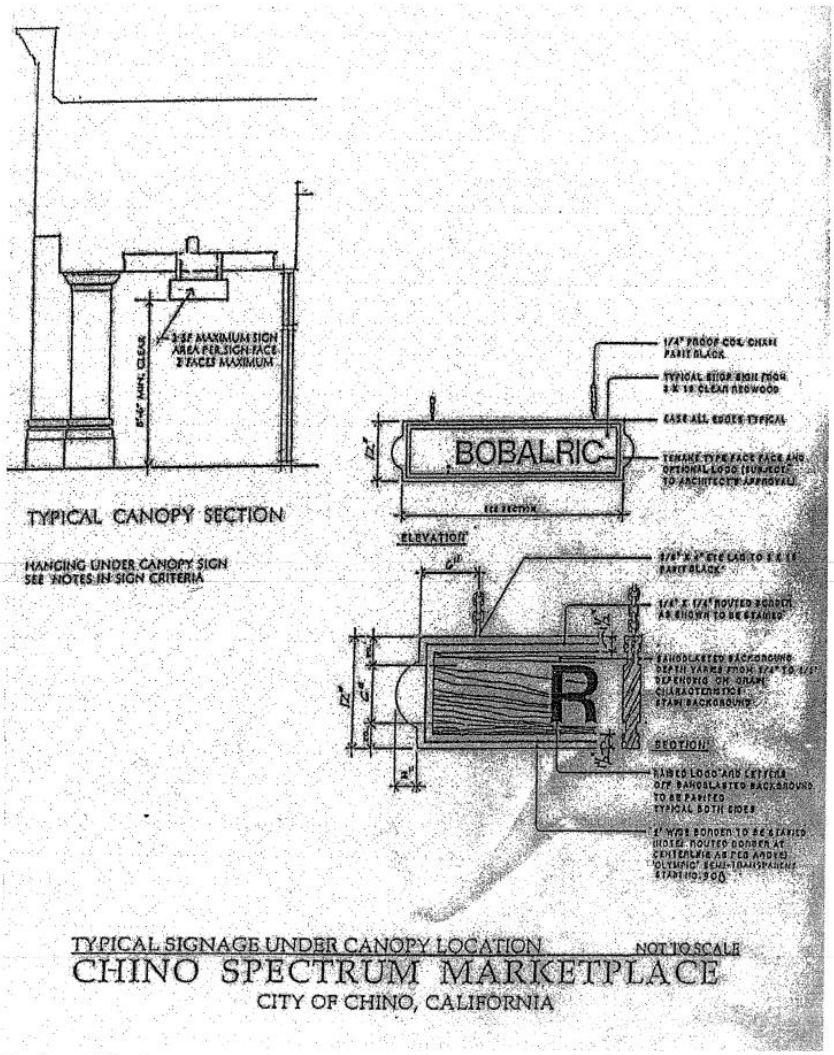


FRONT ENTRANCE DOOR DETAIL

TENANT'S FRONT AND REAR DOOR DETAIL NOT TO SCALE

CHINO SPECTRUM MARKETPLACE

CITY OF CHINO, CALIFORNIA



TYPICAL SIGNAGE UNDER CANOPY LOCATION NOT TO SCALE

CHINO SPECTRUM MARKETPLACE

CITY OF CHINO, CALIFORNIA

EXHIBIT "F"

RULES AND REGULATIONS

Landlord hereby establishes the following rules and regulations for the safety, care and cleanliness of (i) the store areas (hereinafter referred to as the "demised premises") of any tenant or tenants of the Center (hereinafter referred to as the "tenant"); (ii) the common area; and (iii) the Center in general, or for the preservation of good order:

A. FOR THE STORE AREAS:

1. All floor areas of the demised premises (including vestibules, entrances, and air returns), doors, fixtures, windows, and plate glass shall be maintained in a clean, safe and good condition.

2. All trash, refuse, and waste materials shall be stored in adequate containers and regularly removed from the demised premises. These containers shall not be visible to the general public and shall not constitute a health or fire hazard, or a nuisance to any other tenant. In the event that any tenant shall fail to remedy such a health or fire hazard, or nuisance, within five (5) days after written notice by Landlord, Landlord may remedy and/or correct such health or fire hazard or nuisance at the expense of the tenant involved.

3. No portion of the demised premises shall be used for lodging purposes.

4. Neither sidewalks nor walkways shall be used to display, store, or place any merchandise, equipment or devices, except in connection with sidewalk sales held with Landlord's prior written approval. The roof of the demised premises shall not be used for the storage of merchandise or equipment.

5. No public telephone, newsstand, shoeshine stand, refreshment, vending or other coin operated machine shall be installed or placed on the sidewalk or walkway area adjacent to the demised premises or on the common areas without Landlord's prior written approval in each instance.

6. No person or persons shall use the demised premises, or any part thereof, for conducting therein a secondhand store, auction, distress or fire sale or bankruptcy sale, or "goingoutofbusiness" sale or "lost our lease" sale, without Landlord's prior written consent.

7. No portion of the demised premises shall be used for the storage of any merchandise, materials or other properties, other than those reasonably necessary for the operation of a tenant's business. Landlord may, from time to time, inspect the demised premises to insure compliance with the foregoing provisions.

8. Except for professionally prepared signs, Tenant shall not black out or otherwise obstruct the windows of the demised premises, without Landlord's prior written consent.

9. If a tenant provides its customers with the use of shopping carts and/or baskets, such tenant shall be responsible for causing said carts and/or baskets to be stored only in areas designated by Landlord. If such tenant fails to routinely collect and store said carts as necessary (at least twice on a daily basis), Landlord may assume the responsibility of same and may bill the tenant involved on an estimated monthly basis for such service.

B. FOR THE COMMON AREAS:

1. All tenants and their authorized representatives and invitees shall use any roadway, walkway, or mall (including the enclosed mall, if any) only for ingress and egress from the stores in the Center. Use of the common areas shall be in an orderly manner in accordance with directional or other signs or guides. Roadways shall not be used at a speed in excess of ten (10) miles per hour and shall not be used for parking or stopping, except for the immediate loading or unloading of passengers. Walkways and malls (including the enclosed mall, if any) shall be used only for pedestrian travel.

2. All tenants and their authorized representatives and invitees shall not use the parking areas for anything but parking motor vehicles. All motor vehicles shall be parked in an orderly manner within the painted lines defining the individual parking places. During peak periods of business activity, Landlord can impose any and all controls Landlord deems necessary to operate the parking lot including, but not limited to, the length of time for parking use.

3. No person shall use any utility area or truck loading area reserved for use in conducting business, except for the specific purpose for which permission to use these areas has been given.

4. No employee shall use any area for motor vehicle parking except the area specifically designated for employee parking for the particular period of time the use of to be made. No tenant shall designate an area for employee parking except the area designated in writing by Landlord.

5. Without the prior written consent of Landlord, no person shall use any of the common areas for:

(a) Vending, peddling or soliciting orders for sale or distributing of any merchandise, device, service, periodical, book, pamphlet, or other matter;

(b) Exhibiting any nonprofessional sign, placard, banner, notice or other written material;

(c) Distributing any circular, booklet, handbill, placard, or other material;

(d) Soliciting membership in any organization, group, or association, or soliciting contributions for any purpose;

(e) Parading, patrolling, picketing, demonstrating, or engaging in conduct that might interfere with the use of the common areas or be detrimental to any of the business establishments in the Center;

(f) Using the common areas for any purpose when none of the business establishments in the Center are open for business;

(g) Discarding any paper, glass, or extraneous matter of any kind, except in designated receptacles;

(h) Except for normal and customary sound devices for Tenant's drivethru facilities, using a soundmaking device that is grossly annoying or unpleasant to the general public; or

(i) Damaging any sign, light standard, or fixture, landscaping material or other improvement or property within the Center.

The above listing of specific prohibitions is not intended to be exclusive, but is intended to indicate the manner in which the right to use the common areas solely as a means of access and convenience in shopping at the business establishments in the Center is limited and controlled by Landlord.

EXHIBIT "G"

EXISTING EXCLUSIVES AND PROHIBITED USES

ALDI

Landlord agrees that until the end of the Term, or any continuation or extensions thereof, neither Landlord nor any of Landlord's Affiliates will lease, use or occupy, or permit the use of or occupancy of the Center, other than the Premises, for the operation of a Retail Grocery Store (the "Exclusive Use"). The term "Retail Grocery Store" means a supermarket, meat market, grocery store, fruit and vegetable store or stand, frozen or otherwise processed food store and any other store where more than 2,000 square feet (including adjacent aisle space) is used for the sale or display of grocery items. The term "Retail Grocery Store" shall not include: (i) a delicatessen, bakery, ice cream or yogurt store, or any restaurant wherein prepared food is sold for on-premises consumption or for "take-out" consumption; or (ii) a variety store such as Five Below, Dollar Tree, and Family Dollar provided any such store does not devote more than 2,000 square feet (including adjacent aisle space) for the sale or display of grocery items.

The Restricted Uses shall not apply to the tenants (or their assignees or subtenants) of the Center under leases for space in the Center that are in place as of the Effective Date and to any tenant operating solely within the premises identified on the Site Plan as "Target Parcel" and "Former Food For Less Space".

APPLEBEE'S

During the term of this Lease, and so long as the Demised Premises are used as a "full-service sit down" moderately priced, casual dining restaurant containing greater than sixty (60) seats featuring a diverse traditional fare menu substantially similar to the menu offered by the majority of company owned restaurants operating as Applebee's Neighborhood Grill and Barf in California, other than the non-owned parcels, Landlord shall not build, lease, or operate an Applebee's "competitor" within the Shopping Center or allow the construction, use or operation within the Shopping Center of other Applebee's "competitor." By way of example only, a restaurant would be deemed to be an Applebee's "competitor" if it were greater then 2500 s.f. and substantially similar in concept to Bennigan's, Fuddrucker's T.G.I. Fridays, Houston's, Chili's, Ruby Tuesdays, O Charlie's or Red Robin.

By way of example only, restaurant concepts which would not be deemed to be an Applebee's "competitor" would include but not be limited to (i) Steakhouses or Barbecue Restaurants such as Black Angus, Outback, Buffalo Ranch, Spunky Steer or Tony Roma's, (ii) Mexican Restaurants such as El Torito, Tortilla Flats, or Acapulco, (iii) Buffet Style Restaurants such as Hometown, Old Country or Soup Plantation (iv) Oriental Restaurants such as Chinese, Japanese, Taiwanese, Korean, Indonesian or Vietnamese, (v) Breakfast Restaurants such as Denny's, Coco's, IHPO or Mimi's Café, (vi) various other ethnic restaurants such as German, French, Italian or Indian or (vii) Seafood Restaurants such as Red Lobster or Rusty Pelican. Notwithstanding the above this right to an exclusive shall automatically terminate and be of no further force or effect in any one of the following events: (i) There is a material change in the type of menu served or use of the Demised Premises from that described above; (ii) Tenant has

not completed the construction of the Demised Premises and opened for business the Applebee's Neighborhood Grill and Bar within two hundred forty (240) days from the Commencement Date of the Lease; (iii) once completed and open for business, Tenant ceases operating on the Demised Premises for any reason for a period of ninety (90) days or more in any given calendar year (except for the case of remodeling as provided in Article II) or (v) The Lease is assigned or the Demised Premises is subleased to a restaurant operator (A) is not a franchisee of Tenant or Tenant's parent, (B) is not part of an affiliate transfer or (C) is not part of a sale by Tenant of a block of restaurants (five [5] or more) in Southern California.

THE AVENUE

So long as Tenant is open and operating for the Permitted Use set forth in Section 1.8 and is not otherwise in default under the Lease beyond applicable notice and cure periods, from and after the Execution Date Landlord agrees not to enter into any lease of space in Landlord's Track containing less than fifteen thousand (15,000) square feet of Floor Area for the purpose of operating a retail store for the "primary use" of selling at retail "large size" women's ready-to-wear clothing. As used herein, the term "primary use" means use of the lesser of two thousand (2,000) square feet of Floor Area or thirty percent (30%) of the Floor Area of such space and the term "large-size" means sizes 10, 12, 14, 16 and 18. The foregoing restriction shall not apply to any premises in Landlord's Tract which, as of the Execution Date, is subject to a lease or other occupancy arrangement which permits the tenant of Occupant to operate in violation of the foregoing restriction, provided that the non-applicability of this Section to such premises shall terminate upon termination of the lease or other occupancy arrangement which so permits the occupant to operate in violation of the foregoing restriction.

CARL'S JR.

During such time as Lessee, its successors or assigns, is operating the Premises as a fast food type restaurant with a drive-through with hamburgers as the principal featured menu item, Lessor may not sell or lease, or allow the use of any other property leased or owned by Lessor within the Center from conducting a business that is primarily a fast food type restaurant with hamburgers as the principal featured menu item (the "Prohibition"). By way of example, the Prohibition shall apply to McDonald's, Wendy's, Burger King and Jack In The Box, but shall not apply to full service sit down restaurants which serve products which may also be sold bye Lessee (including hamburgers), such as by way of example, Islands, Chuck E Cheese, Flakey Jakes, or to a fast food drive-through operation such as or similar to El Pollo Loco, Del Taco, Taco Bell, Boston Market, Koo Koo Roo, Arby's, Kentucky Fried Chicken, Yoshinoya Beef Bowl, Church's Chicken or Panda Panda or to portions of hotels, health clubs or office buildings located in the Center, provided such operations within a hotel, health club or office building may not be a nationally or regionally branded (i.e., MacDonald's, Wendy's) hamburger restaurant.

The Prohibition shall terminate and be of no further force and effect if at any time following the opening of a fast food type restaurant with a drive-through with hamburgers regulations, or other causes beyond the control of the Lessee shall not be deemed to be a Cessation.

CHASE BANK

Landlord covenants and agrees that throughout the Term of this Lease and any extensions thereof, Landlord shall not permit any person or entity (other than Tenant) to use any portion of the Shopping Center owned by the Landlord or its affiliates (other than the Premises) for the offering of financial services to commercial or retail customers (the "**Exclusive Use** ") . The foregoing shall not be applicable under circumstances where Landlord does not have contractual ability to enforce Tenant's foregoing exclusive under leases or other agreements in effect as of the Effective Date. Further, the foregoing shall not apply to (i) any pre-existing (i.e., as of the Effective Date) tenants at the Shopping Center (or any successors or replacements of such pre-existing tenants, provided, however, if under the provisions of the lease of any such pre- existing tenant, such tenant must obtain Landlord's consent to change its existing use of its premises to the Exclusive Use, Landlord shall, to the extent permitted under such other lease, withhold its consent to such change in use) or (ii) any anchor tenants at the Center who are leasing over 20,000 square feet of space and wish to operate a bank or other financial service business in a portion thereof or sublease a portion of such space to a bank or other financial services business (unless such anchor tenant must obtain Landlord's consent to such sublease, in which event Landlord shall, to the extent permitted under such other lease, withhold its consent to the sublease). The failure of Tenant to conduct business in the Premises primarily for Exclusive Use of a period of in excess of twelve (12) consecutive months (as extended for periods during which Tenant cannot reasonably so operate due to events of force majeure contemplated in Section 19, repairs due to casualty or condemnation, and reasonable periods of time for remolding or permitted transfers of the Lease) shall constitute an abandonment of the Exclusive Use, which shall thereupon release Landlord from all obligations and restrictions with respect to the Exclusive Use. Additionally, Landlord's Obligations hereunder shall be conditioned upon Tenant not then being in monetary or material non-monetary default under this Lease beyond the applicable notice and cure period. Except as expressly set forth in this Section 7.2, Tenant shall have no exclusive right, express or implied, to conduct business of any nature whatsoever in the Shopping Center.

CHINO SPECTRUM DENTISTRY

Notwithstanding anything to the contrary set forth in the Lease, after the Effective Date, Landlord shall not execute any lease for premises located within the Shopping Center to any other "General Dentistry Office," defined below ("Exclusive Use"), subject to the following terms and the satisfaction of each and all of the following conditions:

(a) Dr. Gregg Farwick, DDS, Inc., a California Corporation, and Dr. Mike M. Nakanishi, DDS, A.P.C., comprise the Tenant under the Lease and Tenant has not made a Transfer of the Lease or Tenant's interest in the Premises which requires Landlord's prior written consent in accordance with the terms of Article 15;

(b) The Exclusive Use is not applicable to any Center leases entered into on or before the Effective Date or to any tenants existing in the Center on or before the Effective Date;

(c) The Exclusive Use is not applicable to any new tenants or occupants occupying

more than ten housand (10,000) square feet within the Center; and

(d) The Exclusive Use restrictions shall automatically terminate without notice to Tenant and be of no further force or effect effective as of the date which is the earliest of (i) a Transfer of the Lease which requires Landlord's prior written consent; (ii) a material change in the Use of Premises set forth in Exhibit "B"; (iii) the effective date of any default by Tenant under the Lease beyond any applicable cure period; and (iv) the expiration or earlier termination of the Lease. The term "General Dentistry Office" shall mean the operation of a general family dentistry office providing such dental services as teeth cleaning, oral exams, fillings and minor oral surgery to the general public on a direct payment or insurance provider plan basis. This definition shall specifically exclude all other medical doctors, orthodontists or other dental specialists.

CHINO SPECTRUM OPTOMETRY

During such time as Tenant shall operate the Premises for the use prescribed in Section 6.1 hereof or for a period of eighteen (18) months following the Rental Commencement Date, whichever occurs first, Landlord shall not lease any other premises in the Center for the primary use of (a) optometry; or (b) the retail sale of prescription eyewear. The foregoing exclusive shall not apply to any department store, variety store, general merchandise retailer or drugstore within the Center all of which may operate optometry and/or retail eyewear departments, nor to any store specializing in the sale of sunglasses, sportswear or sporting goods.

CURLING IRON HAIR SALON

Notwithstanding anything to the contrary set forth in the Lease, after the Effective Date, Landlord shall not execute any lease for premises located within the Shopping Center to any other "Hair Salon". The term "Hair Salon", as defined below ("Exclusive Use"), subject to the following terms and the satisfaction of each and all of the following conditions: (i) Pran Mehta is the Tenant under the Lease and has not made a Transfer of the Lease or Tenant's interest in the Premises which requires Landlord's prior written consent in accordance with the terms of Article 13; (ii) The Exclusive Use is not applicable to any Center leases entered into on or before the Effective Date or to any tenants or occupants (including, without limitation, Dayton Hudson Corporation, a Minnesota corporation), existing in the Center on or before the Effective Date (even if such occupants complete construction and/or open for business after the Effective Date), or their successor or assigns, or to any new Center leases or extensions of existing leases entered into with such existing tenants; (iii) The Exclusive Use restrictions shall automatically terminate without notice to Tenant and be of no further force or effect effective as of the date which is the earliest of (a) a Transfer of the Lease which requires Landlord's prior written consent; (b) a change in the Use of Premises set forth in Section 1.1; (c) the effective date of expiration of any applicable cure period of any default by Tenant under the Lease; and (d) the expiration or earlier termination of the Lease.

Tenant shall defend, indemnify and save Landlord and its employees, agents and assigns harmless from and against any and all losses, damages, actions, causes of action, claims,

demands, costs and expenses including, without limitation, attorney's fees, arising out of the Exclusive Use restrictions set forth herein or arising out of the enforcement of such restrictions.

The term "Hair Salon" shall mean the business operation of a new tenant whose principal business is providing full service, non-discount hair salon providing men's and women's haircuts, styling and permanents, and the retail sale of hair care products and accessories which directly competes with Tenant's operation in selection and price.

DICK'S SPORTING GOODS

Except as hereinafter expressly provided, so long as Tenant is open and operating in substantially the entire Premises solely for the permitted Use set forth in Section 1.8 and under the Store Name set forth in Section 1.9, Landlord shall not, unless required by court order or statute or unless consented to in writing by Tenant, execute any lease to any other tenant or consent to any assignment or sublease to any other prospective tenant or subtenant to utilize more than five thousand (5,000) square feet of leasable Floor Area in Landlord's Tract for the principal purpose of the sale of a full line of sporting goods. The foregoing restriction shall not apply to any premises in Landlord's Tract which is subject to a lease or other occupancy arrangement which has been executed by Landlord as of the Execution Date which permits the tenant or occupant to sell sporting goods or to change the use of its premises to the sale of sporting goods either itself or following an assignment or sublease, nor shall the foregoing restriction apply to a lease or occupancy arrangement with respect to premises in Landlord's Tract for the operation of a "specialty sports use." As used herein, the term "specialty sports use" means a store the principal purpose of which is the sale of a specific type or line of sports-related merchandise but does not carry a full line of sporting goods such as , by way of example, a shoe store, an outfitter, a tennis shop, a golf shop or a scuba shop, provided, however that an athletic shoe store, a ski and/or snow board store and a hockey and/or skating store shall not be permitted irrespective of the square footage of the premises devoted to this use.

DR. H. SAM TONG, DDS, PHD, INC.

From and after the Effective Date, Landlord shall not execute and deliver any lease for space in the Center pursuant to which Landlord authorizes the use of the premises demised by said lease primarily for the operation of an orthodontist office.

EDIBLE ARRANGEMENTS

From and after the Effective Date, except as otherwise permitted herein, Landlord shall not execute and deliver any lease for space in the Center pursuant to which Landlord authorizes the use of the premises demised by said lease primarily for designed arrangements and gift baskets whose ingredients are cut fresh fruit ("Exclusive Use"). Notwithstanding anything in this Section 14.5 to the contrary, the Exclusive Use shall not apply; (i) to any portion of the Center not owned, or the use of which is not controlled, by Landlord as of the date of the Lease, (ii) to any portion of the Center in excess of 10,000 square feet of Floor Area leased to, or occupied or owned by, a single person or entity, and (iii) to any leases in existence as of the Effective Date, and any amendments, extensions, assignments or renewals thereof. The failure of Tenant to continuously conduct business in the Premises primarily for the Exclusive Use shall constitute an abandonment of the Exclusive Use, which shall thereupon release Landlord from all obligations

and restriction with respect to the Exclusive Use. Additionally, Landlord's obligation hereunder shall be conditioned upon Tenant's not being in default under the Lease. If the Exclusive Use or Tenant's or Landlord's enforcement of the same violate, or is alleged or claims to violate, any law or governmental rule or regulation, Tenant shall indemnify, defend and hold Landlord harmless from and against all claims, losses, damages and expenses, including reasonable attorney's fees, asserted against or suffered by Landlord resulting from any liability or obligation of Landlord arising out of, or in connection with, such violation, or alleged or claimed violation. Except as expressly set froth in this Section 14.5, Tenant shall have no exclusive right, expressed or implied, to conduct business of any nature whatsoever in the Center.

FH CODE 7 SOS, LLC (FIREHOUSE SUBS)

From and after the Effective Date, except as otherwise permitted herein, Landlord shall not execute and deliver any lease for space within that portion of the Center that is owned by SY Ventures II, LLC, pursuant to which Landlord authorizes the use of the premises demised by said lease for the operation of a quick service restaurant primarily selling submarine style sandwiches ("Exclusive Use"). Notwithstanding any provision of this Section 14.5 to the contrary, the Exclusive Use shall not restrict, in any manner whatsoever, the incidental use of any portion of the Center for the conduct of business in conflict with the Exclusive Use. For purposes of this Section 14.5, the term "incidental use" shall be that less than twenty percent (20%) of the tenant's gross sales is derived from the sale of the Exclusive Use items. Further and notwithstanding anything in this Section 14.5 to the contrary, the Exclusive Use shall not apply: (i) to any portion of the Center not owned, or the use of which is not controlled, by Landlord (SY Ventures II, LLC) as of the date of the Lease, or (ii) to any leases in existence as of the Effective Date, and any amendments, extensions, assignments or renewals thereof. The failure of Tenant to continuously conduct business in the Premises primarily for the Exclusive Use shall constitute an abandonment of the Exclusive Use, which shall thereupon release Landlord from all obligations and restrictions with respect to the Exclusive Use. Additionally, Landlord's obligations hereunder shall be conditioned upon Tenant's not being in material default under the Lease. If the Exclusive Use or Tenant's or Landlord's enforcement of the same violates any law or governmental rule or regulation, Tenant shall indemnify, defend and hold Landlord harmless from and against all claims, losses, damages and expenses, including reasonable attorneys' fees, asserted against or suffered by Landlord resulting from any liability or obligation of Landlord arising out of, or in connection with, such violation. Except as expressly set forth in this Section 14.5, Tenant shall have no exclusive right, expressed or implied, to conduct business of any nature whatsoever in the Center.

FU YONG, INC

From and after the Effective Date, except as otherwise permitted herein, Landlord shall not execute and deliver any lease for space within that portion of the Center that is owned by Landlord, pursuant to which Landlord authorizes the use of the premises demised by said lease primarily for the operation of an "Asian-themed" buffet style restaurant selling primarily Asian cuisine ("Exclusive Use"). Notwithstanding any provision of this Section 14.5 to the contrary, the Exclusive Use shall not restrict, in any manner whatsoever, the incidental use of any portion of the Center for the conduct of business in conflict with the Exclusive Use. For purposes of this Section 14.5, the term "incidental use" shall be that less than twenty percent (20%) of the tenant's gross sales is derived from the sale of the Exclusive Use items. Further and

notwithstanding anything in this Section 14.5 to the contrary, the Exclusive Use shall not apply: (i) to any portion of the Center not owned, or the use of which is not controlled, by Landlord as of the date of the Lease, or (ii) to any leases in existence as of the Effective Date, and any amendments, extensions, assignments or renewals thereof, or (iii) to any other types of restaurants (such as, by way of example only, quick service and full-service, sit down restaurants) selling Asian cuisine, or (iv) to any buffet style restaurant that sells primarily non-Asian cuisine. The failure of Tenant to continuously conduct business in the Premises primarily for the Exclusive Use shall constitute an abandonment of the Exclusive Use, which shall thereupon release Landlord from all obligations and restrictions with respect to the Exclusive Use. Additionally, Landlord's obligations hereunder shall be conditioned upon Tenant's not being in material default under the Lease. If the Exclusive Use or Tenant's or Landlord's enforcement of the same violates any law or governmental rule or regulation, Tenant shall indemnify, defend and hold Landlord harmless from and against all claims, losses, damages and expenses, including reasonable attorneys' fees, asserted against or suffered by Landlord resulting from any liability or obligation of Landlord arising out of, or in connection with, such violation. Except as expressly set forth in this Section 14.5, Tenant shall have no exclusive right, expressed or implied, to conduct business of any nature whatsoever in the Center.

SUGAR COAT NAILS

From and after the Effective Date, except as otherwise permitted herein, Landlord shall not execute and deliver any lease for space in the Center pursuant to which Landlord authorizes the use of the premises demised by said lease primarily for the operation of a full service nail salon ("Exclusive Use"). Notwithstanding any provision of this Section 14.5 to the contrary, the Exclusive Use shall not restrict, in any manner whatsoever, the incidental use of any portion of the Center for the conduct of business in conflict with the Exclusive Use, including, but and notwithstanding anything in this Section 14.5 to the contrary, Landlord may permit one (1) other full service nail salon (in addition to Tenant) to operate in the Center, and the Exclusive Use shall not apply: (i) to any portion of the Center not owned, or the use of which is not controlled, by feet of Floor Area leased to, or occupied or owned by, a single person or entity, and (ii) to any leases in existence as of the Effective Date, and any amendments, extensions, assignments or renewals thereof. The failure of Tenant to continuously conduct business in the Premises primarily for the Exclusive Use shall constitute an abandonment of the Exclusive Use, which shall thereupon release Landlord from all obligations and restrictions with respect to the Exclusive Use. Additionally, Landlord's obligations hereunder shall be conditioned upon Tenant's not being in default under the Lease. If the Exclusive Use or Tenant's or Landlord's enforcement of the same violates, or is alleged or claims to violate, any law or governmental rule or regulation, Tenant shall indemnify, defend and hold Landlord harmless from and against all claims, losses, damages and expenses, including reasonable attorney's fees, asserted against or suffered by Landlord resulting from any liability or obligation of Landlord arising out of, or in connection with, such violation, or alleged or claimed violation. Except as expressly set froth in this Section 14.5, Tenant shall have no exclusive right, expressed or implied, to conduct business of any nature whatsoever in the Center.

GRANDMA PUCCI'S HOMEMADE ICE CREAM

From and after the Effective Date, except as otherwise permitted herein, Landlord shall not execute and deliver any lease for space within the Center pursuant to which Landlord authorizes the use of the premises demised by said lease for the operation of a store primarily selling homemade ice cream, gelato and yogurt ("Exclusive Use"). Notwithstanding any provision of this Section 14.5 to the contrary, the Exclusive Use shall not restrict, in any manner whatsoever, the incidental use of any portion of the Center for the conduct of business in conflict with the Exclusive Use. For purposes of this Section 14.5, the term "incidental use" shall be that less than twenty percent (20%) of the tenant's gross sales is derived from the sale of the Exclusive Use items. Further and notwithstanding anything in this Section 14.5 to the contrary, the Exclusive Use shall not apply: (i) to any portion of the Center not owned, or the use of which is not controlled, by Landlord as of the date of the Lease, or (ii) to any leases in existence as of the Effective Date, and any amendments, extensions, assignments or renewals thereof. The failure of Tenant to continuously conduct business in the Premises primarily for the Exclusive Use shall constitute an abandonment of the Exclusive Use, which shall thereupon release Landlord from all obligations and restrictions with respect to the Exclusive Use. Additionally, Landlord's obligations hereunder shall be conditioned upon Tenant's not being in material default under the Lease. If the Exclusive Use or Tenant's or Landlord's enforcement of the same violates any law or governmental rule or regulation, Tenant shall indemnify, defend and hold Landlord harmless from and against all claims, losses, damages and expenses, including reasonable attorneys' fees, asserted against or suffered by Landlord resulting from any liability or obligation of Landlord arising out of, or in connection with, such violation. Except as expressly set forth in this Section 14.5, Tenant shall have no exclusive right, expressed or implied, to conduct business of any nature whatsoever in the Center.

H & R BLOCK

From and after the Effective Date of this Lease, and for so long as Tenant occupies and operates the Premises as a typical H&R Block, Landlord shall not lease space in the Center to any tenant/occupant whose primary use is tax preparation, electronic tax filing and/or refund anticipation loans.

ISLAND'S RESTAURANT

Subject to the terms and conditions set forth herein, Landlord shall not enter into a lease, nor consent to an assignment or sublet, in the Center to any other restaurant that sells hamburgers, except as otherwise set forth herein. If Tenant fails to continuously conduct business in the premises as a typical Island restaurant that sells hamburgers as a primary part of its business, Tenant shall be deemed to have abandoned its rights under this Section 3.3 and Landlord shall thereupon be released from all obligations and restrictions set forth in this Section 3.3 Notwithstanding anything to the following: (i) any lease in existence as of the Effective Date (provided that if any tenant under such an existing lease requests consent of Landlord to a change in use which would violate the provisions of this Section 3.3 if applicable to such tenant, Landlord shall withhold such consent so long as the withholding of such consent would not constitute a default by Landlord under the applicable tenant's lease or constitute a violation of applicable legal requirements), (ii) any tenant or occupant that occupies not more than 2,500 leasable square feet of contiguous area in the Center, (iii) any "fast food "restaurant (by way of example only, McDonald's, Carl's Jr., Wendy's, Burger King), (iv) any portion of the Center not

owned, or the use of which is not controlled, by Landlord as of the Effective Date, or (v) any tenant or occupant that sells hamburgers as an incidental part of its business. The term "incidental" as used in the foregoing sentence shall mean that the gross revenue derived by such other tenant or occupant from the sale of hamburgers does not, in the aggregate, exceed fifteen percent (15%) of such tenant's or occupant total gross revenue during any calendar year. In the event that Landlord is in default under the provisions of this Section 3.3, and such default continues for more than ten (10) days after receipt of written notice from Tenant (such condition being herein referred to as an "Exclusive Use Violation"), then by written notice to Landlord, Tenant may thereafter, as its sole and exclusive remedy for an Exclusive Use Violation, elect to pay the Landlord in Lieu of full fixed Minimum Rent, a sum equal to sixty percent (60%) of the Fixed Minimum rent otherwise payable the Lease (the "Exclusive Use Violation Rent"), provided, however that in addition to Exclusive Use Violation Rent, Tenant shall continue to pay Tenant's Proportionate Share of Common Area Expenses, Taxes and Insurance, and all other Additional Rent as set forth in the Lease. Tenant shall ceased the payment of Exclusive Use Violation Rent and commence the payment of full Fixed Minimum Rent upon the date that there is no longer an Exclusive Use Violation. Except as expressly set forth in this Section 3.3, Tenant shall have no exclusive right, express or implied, to conduct business of any nature whatsoever in the Center.

KIRKLAND'S STORES

Provided Tenant is open and operating for the Primary Use from the Premises but subject to Temporary Closures as defined in Section 9.1 of this Lease, Landlord agrees not to lease, let, use or permit to be used, any portion of the Center now or at any time during the Lease Term or any extension thereof to any entity or other party that operates or makes use of its premises for the retail sale of decorative accessories, home furnishings, housewares, and related items ("Tenant's Exclusive Use"). Other tenants and occupants of the Center may sell such items if the sale of such items does not constitute a primary use (i.e., such items are sold in ten percent (10%) or more of a tenant's or occupant's premises). Tenant's Exclusive Use right shall be a covenant that binds Landlord and shall be a restriction upon the Center that runs with the land. Tenant's Exclusive Use shall not apply to or restrict (i) the rights of tenant or occupants under written leases and occupancy agreements in the Center in full force and effect as of the Effective Date, and (ii) any national retailer operating at least one hundred (100) stores in the United States and occupying more than fifteen thousand (15,000) square feet of Rentable Area in the Center. In connection with the foregoing, to the extent any existing tenant or other occupant of the Center or assignee or sublessee thereof desires to change its use in conflict with Tenant's Exclusive Use and Landlord has the right under such lease or other agreement to deny such change of use request, Landlord shall deny such request. If Landlord or any tenant or other occupant of the Center violates Tenant's Exclusive Use, then, in addition to all other rights and remedies available to Tenant under this Lease, at law or in equity, Tenant shall have the right to pay Alternate Rent for the duration of said violation. In such event, the Alternate Rent shall be retroactively applied to the first (1st) day of any such violation. In any event, the Alternate Rent shall be payable each month by the 20th day of the next succeeding calendar month, when Tenant submits a report of Gross Sales from the Premises. If the violation is not cured within six (6) months after the violation, then, in addition to all other rights and remedies available to Tenant under this Lease, at law or in equity, Tenant may terminate this Lease upon thirty (30) days' prior written notice to

Landlord. Notwithstanding the above, if a Rogue Tenant (defined below) violates Tenant's Exclusive Use ("Rogue Tenant Violation") then, Landlord shall not be in violation of the Lease and Tenant shall not have the right to pay Alternate Rent, provided that Landlord promptly commences and uses commercially reasonable and diligent efforts to pursue the cessation of such violation(s) (including, but not limited to, the institution and prosecution of judicial action and/or other proceedings to force the Rogue Tenant to cease such violation) "Rogue Tenant" means any tenant or occupant of the Center which is prohibited and/or not permitted by its lease, other occupancy agreement or by recorded covenants and restrictions upon the property leased to or occupied by the Rogue Tenant to use or occupy its premises for any Prohibited Use or any use which violates Tenant's Exclusive Use. Notwithstanding the foregoing, if a Rogue Tenant Violation continues beyond one hundred eighty (180) days after commencement of such violation, Tenant shall be entitled to commence paying Alternate Rent as described above, for so long as such Rogue Tenant Violation shall continue, but shall have no right to terminate his Lease for so long as Landlord continues to use commercially reasonable and diligent efforts to pursue the cessation of such violation as described above.

M.D. DIET

From and after the Effective Date, except as otherwise permitted herein, Landlord shall not execute and deliver any lease for space in the Center pursuant to which Landlord authorizes the use of the premises demised by said lease primarily for the operation of a medical weight loss clinic ("Exclusive Use"). Notwithstanding any provision of this Section 14.5 to the contrary, the Exclusive Use shall not restrict, in any manner whatsoever, the incidental use of any portion of the Center for the conduct of business in conflict with the Exclusive Use. Further and notwithstanding anything in this Section 14.5 to the contrary, the Exclusive Use shall not apply: (i) to any portion of the Center not owned, or the use of which is not controlled, by Landlord as of the Effective Date, (ii) to any "Major" or "Pad" building, or any portion of the Center in excess of 10,000 square feet of Floor Area leased to, or occupied or owned by, a single person or entity, (iii) to any gym, fitness studio or other similar business, and (iv) to any leases in existence as of the Effective Date, and any amendments, extensions, assignments or renewals thereof. The failure of Tenant to continuously conduct business in the Premises primarily for the Exclusive Use shall constitute an abandonment of the Exclusive Use, which shall thereupon release Landlord from all obligations and restriction with respect to the Exclusive Use. Additionally, Landlord's obligations hereunder shall be conditioned upon Tenant's not being in default under the Lease. If the Exclusive Use or Tenant's or Landlord's enforcement of the same violates, or is alleged or claims to violate, any law or governmental rule or regulation, Tenant shall indemnify, defend and hold Landlord harmless from and against all claims, losses, damages and expenses, including reasonable attorneys' fees, asserted against or suffered by Landlord resulting from any liability or obligation of Landlord arising out of, or in connection with, such violation, or alleged or claimed violation. Except as expressly set forth in this Section 14.5, Tenant shall have no exclusive right, expressed or implied to conduct.

THE MEN'S WEARHOUSE

Notwithstanding anything to the contrary set forth in this Lease, after the Effective Date during the initial Lease Term, Landlord shall not execute any lease for premises located within

the Center to a Competing Store (as herein defined), subject to the following terms and the satisfaction of each and all of the following conditions:

(a) The Exclusive Use is not applicable to (i) any tenant or occupant of fifteen thousand (15,000) or more square feet in the Center, (ii) leases entered into on or before the Effective Date, (iii) any tenants or occupants existing in the Center on or before the Effective Date, and (iv) the proposed Causal Male store to be located in the Center, provided the exception for the Causal Male store shall be contingent upon Landlord executing a lease for such store within one (1) year from the Effective Date of this Lease.

(b) The Exclusive Use restrictions shall automatically terminate without notice to Tenant and be of no further force or effect effective as of the date of the occurrence of the following: (i) expiration of the initial Lease Term; (ii) a Transfer of the Lease which requires Landlord's prior written consent; (iii) a change in the Use of Premises set forth in Section 1.1; (iv) the effective date of any default by Tenant's under the Lease beyond any applicable cure period; and (v) the expiration or earlier termination of the Lease.

(c) Landlord shall have the right to provide a copy of this Section 6.2 to other tenants or occupants of the Center.

(c) The term "Competing Store" shall mean any tenant whose primary use and purpose is the retail sale of men's suits and sport coats. C7R Clothiers, Suit City, 4-Day Suit Brokers and similar tenants are Competing Store.

MICHAELS

Neither Landlord nor any entity controlled by Landlord will use or lease (or permit the use, leasing, or subleasing of) or sell any space in any portion of the Shopping Center during Lease Term to any "crafts store", "frame store" or store doing custom framing, store selling art supplier, or store selling silk floral items. This Section 16.4 shall not apply to (any lease or other occupancy agreement with a tenant or occupant primarily engaged in the sale of any one of the aforementioned categories, if that tenant's premises are less than three thousand (3,000) square feet, or (ii) any lease or occupancy agreement with a tenant or occupant who or which does not devote in the aggregate in excess of three thousand (3,000) square feet to any of the aforementioned categories, or (iii) to any leasee whose lease was fully executed on the Effective Date hereof and is identified on Exhibit G, or (iv) to Target or any owner of the Target Parcel; provided, however that subsection (iii) in this Section 16.4 shall not apply if Landlord permits or agrees to a lessening of restrictions on any permitted use or to the change of a permitted use by any such lessee or its successors or assigns if Landlord may avoid the granting of such permission. Additionally, Landlord agrees that it shall not sell or allow the use of the space identified as Major 1 on Exhibit A to a business that would be considered a direct competitor of Tenant, including by way of example, but without limitation, Ben Franklin, H&H Floral, Frank's Nursery, Leewards, Hobby Lobby, MJ Designs, Ambers, Garden Ridge Pottery, and/or Joann Fabrics. The warranties granted to Tenant under this Section 16.4 shall be in effect and Landlord will warrant the foregoing protections (in the instance of (a) below, each specific category, or in the instance of (b) below, all categories), only so long as Tenant does not: (a) cease selling a

particular category for a period of time in excess of twelve (12) consecutive months during any such period Tenant is operating, or (b) ceases operation of its business in the Premises in excess of six (6) months during any nine (9) month period in either of such events for reasons other than casualty, condemnation, remodeling, or events beyond Tenant's reasonable control. Provided Landlord gives Tenant adequate advance written notice that Landlord will be sued or threatened with litigation by another tenant or prospective tenant on grounds that Tenant's exclusive violates anti-trust laws, Tenant may either waive the warranties of the Section 16.4 with respect to the litigant and the category for which the litigant desires to use a premises in the Shopping Center, or defend and hold Landlord harmless in connection with the actual or threatened lawsuit.

No portion of the Premises may be used by Tenants or its assignees, sublessees, concessionaires or licensees for (i) any purpose other than the retail sale of consumer goods or services typically found in shopping centers of similar size and character in Southern California or (ii) the following uses:

Any use which emits an obnoxious odor, noise, or sound which can be heard or smelled inside or outside of any building in the Shopping Center.

Any operation primarily used as a non-retail warehouse operation and any assembling, manufacturing, distilling, refining, smelting, agricultural, or mining operation; provided Tenant may conduct assembly and manufacturing as part of its frame shop activities.

Any "second hand" store, "surplus" store or "flea" market.

Any mobile park, trailer court, labor camp, junkyard, or stockyard (except that this provisions shall not prohibit the temporary use of construction trailers during periods of construction, reconstruction or maintenance).

Any dumping, disposing, incineration, or reduction or garbage (exclusive or garbage compactors located near the rear of any building and any recycling collection facility mandated by government authority).

Any fire sale, bankruptcy sale "going out of business" sale or auction house operation.

Any central laundry, dry cleaning plant, or Laundromat or coin operated laundry.

Any automobile, truck, trailer, motorcycle or recreational vehicle sales, leasing or display.

Any bowling alley, pool hall, billiard parlor, or skating rink.

Any playhouse, theater or like facility.

Any living quarters, sleeping apartments, lodging rooms, or hospice.

Any veterinary hospital or animal raising facilities.

Any mortuary or funeral home.

Any establishment selling or exhibiting pornographic materials.

Any church, synagogue or other place of worship.

Any training or educational facility, including bout not limited to: beauty schools, barber colleges, reading rooms, places or instruction or other operations catering primarily to students or trainees rather than to customers; provided however, this prohibition shall not be applicable to on-site employee training classes related to crafts by Tenant or other classes taught specifically as an ancillary part of a tenant's use incidental to the conduct of its business.

Any auto parts wholesale, retail or service facility.

Any bar, tavern, restaurant or other establishments who offers for sale alcoholic beverages for on-premises or off consumption.

Any health spa, fitness center, workout facility, or fitness workout related entertainment facility or movie theater.

Any amusement or video arcade.

Any office, group of offices, service facility including but not limited to medical, health, real estate, insurance or governmental agency or office.

Landlord may not use or allow the use of any portion of the Shopping Center for any of the uses stated above or any auto parts industrial/wholesale operation.

Landlord represents that "Any veterinary hospital or animal raising facilities" as used above does not prohibit Tenant's incidental use of the Premises for veterinary services unless such veterinary services include the performance of any surgery.

MIMI'S CAFĚ

Notwithstanding anything to the contrary contained herein to the extent permitted by law, provided Tenant is not in default hereunder beyond any applicable cure period and is operating from the Premises for the use described in Section 9.1 of this Lease, from and after the date of this Lease and throughout the term of the Lease or any renewal or extension thereof, Landlord covenants and warrants that it shall not lease space or sell a parcel in the Development to a tenant or occupant whose primary use is a full-service, sit-down coffee shop such as a Denny's, Coco's or International House of Pancakes ("Restriction"). Furthermore, the foregoing restriction shall

not apply to those occupants or tenants whose locations are identified and assigns, or any tenants occupying a single store space of either (a) less than two thousand five hundred (2,500) square feet; or (b) more than nine thousand (9,000) square feet, whether located in the Development or on parcels located in the Development which are conveyed to third parties. The foregoing Restriction is personal to Tenant and shall automatically terminate upon any assignment, sublease, transfer, hypothecation or encumbrance of the Lease or all or any portion of the Premises unless one of the above is such that it does not require Landlord's consent under the Lease. If Tenant changes it use of the Premises from that use described in Section 9.1 of the Lease, the Restriction shall automatically terminate and be of no further force and effect. Tenant agrees and acknowledges that Landlord shall not be liable for any damage or liability of any kind during the term of this Lease, by reason of the enforcement of this Section 9.4.

CIRCLE K

Landlord covenants that no real property within Landlord's Tract either now or subsequently, directly or indirectly owned, leased or controlled by Landlord shall be developed or used for a period of sixty (60) months following the Commencement Date for the retail sale of automotive fuel or lubricants, it being understood and agreed that the use of those portions of the Shopping Center which are not part of Landlord's Tract shall be so restricted to the extent that to any other premises in the Shopping Center with respect to which the lease or other occupancy arrangement remains in effect, permits such premises to be so used for the sale of automotive fuel or lubricants (including without the limitation to the premises currently occupied by Pep Boys in the Shopping Center). This is a covenant running with the land for any term of this Lease and for any term or renewal or extension, in favor of the Tenant, its successors or assigns.

Landlord covenants that no real property within Landlord's Tract either now or subsequently, directly or indirectly owned, leased or controlled by Landlord shall be developed or used for the retail sale of automotive fuel or lubricants.

PEP BOYS

Landlord represents and warrants that no tenant or occupant of the balance of the Developer Tract operates a service Center thereon or sells Automobile Parts thereon, and that under each tenant's or occupant's lease or other occupancy or ownership agreement for the Developer Tract Landlord has the right to prohibit such tenant or occupant from operating a Service Center thereon or from selling Automotive Parts thereon.

As an inducement to Tenant's execution of this Lease, Tenant is hereby granted the sole and exclusive privilege on the Developer Tract for operation of a Service Center and the sale of Automotive Parts. Landlord covenants and agrees that it shall not hereafter enter into any lease or occupancy agreement, agreement of sale or deed which does not prohibit the portion of the Developer Tract leased, to be conveyed, or being conveyed thereunder from being used for the operation of a Service Center and/or the sale of Automotive Parts, which prohibitions shall run with the land for the Term; provided, however, the incidental sale of automotive accessories or attendant products from less than ten percent (10%) of the floor area of a business, but not the sale of automotive parts or the performance of any mechanical work for motor vehicles, shall be permitted; provided further the foregoing restrictions shall not apply (i) to the existing tenant

leases for the spaces labeled "Major 2," "Major 4" and "Major 5" for the term of the existing leases for such space to the extent Landlord cannot impose such restrictions, or (ii) to the space labeled "Pad 1" if the same is conveyed to a national gasoline service station company. The foregoing restriction shall terminate at such time as the Premises ceases being used for both the sale of Automotive Parts and for the operation of a Service Center; provided, however, such restriction shall survive Tenant's cessation of operations if such cessation of operations (1) is caused by a casualty and Tenant is proceeding to restore or reconstruct the Improvements; (2) is the result of the remodeling, renovation or repairing of the Improvements, or the preparation of such Improvement for a successor, assignee or lessee which intends to operate the same for a similar use; (3) is during a period of time that Tenant is attempting to assign this Lease or sublease the Premises or a portion thereof, not to exceed nine (9) months; or (4) is temporary in nature and not intended to be a permanent suspension of operations.

Upon breach of the covenants set forth in Section 11.3 (b) by Landlord, Tenant shall have all remedies available to it at law, in equity or under this Lease, including but not limited to the right to injunctive relief and damages. If any person or entity other than Landlord shall violate any of the provisions herein set forth, or shall indicate that it intends to violate any of said provisions, Landlord shall immediately commence good faith diligent efforts to prevent or stop such violation or threatened violation, and, if necessary to protect the interest of Tenant hereunder after exercising such good faith diligent efforts, Landlord shall thereafter immediately commence appropriate legal proceedings and continue vigorously to prosecute the same to enjoin and prohibit any such violation. If Landlord fails to discharge its obligations under the immediately preceding sentence, Tenant shall have the right to elect to conduct and prosecute such legal proceedings in its own or Landlord's name, land at the expense of Landlord; provided, however, in no event shall Tenant be precluded from commencing an action at its sole cost and expense to prevent or stop such violation or threatened violation. Tenant acknowledges that the exclusive granted herein does not apply to the Target Tract, and shall not prohibited the sale of gasoline from any portion of the Developer Tract which is five hundred (500) feet or more from the Land.

PETCO

Landlord covenants and agrees that during the term of this Lease, for so long as Tenant is operating its business from the Premises and Tenant's primary use of the Premises is the retail sale of pet food, pet supplies, fish, birds, small animals, reptiles, pet grooming, pet training, and veterinary services ("Tenant's Exclusive Use"), Landlord and its Affiliates, their successors and assigns, agree not to sell to, lease to, nor approve any sublease or assignment of lease, or change in use, to the extent Landlord or its Affiliates shall have the right to withhold approval of same pursuant to the terms of any lease currently in force and effect, for any competing tenant, sub-tenant, assignee or user in violation of Tenant's Exclusive Use except for the Incidental Sales (as defined herein) of such items or services. Tenant's Exclusive Use covenant shall run with that portion of the land on which the Shopping Center is located which is owned by Landlord or its Affiliates so long as the Premises are used as a pet food and supply store. Incidental Sales shall mean the sale or display of such items or services not as the primary use of the competing tenant and taking up no more than 500 square feet of the floor area (if space is 50,000 square feet or less, otherwise the limit shall be 1,000 square feet if space is 50,000 or more). Landlord and its

Affiliates agree, at its sole cost and expense to use reasonable efforts to promptly and continuously enforce Tenant's Exclusive Use using all reasonable legal means.

Tenant has entered into this Lease, subject to the rights of tenants existing under leases as of the date hereof and the Declaration, in reliance upon representations by Landlord that the Shopping Center is and will remain substantially retain in character and, further, no part of same shall be used as an auditorium, meeting hall, school (except incidental to a permitted retail use under this Lease for customer training) or other place of public assembly, gymnasium or dance hall; for Bingo or similar games of chance, or as a massage parlor (which shall not be deemed to preclude the offering of massage services by a day spa or full service salon), video game arcade (except incidental to a permitted restaurant under this Lease), bowling alley, staking rink, car wash, car repair (except for the lot identified on Exhibit "A-2" attached hereto as "Pep Boys Major 10" and except for such services such as stereo installation and repair at stores like Good Guys or Circuit City), car rental agency, night club or adult book or adult video store (which shall not be deemed to preclude the incidental sale or rental of adult books or video by a national retailer such as a Barnes & Noble book store, Blockbuster video store, Circuit City software store or electronics store in compliance with law and such retailer's typical operation) or for a restaurant within two hundred fifty (250) feet of the Premises' front door (except incidental to a permitted retail use such as a bookstore with a coffee bar or café), except with Tenant's permission, which Tenant may choose to give or deny in its sole and absolute discretion. * Notwithstanding the above, Landlord may locate non-table service restaurant uses (such as a Subway or Quiznos) in no more than two thousand five hundred (2,500) square feet within the area show or Exhibit "A-2" as the "Permitted Restaurant Area", but only if the entrances of such restaurants face Roswell Avenue. Landlord may also allow one (1) of the following uses in the premises shown on Exhibit "A-2" as Ross, Food 4 Less or Shops D; (a) one bowling alley not to exceed twenty thousand (20,000) square feet, (b) one theater not to exceed six (6) screens and twenty-four thousand (24,000) square feet, or (c) one health club or workout facility not to exceed twenty-four (24,000) square feet.

**** On January 29,2003, the Tenant accepts and approves the Landlord's proposed use of 3808 Grand Ave., Suite D as a standard restaurant (including table service), (and, if applicable, to the other proposed uses for 3808 Grand Ave., Suite A, B, C & E).***

REJUVINATION SPA 2

From and after the Effective Date, Landlord shall not execute and deliver any lease for space in the Center pursuant to which Landlord authorizes the use of the premises demised by said lease primarily for foot massage and therapeutic body massage ("Exclusive Use"). Notwithstanding any provision of this Section 14.5 to the contrary, the Exclusive Use shall not restrict, in any manner whatsoever, the incidental use of any portion of the Center for the conduct of business in conflict with the Exclusive Use. Further and notwithstanding anything in this Section 14.5 to the contrary, the Exclusive Use shall not apply: (i) to any portion of the Center not owned, or the use of which is not controlled, by Landlord as of the date of the Lease, (ii) to any portion of the Center in excess of 20,000 square feet of Floor Area leased to, or occupied or owned by, a single person or entity, and (iii) to any leases in existence as of the Effective Date, and any amendments, extensions, assignments or renewals thereof. The failure of Tenant to

continuously conduct business in the Premises primarily for the Exclusive Use shall constitute an abandonment of the Exclusive Use, which shall thereupon release Landlord from all obligations and restrictions with respect to the Exclusive Use. Additionally, Landlord's obligations hereunder shall be conditioned upon Tenant's not being in default under the Lease. If the Exclusive Use or Tenant's or Landlord's enforcement of the same violates, or is alleged or claims to violate, any law or governmental rule or regulation, Tenant shall indemnify, defend and hold Landlord harmless, from and against all claims, losses, damages and expenses, including reasonable attorney's fees, asserted against or suffered by Landlord resulting from any liability or obligation of Landlord arising out of, or in connection with, such violation, or alleged or claimed violation. Except as expressly set forth in this Section 14.5, Tenant shall have no exclusive right, expressed or implied, to conduct business of any nature whatsoever in the Center.

SEARS

Landlord covenants that, during the Term, it will not permit any building, improvements, or space within the Shopping Center to be used for the purpose of selling major household appliances (unless the gross revenue from the sale of household appliances is less than 15% of the gross sales at such location). This exclusive will not prohibit tenants doing business in the Shopping Center as of the date of the Lease, or any assignee, subtenant or other successor to such existing tenants, from selling or handling said goods if such tenants are not prohibited by the terms of their respective lease from selling or handling said goods.

ROSS

Landlord represents and warrants that the lease of the other tenants in the Neighborhood/Promotional Center contain a provision, which Landlord covenants to enforce, that such tenant will not assign its lease or sublet its premises for a use which is in direct competition with the primary use of another tenant in the Neighborhood/Promotional Center which is open and operating in at least fifteen thousand (15,000) square feet of leasable floor area.

STAPLES

No part of the Shopping Center (but excluding herefrom the Premises and the "Target Tract" as shown on Exhibit A) nor any property within one mile of the Shopping Center owned by Landlord (but excluding therefrom the proposed regional mall site located at the Southeast quadrant of U.S. Highway 71 and Grand Avenue) or by an entity under common control with Landlord shall be used for the sale or leasing of office equipment (including computers but not including computer superstores, electronic superstores (such as Comp USA or Circuit City as such stores are currently operating on the date hereof), office furniture (but not including a home furniture store) or office supplies, or the provision of copying or printing services or any other office services provided by Tenant as of the date hereof.

No part of the Shopping Center (including the Premises) shall be used for any of the following: (i) bowling alley, skating rink or other sports or recreational facility (except as provided below); (ii) school (including educational and training facilities such as beauty barber and driving schools), library, reading room, or house of worship; (iii) laundromat, central

laundry, dry cleaning plat, movie theater, museum, auditorium, meeting hall, living quarters, sleeping apartments or lodging rooms, hotel or motor inn; (iv) massage parlor, adult bookstore, a so-called "head" shop, off-track betting or check cashing facility; (v) car wash (except that one car wash shall be allowed on " Pas 1" or in "Shop K", all as shown on Exhibit A or as an ancillary use to a service station on Pad 8), automobile repair work or automotive service (except that the same shall be allowed on " Pad 1 or 8" as shown on Exhibit A), automobile body shop, automobile, boat, trailer or truck leasing sales; (vi) amusement park, carnival, banquet facility, dance hall, disco nightclub, or other entertainment facility (except as provided below) including video game room, pool hall, or other amusement center; (vii) any manufacturing (including any assembling, distilling refining, smelting, agricultural or mining operation), warehouse or office use (except for office space which is incidental to a retail operation or which is use or quasi-retail purposes of up to 10% of the gross leasable area of the Shopping Center is allowed, provided however that no more than 3000 feet of such quasi-retail office space (which shall not include a bank, which shall be permitted) shall be allowed in " Shops D" as shown on Exhibit A); (viii) funeral parlor, animal hospital, raising or storage, pawn shop, second hand or surplus store (not including an upscale second-hand store as found in other first class retail developments of comparable size and tenants in Los Angeles and Orange.

Landlord represents that "animal hospital" as used above does not prohibit Tenant's incidental use of the Premises for veterinary services unless such veterinary services include the performance of any surgery.

TARGET STORE

No part of the Shopping Center shall be used for other than retail sales, offices, Restaurants or other commercial purposes. "Business office" shall mean an office which does not provide services directly to consumers; "retail office" shall mean an office which provides services directly to the public for retail fees, including but not limited to financial institutions, real estate, stock brokerages, title company and escrow offices, travel and insurance agencies, and medical, dental and legal clinics. Not more than the percent (10%) of the total Floor Area on any Tract may be used for Retail Office and/or Business Offices.

No use shall be permitted in the Shopping Center which is inconsistent with the operation of a first class first-class retail shopping center. Without limiting the generality of the foregoing, the following uses shall not be permitted:

(i) Any use which emits an obnoxious odor, noise, or sound which can be heard or smelled outside of any building in the Shopping Center;

(ii) Any operation primarily used as a warehouse operation and any assembling, manufacturing, distilling, refining, smelting, agricultural, or mining operation;

(iii) Any "second hand" store or "surplus" store (except that this provision shall not prohibit upscale second-use stores as found in other first-class retail

developments of comparable size and tenant mix in the Los Angeles County and Orange County, California area;

(iv) Any mobile home park, trailer court, labor camp, junkyard, or stockyard (except that this provision shall not prohibit the temporary use of construction trailers during periods of construction, reconstruction, or maintenance);

(v) Any dumping, disposing, incineration, or reduction of garbage (exclusive of garbage compactors located near the rear of any building and any recycling collection facility mandated by governmental authority);

(vi) Any fire sale, bankruptcy sale (unless pursuant to a court order) or auction house operation;

(vii) Any central laundry, dry cleaning plant, or laundromat; provided, however, this prohibition shall not be applicable to on-site service oriented to pickup and delivery by the ultimate consumer, including nominal supporting facilities, as the same may be found in retail shopping districts in the metropolitan area where the Shopping Center is located, and further provided, this prohibition shall not be applicable to a coin-operated laundry;

(viii) Any automobile, truck, trailer or recreational vehicles sales, leasing, display or repair;

(ix) Any bowling alley or skating rink (except as provided in Section 5.1(E));

(x) Any theater (except as provided in Section 5.1(E));

(xi) Any living quarters, sleeping apartments, or lodging rooms;

(xii) Any veterinary hospital or animal raising facilities (except that this prohibition shall not prohibit pet shops or one small animal hospital of not more than 1,500 square feet where animals are not kept overnight);

(xiii) Any mortuary or funeral home;

(xiv) Any establishment selling or exhibiting pornographic materials (provided however this this prohibition shall not be applicable to establishments selling books, magazines and videotapes where less than ten percent (10%) of the store's inventory is considered "adult" materials);

(xv) Any bar, tavern, restaurant or other establishment whose reasonably projected annual gross revenues from the sale of alcoholic beverages for on-premises consumption exceeds forty percent (40%) of the gross revenues of

such business;

(xvi) Any health spa, fitness center or workout facility (except as provided in Section 5.1(E));

(xvii) Any flea market, amusement or video arcade (except for one amusement or video arcade of less than 1,500 square feet in Floor Area which is not within 600 feet of the entrance to the building on the Target Tract), pool or billiard hall, car wash (one single bay car wash with one entrance and one exit, but which will permit multiple cars to be processed in one lane within the structure at one time, as shown on Exhibit X shall be permitted), or dance hall;

(xviii) Any training or educational facility, including but not limited to: beauty schools, barber colleges, reading rooms, places of instruction or other operations catering primarily to students or trainees rather than to customers; provided however, this prohibition shall not be applicable to on-site employee training by an Occupant incidental to the conduct of its business at the Shopping Center.

No party shall use, or permit the use of Hazardous Materials on, about, under or in its Tract, or the Shopping Center, except in the ordinary course of its usual business operations conducted thereon, and any such use shall at all times be in compliance with all Environmental Laws. Each Party shall indemnify, protect, defend and hold harmless the other Parties from and against all claims, suits, actions, demands, costs, damages and losses of any kind, including but not limited to costs of investigation, litigation and remedial response, arising out of any Hazardous Material used or permitted to be used by such Party, whether or not in the ordinary course of business.

For the purpose of this section, the term (i) "Hazardous Materials" shall mean: petroleum products, asbestos, polychlorinated biphenyls, radioactive materials and all other dangerous, toxic or hazardous pollutants, contaminants, chemicals, materials or substances listed or identified in, or regulated by, any Environmental Law, and (ii) "Environmental Law" shall mean: all federal, state, county, municipal, local and other statutes, laws, ordinances and regulations which relate to or deal with human health or the environment, all as may be amended from time to time.

No merchandise, equipment or services, including but not limited to vending machines, promotional devises and similar items, shall be displayed, offered for sale or lease, or stored within the Common Area; provided, however, that the foregoing prohibition shall not be applicable to (i) the storage of shopping carts on a Tract; (ii) the seasonal display and sale of bedding plants and soft drinks on the sidewalk in front of any building located on a Tract; (iii) temporary Shopping Center promotions, except that no promotional activities will be allowed in the Common Area without the prior written approval of the Approving Parties which may be withheld in their sole and absolute discretion; (iv) mail boxes, public telephones, newspaper racks, water machines, recycling machines geared to customers and similar such items provided

same are located on sidewalk within thirty feet of the main entrance to a building and within an area of the sidewalk not exceeding 60 lineal feet; (v) "pushcart type outdoor sales areas if such area does not exceed 500 square feet; or (vi) sidewalk sales provided that such sidewalk sales shall: (a) not affect Target's share of Common Area expenses, (b) be permitted to occur a maximum of 3 times per year, and (c) shall be limited to a maximum duration of 3 days. In addition, if a recycling center or equipment is required by law to be located in the Shopping Center, the location shall be subject to the approval of the Approving Parties.

The following use and occupancy restrictions shall be applicable to the Developer Tract:

(i) No restaurant shall be located thereon within 400 feet of the Building Envelope located on
the Target Tract, excluding one premises of 1,200 square feet or less of Floor Area to be used for the sale at retail of snack foods or impulse type food, such as but not limited to, ice cream, candy, cookies, popcorn, nuts or frozen yogurt, in the space identified as Shops K on the Site Plan.

(ii) Notwithstanding anything is Section 5.1(B) to the contrary, Developer shall be permitted to have one (1) of the following on the Developer Track: (a) one bowling alley not to exceed 20,000 square feet of Floor Area located in Major 6 or 7 or Shops D; or (b) one theater not to exceed 6 or 7 or Shops D; or (c) one health club or workout facility not to exceed 24,000 square feet of Floor Area in Major 6 or 7 or in Shops D.

The name "Target" shall not be used to identify the Shopping Center or any business or trade conducted on the Developer he following use and occupancy restrictions shall be applicable to the Developer Tract. The Shopping Center shall be called "Chino Spectrum Marketplace."

No Permittee shall be charged for the right to use the Common Area.

Each Party shall use its best efforts to cause the employees of the Occupants of its Tract to park their vehicles only on such Tract.

This OEA is not intended to, and does not, create or impose any obligation on a Party to operate, continuously operate, or cause to be operated a business or any particular business at the Shopping Center or on any Tract.

T.J. MAXX

Except for Target and those leases for stores listed on Schedule Q which are currently occupying premises in the Shopping Center (unless and until such leases are recaptured by Landlord) Landlord agrees that as long as any retail sales activity shall be conducted in the alternations and offices incidental to retailing, and banks and small loan offices, not being deemed non-retail and storefront offices such as medical, chiropractic, dental, travel, tax preparation, insurance and real estate offices as well as barber shops, beauty salons, nail and tanning salons not being deemed non-retail, but all of the foregoing are not permitted between

the premises currently occupied by Target and Pep Boys, inclusive and shall not be permitted in Shops B as shown on the Site Plan except in up to three thousand four hundred (3,400) square feet in Shops B, or (b) for any entertainment purposes such as a bowling alley, skating rink, cinema (except in its location (Tenant acknowledging that the size of the cinema may be expanded) where shown on the Lease Plan), bar(except in a restaurant where liquor is sold incidental to the sale of food), nightclub, discotheque, amusement gallery (except video games in a restaurant and except that one (1) amusement gallery of up to one thousand five hundred (1,500) square feet may be located in the Shopping Center, but not between the premises currently occupied by Target and Pep Boys and not in Shops B where shown on the Lease Plan), poolroom, health club, massage parlor, sporting event, sports or game facility, off-track betting club (c) or for any establishment which sells or displays pornographic material except as may be incidental to a book, record or video store, provided such sale or display of pornographic materials is not the primary purpose of such store and such material are displayed in accordance with first-class business practice, or (d) for any establishment which sells or displays used merchandise or second hand goods except for an antique store or second hand good retailers (such as Play It Again Sports) operating in comparable projects. No restaurants or establishments selling prepared food for consumption on or off premises shall be located between the premises currently occupied by Target an Pep Boys, inclusive or in Shops B (except for a Starbucks-type operation or similar operation or a business where food is sold on an incidental basis or a restaurant where seating is not primary aspect of the operation) as shown on the Lease Plan. Tenant shall not use the Demise Premises for the uses prohibited by this Section 4 (A). With respect to those stores on Schedule Q where Landlord had the right to approve a change in use, Landlord will not approve a change in use in violation of this Section unless such disapproval would put Landlord in default or potential default of such other lease.

WEST COAST BAGEL

Notwithstanding anything to the contrary set forth in the Lease, after the Effective Date, Landlord shall not execute any lease for premises within the Center for the operation of any other "Bagel Store", as defined below ("Exclusive Use"), subject to the following terms and the satisfaction of each and all of the following conditions:

(a) Del Parker and Patricia J. Parker and James Ennis and Patti Ennis (collectively, "Parker/Ennis") is the Tenant under the Lease and has not made a Transfer of the Lease or Tenant's interest in the Premises which requires Landlord's prior written consent in accordance with the terms of Article XIII.

(b) The Exclusive Use is not applicable to any Center leases entered into on or before the Effective Date or to any tenants or occupants existing in the Center on or before the Effective Date or their successors or assigns or any new leases or extensions of existing leases entered into with such existing tenants or occupants or their successors or assigns.

(c) The Exclusive Use is not applicable to any Center leases for premises which contain five thousand (5,000) or more square feet of gross floor area.

(d) The Exclusive Use restrictions shall automatically terminate without notice to Tenant and be of no further force or effect effective as of the date which is the earliest of (i) a change in the Use of Premises set forth in Section 1.1; (ii) the effective date of any default by Tenant under the Lease beyond any applicable cure period; and (iii) the expiration or earlier termination of the Lease.

(e) The term "Bagel Store" shall mean the business operation of a new tenant which sells primarily bagels. For purposes of this Section 6.2, the phrase "tenant which sells primarily" shall mean a tenant whose gross sales from the sale of bagels exceeds fifty percent (50%) of such tenant's annual gross revenue at the Center or whose gross sales from the sale of bagels baked upon such tenant's premises exceeds fifteen percent (15%) of such tenant's annual gross sales. Landlord shall have the right to provide a copy of this Section 6.2 to any tenant or prospective tenant of the Center.

Notwithstanding anything contained herein to the contrary, Landlord shall not be obligated to maintain or enforce the terms of this Section 6.2 or any similar provision of the Lease to the extent same would be in violation of any anti-trust law. If such anti-trust violation is the basis of a claim or counterclaim against Landlord in connection with Landlord's attempted enforcement of this exclusive, then Landlord shall promptly consult with Tenant regarding Tenant's desire to further pursue enforcement of this exclusive. In addition, Tenant shall defend, indemnify and save Landlord and its employees, agents and assigns harmless from and against any and all losses, damages, actions, causes of action, claims, liabilities, demands, costs and expenses including, without limitation, attorneys' fees, arising out of the Exclusive Use restrictions set forth herein or arising out of the enforcement of such restrictions.

ASSIGNMENT OF LEASE

THIS ASSIGNMENT OF LEASE ("Agreement") is made as of May 15th, 2019 ("Effective Date"), by and between by and between **SY VENTURES V, LLC**, a California limited liability company ("Landlord"), and **GLOBAL BB GROUP, INC.**, a California corporation, dba J-San Izakaya ("Assignor") and **GLOBAL BB GROUP, INC.**, a California corporation, dba Yoshiharu Ramen ("Assignee" or "Tenant").

RECITALS

A. Landlord and Assignor (as the successor-in-interest to Assignee) are parties to that certain Shopping Center Retail Shop Lease dated November 23, 2016; which was assigned to Assignor pursuant to that certain Assignment of Lease dated January 15, 2018 (collectively, the "Lease"), for the lease of certain premises known as 4004 Grand Avenue, Suite C, and having approximately one thousand eight hundred (1,800) ("Premises"), in a commercial project commonly referred to as Chino Spectrum Marketplace ("Center"), located in the City of Chino, State of California, all as more particularly set forth in the Lease.

B. Assignor desires by this Agreement to assign all of its right, title and interest in and to the Lease to Assignee subject to the terms of the Lease and this Agreement.

TERMS

NOW, THEREFORE, in consideration of the foregoing Recitals, the mutual covenants herein contained, and good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereby agree as follows:

1. **Defined Terms**. All initial capitalized terms used in this Agreement shall have the same meaning given such terms in the Lease, unless otherwise defined in this Agreement.

2. **Assignment**

2.1. ***Assignment***. Assignor assigns to Assignee all of its right, title and interest in the Lease as of the Effective Date set forth above.

2.2. ***Assumption***. Assignee acknowledges that it has received a copy of the Lease from Assignor and that Assignee assumes and agrees to be bound by and perform all covenants, conditions, obligations and duties of Assignor under the Lease. Without limiting the preceding, Assignee further agrees that it shall pay to Landlord, upon demand, any rent (including without limitation, Minimum Annual Rent, additional rent and all other charges under the Lease) which (a) shall be outstanding against Assignor as of the Effective Date and which Assignor has failed to pay to Landlord and/or (b) which, as a result of any adjustment provided in the Lease, may become due against insufficient payment(s) of any previously paid sum(s).

2.3. ***Assignor's Obligations***. Assignor shall remain obligated to Landlord for the full performance of all covenants, conditions, obligations and duties required of Tenant under the Lease and

shall not be relieved of any such performance thereunder as a result of the assignment or this Agreement. However, as of the Effective Date, Assignor shall have no continuing or future possessory rights in and to the Premises and thereafter waives any right it may possess to receive notice from Landlord relative to this Agreement or the Lease.

2.4. ***Security Deposit.*** Assignor agrees that the Security Deposit currently held by Landlord ($5,400.00) shall be retained by Landlord and Assignee agrees to deposit with Landlord an additional amount of One Thousand Four Hundred Twenty Four and 00/100 Dollars ($1,424.00) for a total Security Deposit of Six Thousand Eight Hundred Twenty Four and 00/100 Dollars ($6,824.00) in full compliance with the Security Deposit requirements of the Lease as of the Effective Date. Any Security Deposit remaining at the end of the Lease Term shall be paid to Assignee after full satisfaction of any amount owed to Landlord. Assignor, therefore, waives for itself, its successors and assigns any and all rights it may have now or in the future to the Security Deposit.

2.5. ***Consent of Landlord.*** Landlord's consent to the assignment of the Lease to Assignee shall be effective only at such time as this Agreement has been executed by all of the parties hereto.

2.6. ***Assignor's Representations.*** Assignor represents and covenants as follows:

2.6.1. That the Lease is in full force and effect, Assignor's interest therein is free and clear of all encumbrances, and Assignor has fully performed all covenants and obligations under the Lease and has not done or permitted any acts in violation of the covenants contained in the Lease.

2.6.2. That it has not heretofore assigned, mortgaged or otherwise transferred, amended or encumbered, voluntarily or involuntarily, the Lease or its interest therein.

2.6.3. That Landlord has fully performed all the covenants and obligations on its part to be performed and observed under the Lease; that Landlord has not done or permitted any act or acts in violation of any of the covenants, provisions or terms thereof; and that there is not now in existence any reason or claim to offset, deduct or decrease any payments due under the Lease.

2.7. ***Assignee's Representations.*** Assignee acknowledges and represents that it has inspected the Premises and hereby agrees to take the Premises in the condition existing upon the Effective Date.

2.8. ***Assignee's Address for Notices.*** Assignee's address for notices shall be: 6940 Beach Boulevard, Suite D-730, Buena Park, CA 90621, c/o Apiis Financial.

2.9. ***Assignor's Address for Notices.*** Commencing on the Effective Date, Assignor shall have no right whatsoever to receive Notices under the Lease, hereby waives any other right it may otherwise claim to receive any Notices whatsoever

3. **Fee.** Prior to the Effective Date, Assignor and/or Assignee paid to Landlord an agreed upon sum, which Assignor agrees is fair compensation for Landlord's handling and processing of this transaction and as required pursuant to the provisions of Article 13 of the Lease.

4. **Guaranty of Lease.** In consideration for Landlord entering into this Agreement, Assignor shall obtain a guaranty of the Lease and this Agreement wherein JAMES CHAE, an individual, and JENNIE YEON CHAE, an individual, shall guarantee the performance of Assignor and Assignee under the Lease and this Agreement, by causing the same to execute and return to Landlord, concurrently with the execution and delivery of this Agreement, a Guaranty of Lease in the form attached hereto as Exhibit A.

5. **Guarantor.** As of the Effective Date, LONGJI JIN, an individual ("Guarantor") is hereby released from the obligations set forth in the Guaranty of Lease previously executed by Guarantor. Notwithstanding the foregoing to the contrary, the release of Guarantor as set forth herein shall not be deemed to release Guarantor from any obligations or liabilities of Tenant occurring or accruing at any time prior to the Effective Date, and to that extent the liabilities and obligations of Guarantor hereunder shall survive the foregoing release.

6. **Guarantor.** JASON JIN, an individual, guarantor of the Lease ("Guarantor"), hereby consents to this Agreement and agrees that its Guaranty of the Lease remains in full force and effect and shall be the Guaranty of the Lease as assigned and amended hereby. Although this Agreement provides for the consent of Guarantor, the same shall not, and shall not be deemed, a waiver by Landlord of any provision contained in the Guaranty of Lease including, without limitation, any provision of the Guaranty of Lease providing that (a) no consent of Guarantor shall be required in connection with any extension, modification, alteration or assignment of the Lease, Guarantor having previously consented to each of the foregoing pursuant to the Guaranty of Lease, or (b) Guarantor waives the right of notice pursuant to the Guaranty of Lease. If the consent of Guarantor, or any one of the persons or entities comprising Guarantor, has not been obtained hereinbelow, for whatever reason, the same shall have no effect on the Guaranty of Lease, the Guarantor's continuing obligations thereunder or the effectiveness of this Agreement.

7. **Effect.** Except as expressly modified by this Agreement, the Lease shall remain unchanged and in full force and effect.

8. **No Modification or Waiver.** Except as otherwise set forth in this Agreement, nothing in this Agreement shall be deemed to waive or modify any of the provisions of the Lease.

9. **Captions.** The captions and Section numbers appearing in this Agreement are for convenience only and are not a part of this Agreement and do not in any way limit, amplify, define, construe or describe the scope or intent of the terms or provisions of this Agreement.

10. **Brokers.** Assignor and Assignee shall each hold Landlord harmless from, and indemnify Landlord against, all damages (including attorneys' fees and costs) resulting from any claims that may be asserted against Landlord by any broker, finder or other person with whom Assignor and/or Assignee has, or purportedly has, dealt in connection with the transactions set forth in this Agreement.

11. **Counterparts.** This Agreement may be executed in several counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same Agreement.

12. **Successors.** The provisions of this Agreement shall bind and inure to the benefit of the heirs, representatives, successors and assigns of the parties hereto.

13. **Assignor and Assignee's Authority.** Assignor and Assignee each hereby represents and warrants that Assignee/Assignor is not (i) the target of any sanctions program that is established by Executive Order of the President or published by the Office of Foreign Assets Control, U.S. Department of the Treasury ("OFAC"); (ii) designated by the President or OFAC pursuant to the Trading with the Enemy Act, 50 U.S.C. App. § 5, the International Emergency Economic Powers Act, 50 U.S.C. §§ 1701-06, the Patriot Act, Public Law 107-56, Executive Order 13224 (September 23, 2001) or any Executive Order of the President issued pursuant to such statutes; or (iii) named on the following list that is published by OFAC: "List of Specially Designated Nationals and Blocked Persons." If the foregoing representation is untrue at any time during the Lease Term, an event of default will be deemed to have occurred, without the necessity of notice to Assignor and/or Assignee.

14. **Attorneys' Fees.** In the event either Landlord or Assignor or Assignee shall institute any action or proceeding against the other relating to this Agreement, then and in that event, the party not prevailing in such action or proceeding shall reimburse the prevailing party for the reasonable expenses of attorneys' fees and all costs and disbursements incurred therein by the prevailing party.

[Remainder of Page Intentionally Left Blank]

[Signatures on Following Page]

IN WITNESS WHEREOF, this Agreement has been entered into by the parties as of the day and year first above written.

LANDLORD:

SY VENTURES V, LLC,
a California limited liability company

By: Shin Yen Equity, Inc.,
a California corporation
Its: Managing Member

By: _____
Wan-I-Huang, President

ASSIGNOR:

GLOBAL BB GROUP, INC., a California corporation, dba J-San Izakaya

By: _____
Name: Jason Jin
Its: _____

ASSIGNEE:

GLOBAL BB GROUP, INC., a California corporation, dba Yoshiharu Ramen

By: _____
Name: JAMES CHAE
Its: CEO

CONSENTED AND AGREED TO BY:

GUARANTOR:

LONGJI JIN, an individual

By: _____
Longji Jin

JASON JIN, an individual

By: _____
Jason Jin

EXHIBIT A

GUARANTY OF LEASE

This GUARANTY OF LEASE ("Guaranty") is given by JAMES CHAE, an individual and JENNIE YEON CHAE, an individual (collectively referred to herein as "Guarantor") to SY VENTURES V, LLC, a California limited liability company (hereinafter call the "Landlord").

WITNESSETH:

As a material inducement to and in consideration of the execution by Landlord of that certain Assignment of Lease dated _____, 2019, to which this Guaranty of Lease is attached as Exhibit A, and which constitutes part of, and an assignment of, that certain Shopping Center Retail Shop Lease dated November 23, 2016; which was assigned to Assignor pursuant to that certain Assignment of Lease dated January 15, 2018 (collectively, the "Lease"), for the lease of certain premises known as 4004 Grand Avenue, Suite C ("Premises"), in a commercial project commonly referred to as Chino Spectrum Marketplace ("Center"), located in the City of Chino, State of California, from GLOBAL BB GROUP, INC., a California corporation, dba J-San Izakaya (as "Assignor") and GLOBAL BB GROUP, INC., a California corporation, dba Yoshiharu Ramen (as "Assignee"), Guarantor hereby agrees as follows:

1. Guarantor does hereby unconditionally and absolutely guarantee to the Landlord the full, prompt and complete payment by the Tenant of the rent and all other sums which may be payable by the Tenant under the Lease and the full, prompt and complete performance by the Tenant of any and all terms, covenants, conditions and provisions of the Lease required to be performed by the Tenant without regard to any forbearance, delay, neglect or failure on the part of the Landlord in enforcing same.

2. Except for notices of default, Guarantor does hereby waive notice of acceptance hereof and any and all other notices which by law or under the terms and provisions of the Lease are required to be given to the Tenant, and the Guarantor does further expressly hereby waive any legal obligation, duty or necessity for the Landlord to proceed first against the Tenant or to exhaust any remedy the Landlord may have against the Tenant, it being agreed that in the event of default or failure of performance in any respect by the Tenant under the lease, the Landlord may proceed and have right of action solely against either the Guarantor or the Tenant or jointly against the Guarantor and the Tenant. Guarantor further agrees that the Landlord may grant relief or indulgence to the Tenant, or otherwise amend or modify the Lease, without such actions being or being deemed to be a release of the Guarantor's liability under this Guaranty. Any delay on the part of the Landlord in enforcing any rights under this Guaranty or under the Lease or in proceeding first against the Tenant shall not operate as a waiver of rights against the Guarantor hereunder.

3. In the event of any bankruptcy, reorganization, winding up or similar proceedings with respect to the Tenant, no limitation of the Tenant's liability under the Lease which may now or hereafter be imposed by any federal, state or other statute, law or regulation applicable to such proceedings, shall in any way limit the obligations of Guarantor hereunder, which obligation is co-extensive with the Tenant's liability as set forth in the Lease without regard to any such statutory limitation. If any trustee, receiver or conservator of the Tenant appointed under any federal or state law relating to bankruptcy, insolvency, debtor's relief or corporate reorganizations rejects the Lease pursuant to any right to do so under the provisions of any such law, the Guarantors' obligation under this Guaranty shall not be affected thereby, but, to the contrary, shall

continue to remain in full force and effect as if the Lease had not been rejected by such trustee, receiver or conservator and was continuing in full force and effect.

4. Guarantor shall not be entitled to make any defense against any claim asserted by the Landlord in any suite or action instituted by the Landlord to enforce this Guaranty or the Lease or to be excused from any liability hereunder which the Tenant could not make or invoke, and Guarantor hereby expressly waives any defense in law or in equity which is not or would not be available to the Tenant, it being the intent hereof that the liability of Guarantor hereunder is primary and unconditional.

5. In the event it shall be asserted that the Tenant's obligations are void or void able due to illegal or unauthorized acts by the Tenant in the execution of the Lease, Guarantor shall nevertheless be liable hereunder to the same extent as Guarantor would have been if the obligations of the Tenant had been enforceable against the Tenant.

6. This Guaranty shall remain in full force and effect as to any modification or amendment of the Lease and despite any assignment of the Tenant's interest under the Lease or any subletting of all or any portion of the leased premises. Guarantor agrees that the terms of the Lease may be altered or modified by agreement of the Tenant without notice to Guarantor and without securing Guarantor's consent, approval or waiver as such act shall not, in any way, affect this Guaranty or release the Guarantor from any liability under this Guaranty. This Guaranty shall remain in full force and effect regardless of whether or not the Tenant is or continues to be owned in whole or in part by Guarantor. The provisions of this Guaranty (and Landlord's right to enforce the same) shall survive any expiration or early termination of the Lease or Tenant's occupancy of the Premises.

7. This Guaranty shall be binding upon the heirs, legal representatives, successors and assigns of the Guarantor, and shall inure the benefit of the heirs, legal representatives, successors and assigns of the Landlord. Guarantor agrees that this contract is performable in California, and waives the right to be sued elsewhere.

8. If Guarantor is a corporation, then the undersigned officer of each such corporation personally represents and warrants that the Board of Directors of each such corporation, in a duly held meeting, has determined that this Guaranty may reasonably be expected to benefit said corporation.

9. Guarantor hereby waives trial by jury in any action, proceeding or counterclaim brought by the Landlord or the Guarantor against the other as to any matter of any kind or nature arising out of or in any way connected with this Guaranty or the Lease. In the event suit or action be brought upon and in connection with the enforcement of this Guaranty, Guarantor shall pay reasonable attorneys' fees and all court costs incurred by the Landlord.

[Signatures on Following Page]

IN WITNESS WHEREOF Guarantor has executed this Guaranty as of May 08, 2019.

GUARANTOR:

JAMES CHAE, an individual

By: _____
James Chae

JENNIE YEON CHAE, an individual

By: _____
Jennie Yeon Chae

STATE OF _____)
) SS.
COUNTY OF _____)

I, the undersigned, a Notary Public, in and for the County and State aforesaid, DO HEREBY CERTIFY, that _____ personally known to me to be the same person whose name is subscribed to the foregoing instrument, appeared before me this day in person and acknowledged that he/she signed and delivered the said instrument as his/her free and voluntary act and deed for the uses and purposes therein set forth.

GIVEN under my hand and notarial seal this _____ day of _____, 20 _____.

My Commission Expires:_____
Notary Public: _____

See attached

STATE OF _____)
) SS.
COUNTY OF _____)

I, the undersigned, a Notary Public, in and for the County and State aforesaid, DO HEREBY CERTIFY, that _____ personally known to me to be the same person whose name is subscribed to the foregoing instrument, appeared before me this day in person and acknowledged that he/she signed and delivered the said instrument as his/her free and voluntary act and deed for the uses and purposes therein set forth.

GIVEN under my hand and notarial seal this _____ day of _____, 20 _____.

My Commission Expires:_____
Notary Public: _____

notary certificate

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document, to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California
County of Los Angeles

On May 08, 2019, before me, Judy A. Layland, Notary Public, personally appeared JAMES CHAE and Jennie Yeon CHAE

who proved to me on the basis of satisfactory evidence to be the persons whose names are subscribed to the within instrument and acknowledged to me that they executed the same in their authorized capacities, and that by their signatures on the instrument the persons, or the entity upon behalf of which the persons acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature Judy A. Layland

JUDY A. LAYLAND
COMM. # 2226941
NOTARY PUBLIC • CALIFORNIA
LOS ANGELES COUNTY
Comm. Exp. JAN. 26, 2022

assignment of lease

Exhibit 10.11

LEASE

11525 SOUTH STREET
CERRITOS, CALIFORNIA

CERRITOS WEST COVENANT GROUP LLC,
a Nevada limited liability company

as Landlord

and

YOSHIHARU CERRITOS,
a California Corporation,
dba "Yoshiharu Japanese Ramen"

as Tenant

LEASE

TABLE OF CONTENTS

LEASE

This Lease ("**Lease**") is entered into as of the "**Effective Date**" (as defined in Section 1.1 below) by and between "**Landlord**" and "**Tenant**" (each as defined in Sections 1.2 and 1.3 below).

ARTICLE 1. - BASIC LEASE PROVISIONS

1.1 **Effective Date:** March 2nd, 2021.

1.2 **Landlord:** CERRITOS WEST COVENANT GROUP LLC, a Nevada limited liability company, CERRITOS WEST EXCHANGE I LLC, a Nevada limited liability company and CERRITOS WEST EXCHANGE II LLC, a Nevada limited liability company, as tenants in common.

1.3 **Tenant:** YOSHIHARU CERRITOS, a California Corporation, dba "Yoshiharu Japanese Ramen".

1.4 **Premises:** That certain premises located at 11533 South Street, Cerritos, California 90703, within that certain multi-tenant building located at 11529 – 11549 South Street, Cerritos, California 90703 (the "**Building**") within the Project, as depicted on the site plan attached hereto as Exhibit A and the floor plan attached hereto as Exhibit B.

1.5 **Floor Area of Premises:** One thousand two hundred sixty-four (1,264) square feet. (Article 2)

1.6 **Project:** A portion of "Cerritos Promenade" located at 11401 Gridley Road, in Cerritos, California 90703, as generally depicted on the site plan attached hereto as Exhibit A and legally described on Exhibit A-1 attached hereto.

1.7 **Time to Complete Tenant's Work:** One hundred twenty (120) days following the Possession Date (as defined in Section 4.1). (Article 3)

1.8 **Initial Term:** Ten (10) Lease Years. (Article 3)

1.9 **Options to Extend:** Two (2) Option Terms of five (5) Lease Years each. (Article 3)

1.10 **Minimum Annual Rent:** (Article 5)

Lease Years	Monthly MAR	Annual MAR	Annual MAR/SF
1	$ 5,688.00	$ 68,256.00	$ 54.00
2	$ 5,858.64	$ 70,303.68	$ 55.62
3	$ 6,034.55	$ 72,414.56	$ 57.29
4	$ 6,215.72	$ 74,588.64	$ 59.01
5	$ 6,402.16	$ 76,825.92	$ 60.78
6	$ 6,593.87	$ 79,126.40	$ 62.60
7	$ 6,791.89	$ 81,502.72	$ 64.48
8	$ 6,995.19	$ 83,942.24	$ 66.41
9	$ 7,204.80	$ 86,457.60	$ 68.40
10	$ 7,420.73	$ 89,048.80	$ 70.45
Option Terms			
11 - 15	*FMV	*FMV	*FMV
16 - 20	*FMV	*FMV	*FMV

*As determined for the first (1st) Lease Year in accordance with Section 5.2 with three percent (3%) annual increases thereafter.

One month's Minimum Annual Rent and Tenant's estimated share of one (1) month's Common Area Costs, Taxes and Insurance are due upon Lease execution.

1.11 **Percentage Rent:** None. (Article 5)

1.12 **Use of Premises:** The Premises shall be used solely for the operation of a first-class, quick-serve or fast-casual restaurant operating under Tenant's Trade Name specializing in the preparation and retail sale of Japanese ramen noodle entrees and other related Japanese menu items as reflected on the website www.yoshiharuramen.com (the "**Permitted Use**"), and for no other purpose, use or trade name whatsoever. Additionally, in connection with Tenant's operation of the permitted restaurant from the Premises, provided all necessary approvals pursuant to the Agreements are obtained, Tenant may sell beer and wine for on-Premises consumption only, subject to the following terms and conditions: (i) Tenant shall obtain, continuously maintain and comply with, at Tenant's sole cost and expense, (A) any and all necessary permits, licenses and/or governmental or quasi-governmental approvals required for the sale of beer and wine (copies of which permits, licenses and/or approvals shall be provided to Landlord and shall be conspicuously posted in the Premises at all times), and (B) the liquor law liability insurance required pursuant to Section 13.1(a) of this Lease, and (ii) Tenant's right to sell beer and wine shall be limited to incidental sales made in connection with the operation of the permitted restaurant from the Premises (i.e., in no event shall the Premises be used primarily as a bar, tavern or cocktail lounge or otherwise primarily for the sale of alcoholic beverages). Notwithstanding anything in the foregoing to the contrary, in no event shall Tenant use or permit the use of the Premises for any purposes which would breach any covenant of or affecting Landlord concerning radius, location, use or exclusivity in any other lease, financing agreement, or other agreement relating to the Project including, without limitation, the OEA and other Agreements (as defined in Article 19) and the exclusive and prohibited uses set forth on Exhibit G. (Article 9)

1.13 **Tenant's Trade Name:** "Yoshiharu Japanese Ramen". (Article 9)

1.14 **Initial Promotional Assessment:** None. (Article 12)

1.15 **Promotional Charge:** None.

1.16 **Security Deposit:** Six Thousand Seven Hundred Thirty-Seven and 12/100 Dollars ($6,737.12). (Article 20)

1.17 **Guarantor:** JAMES CHAE and JENNIE Y. CHAE, husband and wife, jointly and severally, on behalf of each of their marital, community and sole and separate property estates. (Exhibit E)

1.18 Notices:

To Landlord:

Cerritos West Covenant Group LLC
2460 Paseo Verde Parkway, Suite 145
Henderson, Nevada 89074
Attention: Real Estate Department

To Tenant:

Yoshiharu Cerritos
6940 Beach Blvd., Unit D-705
Buena Park, CA 90621
Attention: James Chae
E-Mail: jchae@apiis.com

(Article 20)

1.19 Commencement Date: The earlier to occur of: (a) the date Tenant initially opens for business to the public in the Premises, or (b) the date immediately following the expiration of the period set forth in Section 1.7. (Article 3)

1.20 Rent Commencement Date: Rent shall commence on the Commencement Date.

1.21 Opening and Operating Covenants: Tenant shall open and operate as a fully fixturized, stocked and staffed "Yoshiharu Japanese Ramen" restaurant no later than the Required Opening Date (as defined in Section 9.2) and shall thereafter continuously operate from the Premises in accordance with Section 1.12 above and Section 9.2 below.

1.22 Radius Restriction: Three (3) miles. (Article 9)

1.23 Signage: Subject to conformance with Landlord's Sign Criteria attached hereto as Exhibit D, the OEA, the Agreements (as defined in Section 19) and applicable governmental standards, and subject to Landlord's approval, not to be unreasonably withheld, Tenant shall provide its standard signage on the Building elevations designated by Landlord. (Article 9)

1.24 Landlord's Work: As described in, and in accordance with,Exhibit C.

1.25 Tenant Improvement Allowance: Landlord shall provide Tenant with a Tenant Improvement Allowance in an amount not to exceed Forty-Four Thousand Two Hundred Forty and 00/100 Dollars ($44,240.00) (based upon $35.00 per square foot of Floor Area). Said Tenant Improvement Allowance shall be paid within thirty (30) days from Tenant's opening for business and provision of its contractors' lien releases, and satisfaction of the remaining conditions set forth in this Lease. (Article 20)

1.26 Broker(s): Jones Lang LaSalle represents the Landlord ("**Landlord's Broker**") and Andrew Yun represents the Tenant (" **Tenant's Broker**"). Landlord shall pay Landlord's Broker a real estate brokerage commission (the "**Commission**") per a separate agreement by and between Landlord and Landlord's Broker; Landlord's Broker shall pay Tenant's Broker a Commission per a separate agreement by and between Landlord's Broker and Tenant's Broker. (Article 20)

ARTICLE 2. - PREMISES

2.1 Premises. Landlord leases to Tenant and Tenant leases from Landlord, for the "**Term**" (as defined in Article 3) and upon the covenants and conditions set forth in this Lease, the premises described in Section 1.4 ("**Premises**"). The Premises shall specifically include the roof, floor slab and foundations, and structural and exterior walls which are a part of or immediately adjacent to the Premises.

2.2 Reservation. Landlord reserves the right to use the exterior walls, floor, roof and plenum in, above and below the Premises for the repair, maintenance, use and replacement of pipes, ducts, utility lines and systems, structural elements serving the Project and for such other purposes as Landlord deems necessary. In exercising its rights reserved herein, Landlord shall not unreasonably interfere with the operation of Tenant's business on the Premises.

2.3 Floor Area. "**Floor Area**", as used in this Lease, means all areas designated by Landlord for the exclusive use of a tenant measured from the exterior surface of exterior walls (and extensions, in the case of openings) and from the center of interior demising walls, and shall include, but not be limited to, restrooms, mezzanines to the extent utilized for retail sales, warehouse or storage areas, clerical or office areas and employee areas. The Premises contain approximately the number of square feet of Floor Area specified in Section 1.5. Landlord shall have the right, at Landlord's sole option, during the first ninety (90) days following the Commencement Date to cause the Floor Area of the Premises to be remeasured by a licensed architect. Upon determination of the actual Floor Area of the Premises in the manner set forth above, the Minimum Annual Rent and all other charges payable by Tenant under this Lease which are determined with reference to the Floor Area of the Premises shall be adjusted accordingly.

2.4 Outdoor Patio Area. Subject to the OEA and Agreements and reasonable, written, non- discriminatory rules and regulations promulgated by Landlord and subject to compliance with applicable governmental requirements (including, without limitation, Tenant's obtaining all necessary governmental approvals, licenses and permits [and without imposing additional parking requirements for such use], at Tenant's sole cost), Tenant shall have the right to utilize the common outdoor patio area as generally shown on Exhibit A attached hereto (the "**Outdoor Patio Area**") on a non-exclusive basis for on-site consumption of items sold from the Premises, as an incident to Tenant's primary Permitted Use, in accordance with the first-class standards of customary operation of Tenant's business, subject to the provisions of this Section. In no event shall Tenant have the right to terminate this Lease based upon the City's, or other applicable governmental entity's, refusal to grant Tenant the right to use the Outdoor Patio Area without imposing additional parking requirements. Landlord shall, as part of Outdoor Patio Maintenance Costs, acquire for such Outdoor Patio Area and arrange therein, certain furniture, which may include outdoor tables, chairs (if permitted by the OEA and the City), umbrellas and waste receptacles, the number, design, color and location of which (including any changes thereto) shall be determined by Landlord. Tenant's use of the Outdoor Patio Area use shall not unreasonably interfere with pedestrian or vehicular traffic within the Project. Landlord shall maintain the Outdoor Patio Area in a neat, clean and orderly condition (collectively, the "**Outdoor Patio Area Maintenance**"). Tenant shall pay its prorata share of the costs incurred by Landlord in performing such Outdoor Patio Area Maintenance (the "**Outdoor Patio Area Maintenance Costs**"). Tenant's prorata share of the Outdoor Patio Area Maintenance Costs shall equal a fraction, the numerator of which is the Floor Area of the Premises, and the denominator of which is the aggregate Floor Area of the premises (including the Premises) of all restaurant or food or beverage tenants whose customers have the express right to use the Outdoor Patio Area. Tenant shall reimburse Landlord for Tenant's prorata share of the Outdoor Patio Area Maintenance Costs incurred by Landlord pursuant to this Section, plus an administration fee of fifteen percent (15%) of such costs incurred by Landlord, upon written demand by Landlord. Landlord's approval under this Section will not be

unreasonably withheld, conditioned or delayed.

ARTICLE 3. - TERM

3.1 Term. This Lease shall be effective from and after the Effective Date. The term of this Lease ("**Term**") shall commence on the Commencement Date. The Term shall continue, unless sooner terminated in accordance with the provisions of this Lease, for the number of Lease Years specified in Section 1.8 from the first day of the month following the Commencement Date. The term "**Lease Year**" shall mean each consecutive twelve (12) month period commencing after the Commencement Date, except if the Commencement Date is other than the first day of a calendar month, the first Lease Year shall commence on the Commencement Date and end on the last day of the twelfth full calendar month following the Commencement Date.

3.2 Extension Options. Provided that Tenant is not in default under this Lease beyond any applicable cure period at the time of exercise of an option to extend provided herein or at any time thereafter prior to the commencement of an Option Term (as hereinafter defined), Tenant shall have the option to extend the Term for two (2) additional periods of five (5) Lease Years each (each such period being referred to herein as an "**Option Term**") only by giving Landlord written notice at least one hundred eighty (180) days before the expiration of the then Initial Term or the first Option Term, as the case may be. All of the terms, covenants, conditions, provisions and agreements applicable to the Initial Term shall be applicable to the Option Terms, except that the Minimum Annual Rent payable during each Option Term shall be increased in accordance with Section 1.10 above and Section 5.2 below. Time is of the essence with respect to Tenant's exercise of the options to extend the Term provided herein. Tenant's failure to exactly comply with the time requirements set forth herein shall cause the options provided herein to automatically cease and terminate and, in such event, this Lease shall terminate upon the expiration of the Initial Term or the first Option Term, as the case may be. All references in this Lease to the "Term" shall be deemed to mean the Initial Term as extended by the Option Terms, if and as applicable. The options to extend this Lease as described in this Section are personal to the original Tenant and to its successor following a Permitted Transfer (as defined in Section 16.4). If Tenant subleases any portion of the Premises or assigns or otherwise transfers any interest under this Lease to any person or entity other than in connection with a Permitted Transfer prior to the exercise of any option, such options and any succeeding option shall lapse.

ARTICLE 4. - POSSESSION AND CONSTRUCTION

4.1 As-Is. Except for Landlord's Work (as such term is defined in Exhibit C), Tenant acknowledges that: (a) it has been advised by Landlord to satisfy itself with respect to the condition of the Premises (including but not limited to the electrical, fire sprinkler systems, security, environmental aspects, and compliance with applicable law), and their suitability for Tenant's intended use, (b) Tenant has made such investigation as it deems necessary with reference to such matters and assumes all responsibility therefor as the same relate to its occupancy of the Premises, and (c) neither Landlord, Landlord's agents, nor any broker has made any oral or written representations or warranties with respect to said matters other than as set forth in this Lease. Consequently, except for Landlord's Work and the Building Systems Warranty (as such term is defined in Exhibit C), Tenant shall accept possession of the Premises in its "AS IS" condition, without representation or warranty by Landlord, except as may be otherwise expressly provided herein.

4.2 Delivery of Possession. Tenant shall accept possession of the Premises upon the Possession Date. As used herein, the term "**Possession Date**" means the later to occur of (i) the date Landlord tenders notice of delivery of the Premises to Tenant with Landlord's Work substantially complete (" **Delivery Notice**"), or (ii) the earlier to occur of (a) Tenant's receipt of its Building Permits (as defined in Section 20.11), and (b) the expiration of the Building Permit Period (as defined in Section 20.11). The Delivery Notice shall be conclusive and binding upon the parties hereto. Notwithstanding the foregoing to the contrary, if Landlord inadvertently fails to give Tenant the Delivery Notice prior to Tenant taking possession of the Premises, such notice shall be deemed given as of the date Tenant takes possession of the Premises. Landlord shall not be obligated to deliver possession of the Premises to Tenant until Landlord has received from Tenant all of the following: (a) the Security Deposit and first monthly installment of Minimum Annual Rent and Tenant's estimated share of Common Area Costs, Taxes and Insurance for the first (1st) month of the Initial Term; (b) Final Plans (as defined in Exhibit C), if required by Landlord; (c) a copy of Tenant's Building Permit, if applicable and if issued by such date; and (d) executed copies of policies of insurance or certificates thereof (as required under Article 13). If Landlord chooses not to deliver possession of the Premises to Tenant because one or more of the above items are not received by Landlord, the Possession Date shall not be affected thereby and the Possession Date shall be deemed to have occurred on the date Landlord would have tendered possession of the Premises if it were not for the failure to receive such item(s).

4.3 Tenant's Construction. Tenant shall commence construction of Tenant's Work immediately following the Possession Date, and shall diligently prosecute same to completion. Tenant shall deliver to Landlord a copy of the certificate of occupancy for the Premises issued by the appropriate governmental agency upon completion of Tenant's Work.

ARTICLE 5. - RENTAL

5.1 Minimum Annual Rent. Tenant shall pay the sum specified in Section 1.10 ("**Minimum Annual Rent**") in monthly installments (as specified in such Section), in advance, on or before the first (1st) day of each month, without prior demand and without offset, abatement or deduction (except as expressly and specifically provided in this Lease), commencing on the Commencement Date. Should the Commencement Date be a day other than the first (1st) day of a calendar month, then the monthly installment of Minimum Annual Rent for the first partial month shall be equal to one-thirtieth (1/30th) of the monthly installment of Minimum Annual Rent for each day from the Commencement Date to the end of the partial month.

5.2 Adjustment to Minimum Annual Rent.

(a) The Minimum Annual Rent payable under Section 1.10 and this Article 5 during the Initial Term and the Option Terms, if applicable, shall be adjusted on each of the dates and to the amounts specified in Section 1.10.

(b) In addition to the foregoing, in the event Tenant exercises its right to extend the Term of this Lease for either Option Term, effective on the first day of each Option Term, Minimum Annual Rent for the first (1st) Lease Year of the subject Option Term shall be increased to the amount equal to the fair market rent of the Premises (meaning the fair market rent for the highest and best retail use of the Premises) as of the commencement of the subject Option Term, as determined by Landlord, the amount of which Landlord shall notify Tenant of prior to the commencement of the subject Option Term; provided, however, in no event shall Minimum Annual Rent for the first (1 st) Lease Year of either Option Term be less than three percent (3%) greater than the Minimum Annual Rent in effect immediately prior to the subject Option Term.

(c) If Tenant objects to Landlord's determination of the fair market rent of the Premises for the first (1st) Lease Year of either Option Term, Tenant shall, within fifteen (15) days after receipt of Landlord's notice, notify Landlord in writing that Tenant disagrees with Landlord's determination of fair market rent, whereupon Landlord and Tenant shall meet and attempt to resolve such disagreement. In the event that Landlord and Tenant are unable to agree upon the fair market rent of the Premises for the first (1st) Lease Year of the relevant Option Term within twenty (20) days following Tenant's notice, then the fair market rent for the first (1st) Lease Year of the relevant Option Term shall be determined by appraisal in the manner provided below. Until such appraisal procedures are completed, Tenant shall pay to Landlord the amount of Minimum Annual Rent due immediately preceding the commencement of the relevant Option Term increased by an amount equal to three percent (3%). After such appraisal procedure is completed and the fair market rent for the for the first (1st) Lease Year of the relevant Option Term is established, Tenant shall promptly make payment to Landlord for any underpayment of Minimum Annual Rent owing for prior months.

(d) The process for determining the fair market rent of the Premises by appraisal shall be as follows: The Premises shall be appraised by a Qualified Appraiser (as defined below) chosen by Landlord ("**First Appraisal**") and the resulting appraisal report forwarded to Tenant. If the First Appraisal is deemed unacceptable by Tenant, then Tenant shall so advise Landlord in writing within ten (10) working days after receipt of the First Appraisal and Tenant shall have the right to engage a Qualified Appraiser to appraise the Premises ("**Second Appraisal**") and the resulting appraisal report shall be forwarded to Landlord. In the event Landlord shall deem the Second Appraisal to be unacceptable, then Landlord shall advise Tenant within ten (10) working days after receipt of the Second Appraisal, and the first Qualified Appraiser and second Qualified Appraiser shall together choose a third Qualified Appraiser (the "**Third Qualified Appraiser**") who shall appraise the Premises ("**Third Appraisal**") and forward the resulting appraisal report to Landlord and Tenant. The Third Qualified Appraiser shall, within ten (10) days of its appointment, review the First Appraisal and the Second Appraisal and such other information as it shall deem necessary and shall determine which of the two appraisals is closer to the actual fair market rent for the first (1st) Lease Year of the relevant Option Term. The Third Qualified Appraiser shall be instructed, in deciding whether the Landlord's determination of the fair market rent (as set forth in the First Appraisal) or the Tenant's determination of the fair market rent (as set forth in the Second Appraisal) is closer to the actual fair market rent, to use the criteria as to the determination fair market rent set forth above. The Third Qualified Appraiser shall not establish its own fair market rent, and must select either the First Appraisal or the Second Appraisal and shall immediately and concurrently notify the parties of its selection. The fair market rent determined by the First Appraiser or the Second Appraiser and selected as the one closer to the actual fair market rent by the Third Qualified Appraiser shall be the Minimum Annual Rent payable by Tenant for the first (1 st) Lease Year of the relevant Option Term; provided, however, in no event shall Minimum Annual Rent for the first (1 st) Lease Year of either Option Term be less than three percent (3%) greater than the Minimum Annual Rent in effect immediately prior to the relevant Option Term. The cost of the First Appraisal shall be borne by Landlord. The cost of the Second Appraisal shall be borne by Tenant. The cost of the Third Appraisal shall be borne by the party whose appraisal was not selected by the Third Appraiser. As used in this Section, the term "**Qualified Appraiser**" means an MAI appraiser or licensed commercial real estate broker with no less than ten (10) years of experience appraising retail property in Los Angeles County, California.

(e) Commencing on the first (1st) day of the second (2nd) Lease Year of the relevant Option Term, and annually thereafter during the remainder of such Option Term, the Minimum Annual Rent then-in-effect shall be increased by an amount equal to three percent (3%).

5.3 Gross Sales Reporting.

(a) Intentionally Omitted.

(b) Upon Landlord's request made not more frequently than once per year, Tenant shall furnish or cause to be furnished to Landlord a statement of the annual Gross Sales of Tenant within ten (10) days after Landlord's request. Such statements shall be in a form mutually acceptable to Landlord and Tenant. Such statements shall be certified as an accurate accounting of Tenant's Gross Sales by an authorized representative of Tenant. Landlord hereby agrees to keep such gross sales statements confidential and shall not disclose same to anyone other than its lenders and prospective lenders, buyers and prospective buyers, employees, attorneys, accountants and other consultants or as required by applicable law or court of competent jurisdiction. Landlord shall use its commercially reasonable efforts to require any of those recipients to keep such reports confidential.

(c) "**Gross Sales**", as used in this Lease, shall mean the gross selling price of all merchandise or services sold or rented in or from the Premises by Tenant, its subtenants, licensees and concessionaires, whether for cash or on credit and whether made by store personnel or by machines or whether made by catalogue or internet sale (from on or off the Premises), excluding therefrom the following: (i) sales taxes, excise taxes or gross receipts taxes imposed by governmental entities upon the sale of merchandise or services, but only if collected from customers separately from the selling price and paid directly to the respective governmental entities; (ii) proceeds from the sale of fixtures, equipment or property which are not stock in trade; (iii) the selling price of all merchandise returned by customers and accepted for full credit; (iv) interest or other charges paid by customers for extension of credit; and (v) receipts from vending machines used solely by Tenant's employees (the "**Exclusions from Gross Sales**"). Tenant shall use its reasonable good faith efforts to maximize Gross Sales from the Premises.

5.4 Additional Rent. Tenant shall pay, as "**Additional Rent**", without offset, abatement or deduction (except as expressly set forth herein), all sums required to be paid by Tenant to Landlord pursuant to this Lease in addition to Minimum Annual Rent. Landlord shall have the same rights and remedies for the nonpayment of Additional Rent as it has with respect to the nonpayment of Minimum Annual Rent.

5.5 Late Payments. If Tenant fails to pay when the same is due any Minimum Annual Rent or Additional Rent, the unpaid amounts shall bear interest at the Interest Rate, as defined in Section 20.10(d), from the date the unpaid amount was initially due, to and including the date of payment. In addition, if any installment of Minimum Annual Rent or Additional Rent is not received by Landlord when due, Tenant shall immediately pay to Landlord a late charge equal to ten percent (10%) of the delinquent amount. Landlord and Tenant agree that this late charge represents a reasonable estimate of the costs and expenses Landlord will incur and is fair compensation to Landlord for its loss suffered by reason of late payment by Tenant. If Tenant shall issue a check to Landlord which is dishonored by Tenant's depository bank and returned unpaid for any reason, including without limitation, due to insufficient funds in Tenant's checking account, Tenant shall pay to Landlord in addition to any other rights or remedies available to Landlord pursuant to this Lease, the sum of One Hundred and 00/100 Dollars ($100.00) for Landlord's administrative expense in connection therewith.

5.6 Place of Payment. Tenant shall pay Minimum Annual Rent and Additional Rent to Landlord at the address specified in Section 1.18, or to such other address and/or person as Landlord may from time to time designate in writing to Tenant.

ARTICLE 6. - TENANT FINANCIAL DATA

6.1 Intentionally Omitted.

6.2 Intentionally Omitted.

6.3 Intentionally Omitted.

6.4 Financial Statements. Within fifteen (15) business days after Landlord's written request, Tenant shall furnish, and cause Guarantor to furnish, Landlord with financial statements or other reasonable financial information reflecting Tenant's and Guarantor's current financial condition, certified by Tenant or its financial officer and Guarantor, respectively. If Tenant is a publicly-traded corporation, delivery of Tenant's last published financial information shall be satisfactory for purposes of this Section. Landlord hereby agrees to keep such financial statements confidential and shall not disclose same to anyone other than its lenders and prospective lenders, buyers and prospective buyers, employees, attorneys, accountants and other consultants or as required by applicable law or court of competent jurisdiction.

ARTICLE 7. - TAXES

7.1 Real Property Taxes.

(a) As used in this Lease, the term "**Taxes**" shall include any form of tax or assessment, license fee, license tax, possessory interest tax, tax or excise on rental, or any other levy, charge, expense or imposition imposed by any Federal, state, county or city authority having jurisdiction, or any political subdivision thereof, or any school,

agricultural, lighting, drainage or other improvement or special assessment district on any interest of Landlord or Tenant in the Project. The term "**Taxes**" shall not include Landlord's general income taxes, inheritance, estate or gift taxes.

(b) From and after the Commencement Date, Tenant shall pay to Landlord, as Additional Rent, a share of the Taxes pursuant to subparagraph (c) below. Taxes for any partial year shall be prorated. Landlord, at its option, may collect Tenant's payment of its share of Taxes after the actual amount of Taxes are ascertained or in advance, monthly or quarterly, based upon estimated Taxes. If Landlord elects to collect Tenant's share of Taxes based upon estimates, Tenant shall pay to Landlord from and after the Commencement Date, and thereafter on the first (1st) day of each month during the Term, an amount estimated by Landlord to be the monthly Taxes payable by Tenant. Landlord may periodically adjust the estimated amount. If Landlord collects Taxes based upon estimated amounts, then following the end of each calendar year or, at Landlord's option, its fiscal year, Landlord shall furnish Tenant with a statement covering the year just expired showing the total Taxes for the Project for such year, the total Taxes payable by Tenant for such year, and the payments previously made by Tenant with respect to such year, as set forth above. If the actual Taxes payable for such year exceed Tenant's prior payments, Tenant shall pay to Landlord the deficiency within ten (10) days after its receipt of the statement. If Tenant's payments exceed the actual Taxes payable for that year, Tenant shall be entitled to offset the excess against the next payment(s) of Taxes and/or other Additional Rent that become due to Landlord; provided that Landlord shall refund to Tenant the amount of any overpayment for the last year of the Term.

(c) Tenant's share of the Taxes shall be determined by multiplying all of the Taxes on the Project by a fraction, the numerator of which shall be the Floor Area of the Premises and the denominator of which is the total Floor Area in the Project. Notwithstanding the foregoing, if any owner or tenant of a portion of the Project separately pays taxes on the parcels which include its own premises and Common Area, the Floor Area on such owner's or tenants' parcels shall not be included in the denominator for purposes of calculation of Tenant's share of Taxes. Notwithstanding the foregoing provisions, if the Taxes are not levied and assessed against the entire Project by means of a single tax bill (i.e., if the Project is separated into two (2) or more separate tax parcels for purposes of levying and assessing the Taxes), then, at Landlord's option, Tenant shall pay Tenant's pro rata share of all Taxes which may be levied or assessed by any lawful authority against the land and improvements of the separate tax parcel on which the Building containing the Premises is located. Tenant's pro rata share under such circumstances shall be apportioned according to the Floor Area of the Premises as it relates to the total leasable Floor Area of the Building or buildings situated in the separate tax parcel in which the Premises is located.

7.2 Other Property Taxes. Tenant shall pay, prior to delinquency, all taxes, assessments, license fees and public charges levied, assessed or imposed upon its business operation, trade fixtures, merchandise and other personal property in, on or upon the Premises. If any such items of property are assessed with property of Landlord, then the assessment shall be equitably divided between Landlord and Tenant.

7.3 Contesting Taxes. If Landlord reasonably contests any Taxes levied or assessed during the Term, Tenant shall be required to pay its proportionate share of the out-of-pocket costs or expenses reasonably incurred by Landlord in connection with such contest; however, if Landlord is successful in such contest, Tenant shall be entitled to its proportionate share of any refund received pursuant to the formula set forth in Section 7.1(c) for the allocation of Taxes.

ARTICLE 8. - UTILITIES

Tenant agrees to pay directly to the appropriate utility company all charges for utility services supplied to Tenant for which there is a separate meter. Tenant agrees to pay to Landlord its share of utility services supplied to the Premises for which there is a submeter based on its actual consumption pursuant to the submeter reading upon billing by Landlord. Tenant agrees to pay to Landlord its share of all charges for utility services supplied to the Premises for which there is no separate meter or submeter upon billing by Landlord of Tenant's share, as reasonably determined by Landlord based upon estimated actual usage, or based on a pro rata share basis. Landlord and Tenant shall reconcile the foregoing utility expenses at the same time and manner as Common Area Costs pursuant to Section 11.5 below. Regardless of the entity which supplies any of the utility services, Landlord shall not be liable in damages for any failure or interruption of any utility or service. No failure or interruption of any utility or service shall entitle Tenant to terminate this Lease or discontinue making payments of Minimum Annual Rent or Additional Rent. Tenant shall be responsible for the payment of all utility connection and/or hook-up fees for utility services supplied to the Premises and any other charges imposed in connection with the commencement of said utilities. Tenant agrees to reasonably cooperate with Landlord to the extent required by Landlord to comply with California Public Resources Code Section 25402.10 including, without limitation, providing or consenting to any utility company providing Tenant's energy consumption information for the Premises to Landlord.

ARTICLE 9. - TENANT'S CONDUCT OF BUSINESS

9.1 Permitted Trade Name and Use. Tenant shall use the Premises solely under the Trade Name specified in Section 1.13 and shall not use the Premises under a different trade name without Landlord's prior written consent, which consent shall not be unreasonably withheld, conditioned, or delayed; provided, however, Tenant may, without seeking Landlord's prior written consent (but with prior written notice to Landlord), change the trade name under which its business in the Premises is operated to any trade name under which Tenant operates all or substantially all of its other locations in California previously operating under the original Trade Name are changed to. Tenant shall use the Premises solely for the use specified in Section 1.12 and for no other use or purpose.

9.2 Covenant to Open and Operate. Tenant covenants to open for business to the public with the Premises fully fixturized and stocked with merchandise and inventory on or before the Rent Commencement Date (the "**Required Opening Date**") and to operate continuously and uninterruptedly in the entirety of the Premises throughout the Term the business described in Section 1.12, subject only to those temporary closures for casualty, condemnation, remodel, or force majeure (as defined in Section 20.5) which may prevent Tenant from conducting its normal business operations in the Premises.

9.3 Tenant's Signs. Tenant shall not affix upon the exterior (or interior windows or doors) of the Premises any sign, advertising placard, name, insignia, trademark, descriptive material or other like item (collectively, the "**Exterior Signs**"), unless the Exterior Signs (i) comply with all governmental requirements, (ii) comply with the sign criteria (the "**Sign Criteria**") for the Project attached hereto as Exhibit D, (iii) comply with the OEA and the Agreements, and (iv) are approved by Landlord, which approval shall not be unreasonably withheld, conditioned, or delayed. All of the Exterior Signs shall be erected by Tenant at its sole cost and expense, and Tenant shall maintain all of its Exterior Signs in good condition and repair during the Term. Tenant shall be permitted to use the standard and customary "Yoshiharu Japanese Ramen" corporate trademarked logos, lettering and fonts in its exterior signs and awnings on the facade of the Premises, subject to all governmental requirements, the Sign Criteria, the OEA, the Agreements and Landlord's prior written approval, which approval shall not be unreasonably withheld, conditioned, or delayed; provided, however, such signage shall be professionally prepared and maintained in a neat manner and shall not, at any time, occupy more than twenty-five percent (25%) of the storefront windows or doors. Notwithstanding anything to the contrary herein this Section 9.3 above or elsewhere in this Lease, Tenant shall have the right and option, but not the obligation, to install its standard individual internally illuminated channel letter signage upon the front exterior sign band of the Premises, provided such signage is in compliance with applicable law and the Sign Criteria.

9.4 Hours of Business. From and after the Commencement Date, Tenant shall keep the entire Premises continuously open for business during those days and hours as are customary and usual for the type of business operated by Tenant including, but not limited to, all holidays except Christmas and New Year's Day; provided, however, in no event shall Tenant be open for business less than 11:30 a.m. to 8:00 p.m. Monday through Sunday. Tenant shall have its exterior signs adequately illuminated continuously during those hours and days that the Premises are required to be open for business to the public.

9.5 Hours for Deliveries. All deliveries (exclusive of United Parcel Service and U.S. Postal Service), loading, unloading and services to the Premises shall be

completed prior to 10:00 a.m. each day. All deliveries, loading, unloading and services to the Premises shall be accomplished within the service areas of the Project.

9.6 Radius Restriction. During the Term, neither Tenant nor any entity affiliated with Tenant shall own, operate or have any financial interest in any business similar to the business of Tenant, as set forth in Section 1.12, if such other business is opened after the Effective Date and its front door or storefront opening is located within the radius set forth in Section 1.22 (the "**Radius Restriction Area**") of any portion of the Premises. Without limiting Landlord's remedies if Tenant violates this covenant, Landlord, for so long as Tenant is operating the other business, may increase the Minimum Annual Rent hereunder to equal one hundred fifty percent (150%) of the Minimum Annual Rent then in effect.

9.7 Exclusive Use. From and after the Effective Date of this Lease, Landlord shall not execute any lease for premises located within the Project to any other "**Japanese Ramen Restaurant**," as defined below (the "**Exclusive Use**"), subject to all of the following terms and the satisfaction of each and all of the following conditions:

(a) The Exclusive Use is not applicable to (i) Target or any tenant or occupant of the Cerritos Promenade Center located outside of the Project; or (ii) any leases for space in the Project entered into on or before the date of this Lease or to any tenants or occupants, including their successors and assigns, who have executed a lease for space in the Project on or before the date of this Lease ("**Existing Tenants**"), or to any new leases or extensions of existing leases entered into with such Existing Tenants; provided, however, Landlord agrees to withhold its consent to any proposed change of use under any existing lease with an Existing Tenant that would directly violate the terms of Tenant's Exclusive Use or any extensions of any existing lease with any Existing Tenant or any new lease with any Existing Tenant that would otherwise directly violate the terms of Tenant's Exclusive Use only if (A) Landlord has the right to do so under the terms of such lease (it being understood that Landlord shall not be obligated to exercise any right of recapture it may have under any such lease), and (B) by doing so Landlord shall not be in breach or default under the terms of such lease;

(b) The Exclusive Use restrictions shall automatically terminate in the event Tenant fails to open for business to the general public within thirty (30) days following the Rent Commencement Date or thereafter fails to continuously operate for business, excepting temporary closures due to remodeling, repairs due to casualty or condemnation or other force majeure events;

(c) The Exclusive Use restrictions shall automatically terminate and be of no further force or effect effective as of the date which is the earliest of (i) a change in the original Permitted Use of the Premises set forth in Section 1.12 such that the Premises is no longer used primarily as a Japanese Ramen Restaurant; or (ii) the expiration or earlier termination of the Lease; and

(d) The term "**Japanese Ramen Restaurant**" shall mean a restaurant whose primary business is the preparation and sale of Japanese Ramen entrees and related products (including sushi). As used herein, the term "**primary business**" means that the gross sales of Japanese Ramen entrees constitute more than fifteen percent (15%) of such tenant's total annual gross sales from its premises.

Notwithstanding anything contained herein to the contrary, Landlord shall not be obligated to maintain or enforce the terms of thisSection 9.7 or any similar provisions of the Lease to the extent same would be in violation of any anti-trust law. If such anti-trust violation is the basis of a claim or counterclaim against Landlord in connection with Landlord's attempted enforcement of this Exclusive Use, then Landlord shall promptly consult with Tenant regarding Tenant's desire to further pursue enforcement of this exclusive. In addition, Tenant shall defend, indemnify and save Landlord and its employees, agents and assigns harmless from and against any and all losses, damages, actions, causes of action, claims, liabilities, demands, costs and expenses including, without limitation, attorneys' fees, arising out of the Exclusive Use restrictions set forth herein or arising out of the enforcement of such restrictions. Landlord shall have the right to provide a copy of this Section 9.7 to any tenant or prospective tenant of the Project.

ARTICLE 10. - MAINTENANCE, REPAIRS AND ALTERATIONS

10.1 Landlord's Maintenance Obligations. Landlord shall maintain in good condition and repair the structural components and foundations, roofs and exterior surfaces of the exterior walls of all buildings (exclusive of doors, door frames, door checks, windows, window frames and, unless Landlord elects to include cleaning of the storefronts and storefront awnings of tenants of the Project as part of Common Area maintenance pursuant to Section 11.2 below, storefronts and storefront awnings). Notwithstanding the foregoing, Tenant shall pay for the cost of any repairs or replacements resulting from (i) Tenant's negligence or willful acts, or those of anyone claiming under Tenant, or (ii) Tenant's failure to observe or perform any condition or agreement contained in this Lease, or (iii) any alterations, additions or improvements made by Tenant or anyone claiming under Tenant. It is acknowledged by Tenant that the cost of all or some of Landlord's maintenance obligations referenced in the preceding sentence shall be prorated and paid as Common Area Costs. Without limiting the foregoing, Tenant waives the right to make repairs at Landlord's expense and/or any related termination right under any law, statute or ordinance now or hereafter in effect (including the provisions of California Civil Code Sections 1932(1), 1941 and 1942 and any successor sections or statutes of similar nature).

10.2 Landlord's Right of Entry. Landlord, its agents, contractors, servants and employees may enter the Premises following reasonable prior notice to Tenant and Landlord's good faith efforts to coordinate such entry with Tenant's on-site management so as to minimize interference with Tenant's business operations (except in a case of emergency): (a) to examine the Premises; (b) to perform any obligation or exercise any right or remedy of Landlord under this Lease or make repairs, alterations, improvements or additions to the Premises or to other portions of the Project; (c) to perform work necessary to comply with laws, ordinances, rules or regulations of any public authority or of any insurance underwriter; and (d) to perform work that Landlord deems necessary to prevent waste or deterioration in connection with the Premises should Tenant fail to commence such work within ten (10) days after written notice from Landlord of the need for such work (or if more than ten (10) days shall be required because of the nature of the work, if Tenant shall fail to diligently proceed to commence to perform such work after written notice). If Landlord makes any repairs which Tenant is obligated to make pursuant to the terms of this Lease, Tenant shall pay the cost of such repairs to Landlord, as Additional Rent, promptly upon receipt of a bill from Landlord for same.

10.3 Tenant's Maintenance Obligations. Except for the portions and components of the Premises to be maintained by Landlord as set forth inSection 10.1, Tenant, at its expense, shall keep the Premises and all utility facilities and systems exclusively serving the Premises ("**Tenant Utility Facilities**") in first-class order, condition and repair and shall make replacements necessary to keep the Premises and Tenant Utility Facilities in such condition; provided, however, Tenant shall have no right to spray paint the exterior or interior of the windows or doors without Landlord's prior written consent, which consent shall not be unreasonably withheld, conditioned, or delayed. All replacements shall be of a quality equal to or exceeding that of the original. At the option of Landlord, (a) Tenant shall contract with a service company approved by Landlord for the regular (but not less frequently than quarterly) maintenance, repair and/or replacement (when necessary) of the heating, ventilating and air conditioning equipment serving the Premises (the "**HVAC System**") and shall provide Landlord with a copy of any service contract within ten (10) days following its execution, or (b) Landlord may contract with a service company of its own choosing (or provide such service itself) for the maintenance, repair and/or replacement of the HVAC System and bill Tenant periodically for the cost of same or based upon estimates in a manner similar to the way in which Common Area Costs are estimated and billed. Until further written notice from Landlord, Landlord hereby elects option (b) set forth above. If required by applicable laws and/or applicable governmental authority, Tenant shall, at Tenant's sole cost and expense, operate, maintain, repair, replace and clean any remote grease trap interceptor (together with all necessary lines and ancillary equipment and connections to the Premises) (collectively, the "**Grease Interceptor Equipment**") required for Tenant's Permitted Use in size and capacity as determined by the applicable governmental authorities and maintain same in compliance with all applicable laws, governmental requirements and the Agreements in first class order, condition and repair and shall make all replacements necessary to keep such Grease Interceptor Equipment in such condition. Additionally, at the option of Landlord, (a) Tenant shall contract with a service company reasonably approved by Landlord for the regular (but not less frequently than quarterly) cleaning, maintenance, repair and/or replacement (when necessary) of the Grease Interceptor Equipment serving the Premises and shall provide Landlord with a copy of any service contract within fifteen (15) days following request therefor, or (b) Landlord may contract with a service company of its own choosing (or provide such service itself) for the cleaning, maintenance, repair and/or replacement of the Grease Interceptor Equipment and bill Tenant periodically for the cost of same or based upon estimates in a manner similar to the way in which Taxes are estimated and billed. Until further written notice from Landlord, Landlord hereby elects option (a) set forth above.

10.4 Alterations. After initially opening the Premises for business, Tenant shall not make or cause to be made to the Premises or the Tenant Utility Facilities any addition, renovation, alteration, reconstruction or change (collectively, "**Alterations**") (i) costing in excess of Ten Thousand Dollars ($10,000.00), (ii) affecting the exterior storefront, fire sprinkler systems, exterior walls, floor slab, or roof of the Premises, (iii) requiring or resulting in any penetration of the roof, demising walls or floor slab of the Premises, or (iv) involving structural changes or additions, without first obtaining the written consent of Landlord, which consent shall not be unreasonably withheld, conditioned, or delayed. Tenant shall provide Landlord with not less than ten (10) days prior written notice of the commencement of any Alterations in the Premises and Landlord shall have the right to enter upon the Premises to post customary notices of non- responsibility with respect thereto. Subject to Section 20.6, all improvements to the Premises by Tenant including, but not limited to, light fixtures, floor coverings and partitions and other items comprising Tenant's Work pursuant to Exhibit C, but excluding trade fixtures and signs, shall be deemed to be the property of Landlord upon installation thereof. Within thirty (30) days after the completion of any Alterations, Tenant shall deliver to Landlord a set of "as built" plans depicting the Alterations as actually constructed or installed. If Tenant shall make any permitted Alterations, Tenant shall carry "Special Form Causes of Loss" or "Builder's All Risk" insurance in an amount reasonably determined by Landlord covering the construction of such Alterations and such other insurance as Landlord may reasonably require. Any Alterations to the Premises or the Tenant Utility Systems which are required by reason of any present or future law, ordinance, rule, regulation or order of any governmental authority having jurisdiction over the Premises or the Project or of any insurance company insuring the Premises, and regardless of whether or not such Alteration pertains to the nature, construction or structure of the Premises or to the use made thereof by Tenant, shall be at the sole cost of Tenant regardless of whether the work is performed by Landlord or Tenant.

ARTICLE 11. - COMMON AREA

11.1 Definition of Common Area. The term "**Common Area**", as used in this Lease, shall mean all areas within the exterior boundaries of the Project (or areas immediately adjacent to the Project such as, but not limited to, landscaped medians), now or later made available for the general use of Landlord and other persons entitled to occupy Floor Area in the Project.

11.2 Use of Common Area. The use and occupancy by Tenant of the Premises shall include the non-exclusive use of the Common Area (except those portions of the Common Area on which have been constructed or placed permanent or temporary kiosks, displays, carts and stands and except areas used in the maintenance or operation of the Project) in common with Landlord and the other tenants of the Project and their customers and invitees, subject to reasonable and nondiscriminatory enforced rules and regulations concerning the use of the Common Area established by Landlord from time to time.

11.3 Control of and Changes to Common Area. Landlord shall have the sole and exclusive control of the Common Area, and the right to make changes to the Common Area. Landlord's rights shall include, but not be limited to, the right to (a) utilize from time to time any portion of the Common Area for promotional, entertainment and related matters; (b) place permanent or temporary kiosks, displays, carts and stands in the Common Area and to lease same to tenants; (c) restrain the use of the Common Area by unauthorized persons; (d) temporarily close any portion of the Common Area for repairs, improvements or Alterations, to discourage non-customer use, to prevent dedication or an easement by prescription or for any other reason deemed sufficient in Landlord's reasonable judgment; and (e) renovate, upgrade or change the shape and size of the Common Area or add, eliminate or change the location of improvements to the Common Area including, without limitation, buildings, parking areas, roadways and curb cuts, and to construct buildings on the Common Area. Landlord, at any time, may change the shape, size, location, number and extent of the improvements shown on Exhibit A and eliminate, add or relocate any improvements to any portion of the Project, and may add land to and/or withdraw land from the Project. Notwithstanding the foregoing to the contrary, except as required by applicable laws, applicable governmental authority or to comply with Agreements, Landlord shall not exercise the rights set forth in this Section in a manner that will materially and adversely affect (i) access to and from the Premises, (ii) visibility of the Premises from South Street, or (iii) parking for the Premises.

11.4 Common Area Costs. The term "**Common Area Costs**", as used in this Lease, shall mean all costs and expenses incurred by Landlord in (a) operating, managing, policing, repairing and maintaining the Common Area and the on-site management and/or security offices, nonprofit community buildings and child care centers as may be located in the Project from time to time (which offices, buildings and center shall hereinafter be referred to as the "**Joint Use Facilities**"), (b) maintaining, repairing and replacing the exterior surface of exterior walls (and storefronts and storefront awnings if Landlord has elected to include the cleaning of same as part of Common Area maintenance) and maintaining, repairing and replacing roofs of the buildings from time to time constituting the Project, and (c) operating, insuring, repairing, replacing and maintaining all utility facilities and systems including, without limitation, sanitary sewer lines and systems, fire protection lines and systems, security lines and systems and storm drainage lines and systems not exclusively serving the premises of any tenant or store ("**Common Utility Facilities**"), Common Area furniture and equipment, seasonal and holiday decorations, Common Area lighting fixtures, directional signage, and Common Area fountains. Common Area Costs shall include the actual costs incurred by Landlord for personnel (whether employees of Landlord or third parties) employed in the management and/or operation of the Project. Common Area Costs shall include, without limitation, the following: Expenses for maintenance, repaving, resurfacing, landscaping, repairs, replacements, lighting, cleaning, painting, trash removal, management offices, security, non-refundable contributions toward reserves for replacements, maintenance and/or repairs such as, but not limited to, major parking lot repairs and repainting of buildings, fire protection and similar items; depreciation or rental on equipment; charges, surcharges and other levies related to the requirements of any Federal, state or local governmental agency; Taxes on the improvements and land comprising the Common Area; comprehensive or commercial general liability insurance on the Common Area; standard "all risks" fire and extended coverage insurance with, at Landlord's option, an earthquake and/or flood damage endorsement covering the Common Areas; the cost of any deductibles or self-insured retentions relating to the insurance maintained by Landlord pursuant hereto; costs, expenses and assessments allocable to the Project pursuant to the Agreements; expenses related to the Common Utility Facilities; and a sum (the "**Supervision Fee**") payable to Landlord for administration and overhead in an amount equal to fifteen percent (15%) of the Common Area Costs, Tenant's share of Taxes pursuant to Section 7.1 and Tenant's share of insurance premiums pursuant to Section 13.4. Landlord may include Capital Expenditures (as defined hereafter) in the Common Area Costs provided that (i) such Capital Expenditures are limited to compliance with applicable laws or legal requirements, including, without limitation, ADA (but excluding remedying any violation existing as of the Effective Date) and/or the repair or replacement of then-existing Common Area improvements and facilities (as distinguished from new capital improvements that are not required by applicable laws or legal requirements referenced above) (collectively, "**Permitted Capital Expenditures**") and (ii) are amortized (together with interest at generally accepted rates) in accordance with generally accepted shopping center management practices over the useful life of the item as reasonably determined by Landlord. "**Capital Expenditures**" means those expenditures costing in excess of Twenty-Five Thousand Dollars ($25,000.00), which, in accordance with generally accepted accounting principles, are not fully chargeable to current expenses in the year the expenditure is incurred. In addition to the Common Area Costs, Tenant shall pay Landlord a management fee equal to three percent (3%) of the Minimum Annual Rent then payable hereunder (the "**Management Fee**"), which Management Fee shall be payable in equal monthly installments at the same time as Common Area Costs. Notwithstanding anything to the contrary herein this Section 11.4 above or elsewhere in this Lease, Common Area Costs shall not include any of the following: (i) Any charge for Landlord's net income taxes; (ii) All costs relating to activities for the marketing, solicitation, negotiation, and execution of leases of space in the Project, including without limitation, costs of tenant improvements; (iii) The cost of correcting defects in the original construction of the building or in the building equipment, or other improvements in the Project; (iv) To the extent Landlord is reimbursed by third parties other than tenants, the cost of repair made by Landlord because of the total or partial destruction of the building in which the Premises are located or the other improvement in the Project, or the condemnation of a portion of the building in which the Premises are located or the Project; (v) The cost of any items for which Landlord is reimbursed by insurance or otherwise compensated by parties other than tenants of the building in which the Premises are located or the Project leased to other tenants; (vi) Ground rent or similar payments to a ground lessor; (vii) Legal fees and related expenses incurred by Landlord (together with any damages awarded against Landlord) due to the gross negligence or willful misconduct of Landlord; (viii) Capital Expenditures, other than the annual amortized amount of Permitted Capital Expenditures expressly set forth above; (ix) Costs arising from the presence of any Hazardous Materials within, upon, or beneath the Premises or Project prior to the Rent Commencement Date by reason of Landlord's act or any other third party; (x) The costs of special services rendered to tenants (including Tenant) for which a special charge is made to such tenants; (xi) Any costs borne directly by Tenant under this Lease; or (xii) Loan payments of any type; (xiii) Any cost incurred on matters occurring outside of and/or unrelated to the Project.

11.5 Proration of Common Area Costs. The Common Area Costs shall be prorated in the following manner:

(a) From and after the Commencement Date, Tenant shall pay to Landlord, on the first (1st) day of each calendar month, an amount estimated by Landlord to be the monthly amount of Tenant's share of the Common Area Costs. The estimated monthly charge may be adjusted periodically by Landlord on the basis of Landlord's reasonably anticipated costs.

(b) Within one hundred fifty (150) days following the end of each calendar year or, at Landlord's option, its fiscal year, Landlord shall furnish to Tenant a statement covering the calendar or fiscal year (as the case may be) just expired, showing by cost category the actual Common Area Costs for that year, the total Floor Area of the Project, the amount of Tenant's share of the Common Area Costs for that year, and the monthly payments made by Tenant during that year for the Common Area Costs. If Tenant's share of the Common Area Costs exceeds Tenant's prior payments, Tenant shall pay to Landlord the deficiency within ten (10) days after receipt of such annual statement. If Tenant's payments for the calendar year exceed Tenant's actual share of the Common Area Costs, and provided Tenant is not in arrears as to the payment of any Minimum Annual Rent or Additional Rent, Tenant may offset the excess against payments of Common Area Costs next due Landlord. An appropriate proration of Tenant's share of the Common Area Costs as of the Commencement Date and the expiration date of the Term shall be made.

(c) Tenant's share of the Common Area Costs shall be determined by multiplying the Common Area Costs by a fraction, the numerator of which is the number of square feet of Floor Area in the Premises and the denominator of which is the Floor Area in the Project. Notwithstanding the foregoing, if any owner or tenant of a portion of the Project separately maintains its own Common Area, Common Area Costs shall not include costs relating to the Common Area so maintained by such owner or tenant, and the Floor Area on such owner's or tenant's parcel shall not be included in the denominator for purposes of calculation of Tenant's share of Common Area Costs.

(d) Notwithstanding anything contained in this Section 11.5 to the contrary, at Landlord's option: (i) Landlord shall have the right to allocate certain Common Area Costs to less than all of the occupants in the Project, in which event Tenant's share of such costs (the "**Cost Pool**") shall be as follows: (A) in the event Tenant is one of the occupants participating in such Cost Pool, its share of such Common Area Costs shall be calculated in the manner set forth in Section 11.5(c), but the denominator used to determine such share shall exclude those occupants not participating in such Cost Pool; or (B) in the event Tenant is not one of the occupants participating in such Cost Pool, its share of such Common Area Costs shall be calculated in the manner set forth in Section 11.5(c), but the denominator used to determine such share shall exclude those occupants participating in such Cost Pool; or (ii) Landlord shall have the right to cause Tenant to directly pay for any extraordinary expenses resulting from Tenant's operations from the Premises (e.g., a restaurant user with an outdoor patio may be directly responsible for the extraordinary costs incurred by Landlord in cleaning the Common Area directly adjacent to such outdoor patio area).

11.6 Parking. Tenant and its employees shall park their vehicles only in the parking areas from time to time designated for that purpose by Landlord. Tenant's contractors shall park their vehicles and stage their construction activities only in the areas identified on Exhibit A, or if not identified thereon, as designated by Landlord from time to time. Without limiting the generality of the foregoing, Landlord shall have the right to designate parking areas for Tenant's employees at locations within walking distance of the Project or accessible by shuttle bus service. If any offsite employee parking program is implemented by Landlord, Tenant shall pay to Landlord Tenant's percentage share of the cost of such program based on the ratio of the Floor Area of the Premises to the total Floor Area of the premises of all tenants in the Project required to participate in the program. Tenant shall furnish Landlord with a list of its and its employees' vehicle license numbers within fifteen (15) days after the Commencement Date and, thereafter, within ten (10) days following written notice from Landlord. If Tenant's employees park in violation of these provisions or other parking rules and regulations implemented by Landlord with respect to the Project, Landlord may charge Tenant, as Additional Rent, Ten Dollars ($10.00) per day per violation for each day or partial day the violation continues. Tenant authorizes Landlord to attach violation stickers or notices to any vehicle belonging to Tenant or Tenant's employees parking in violation of these provisions. Tenant authorizes Landlord to tow, at Tenant's expense, any vehicle belonging to Tenant or Tenant's employees parking in violation of applicable laws or the Agreements or which is not promptly moved following notice from Landlord. Tenant author these provisions and/or to attach violation stickers or notices to any such vehicle. If Landlord implements any program related to parking, parking facilities or transportation or other program to limit, control, enhance, regulate or assist parking by customers of the Project, Tenant agrees to participate in the program and to pay its prorata share of the costs of the program under rules and regulations from time to time established by Landlord.

ARTICLE 12. – INTENTIONALLY OMITTED

ARTICLE 13. - INSURANCE

13.1 Tenant's Insurance. Tenant, at its sole cost and expense, commencing on the Possession Date and continuing during the Term, shall procure, pay for and keep in full force and effect the following types of insurance, in at least the amounts and in the forms specified below:

(a) Comprehensive or commercial general liability insurance with coverage limits of not less than One Million Dollars ($1,000,000.00) per occurrence and Two Million Dollars ($2,000,000.00) in the aggregate for combined single limit for bodily injury, personal injury, death and property damage liability per occurrence or the limit carried by Tenant, whichever is greater, insuring against any and all liability of the insureds with respect to the Premises or arising out of the maintenance, use or occupancy of the Premises or related to the exercise of any rights of Tenant pursuant to this Lease, subject to increases in amount as Landlord may reasonably require from time to time. All such liability insurance shall specifically insure the performance by Tenant of the indemnity agreement as to liability for injury to or death of persons and injury or damage to property set forth in Section 13.5. Further, all such liability insurance shall include, but not be limited to, personal injury, blanket contractual, cross-liability and severability of interest clauses, broad form property damage, independent contractors, owned, non-owned and hired vehicles and, if alcoholic beverages are served, sold, consumed or obtained in the Premises, liquor law liability.

(b) Worker's compensation coverage in an amount adequate to comply with law, and employer's liability coverage with a limit of not less than One Million Dollars ($1,000,000.00).

(c) Plate glass insurance covering all plate glass on the Premises at full replacement value. Tenant shall have the option either to insure this risk or to self-insure.

(d) Insurance covering all of Tenant's Work, Tenant's leasehold improvements and Alterations permitted under Article 10 and all furniture, fixtures, equipment and other personal property located in or at the Premises, in an amount not less than their full replacement value from time to time, including replacement cost endorsement, providing protection against any peril included within the classification Fire and Extended Coverage, sprinkler damage, vandalism, theft, burglary, malicious mischief, earthquake and such other additional perils as covered in a "special form causes of loss" or an "all risks" standard insurance policy or as Landlord may reasonably require. Any policy proceeds shall be used for the repair or replacement of the property damaged or destroyed unless this Lease shall cease and terminate under the provisions of Article 14.

13.2 Policy Form. All policies of insurance required of Tenant herein shall be issued by insurance companies with a general policy holder's rating of not less than "A" and a financial rating of not less than Class "X", as rated in the most current available "Best's Key Rating Guide", and which are qualified to do business in the State of California. All such policies, except for the Workers' Compensation coverage, shall name and shall be for the mutual and joint benefit and protection of Landlord, Tenant and Landlord's agents and mortgagee(s) or beneficiary(ies) as additional insureds. The policies described in subparagraphs (c) and (d) of Section 13.1 shall also name Landlord and Landlord's mortgagee(s) or beneficiary(ies) as loss payees, and Landlord shall furnish to Tenant the names and addresses of such mortgagee(s) and beneficiary(ies). Executed

copies of the policies of insurance or certificates thereof shall be delivered to Landlord prior to Tenant, its agents or employees entering the Premises for any purpose. Thereafter, executed copies of renewal policies or certificates thereof shall be delivered to Landlord within thirty (30) days prior to the expiration of the term of each policy. All policies of insurance delivered to Landlord must contain a provision that the company writing the policy will give to Landlord thirty (30) days' prior written notice of any cancellation or lapse or the effective date of any reduction in the amounts of insurance. All policies required of Tenant herein shall be endorsed to read that such policies are primary policies and any insurance carried by Landlord or Landlord's property manager shall be noncontributing with such policies. No policy required to be maintained by Tenant shall have a deductible greater than Twenty-Five Thousand Dollars ($25,000.00) unless approved in writing by Landlord.

13.3 Blanket Policies. Notwithstanding anything to the contrary contained in this Article 13, Tenant's obligation to carry insurance may be satisfied by coverage under a so-called blanket policy or policies of insurance; provided, however, that the coverage afforded Landlord will not be reduced or diminished and the requirements set forth in this Lease are otherwise satisfied by such blanket policy or policies.

13.4 Reimbursement of Insurance Premiums by Tenant. Landlord, at all times from and after the Possession Date, shall maintain in effect during the Term (i) comprehensive or commercial general liability insurance with coverage limits determined by Landlord in its sole discretion, and (ii) a policy or policies of insurance covering the Building of which the Premises are a part (including boiler and machinery) in an amount not less than eighty percent (80%) of the full replacement cost (exclusive of the cost of excavations, foundations and footings) or the amount of insurance Landlord's mortgagee(s) or beneficiary(ies) may require Landlord to maintain, whichever is the greater, providing protection against any peril generally included in the classification "Special Form Causes of Loss" or "Fire and Extended Coverage", loss of rental income insurance and such other additional insurance as covered in a "special form causes of loss" or an "all risks" standard insurance policy, with earthquake coverage insurance, terrorism insurance and/or environmental insurance if deemed necessary by Landlord in Landlord's sole judgment or if required by Landlord's mortgagee(s) or beneficiary(ies) or by any Federal, state, county, city or local authority. Landlord's obligation to carry this insurance may be brought within the coverage of any so-called blanket policy or policies of insurance carried and maintained by Landlord. From and after the Commencement Date, Tenant agrees to pay to Landlord, as Additional Rent, its share of the cost to Landlord of all insurance maintained by Landlord pursuant to this Lease ("**Landlord's Insurance**"). The cost of such insurance for any partial year of the Term shall be prorated. Payment shall be made in the same manner set forth for payment of Taxes in Section 7.1(b). Tenant's share of the premiums for this insurance shall be a fractional portion of the premiums, the numerator of which shall be the Floor Area of the Premises and the denominator of which is the Floor Area covered by this insurance. Tenant acknowledges that Landlord shall have the right to maintain commercially reasonable deductibles and/or self-insured retentions in connection with any insurance carried by Landlord pursuant to this Lease, as determined by Landlord in its reasonable business judgment. In the event of an insurance loss covered by the insurance carried by Landlord pursuant to this Lease, Tenant shall be required to pay its share of such deductibles or self-insured retentions, as determined pursuant to this Section 13.4 or Section 11.5, as applicable.

13.5 Indemnity. "**Landlord**" for the purposes of this Section shall mean and include Landlord and Landlord's directors, officers, shareholders, agents and employees. To the fullest extent permitted by law, Tenant covenants with Landlord that Landlord shall not be liable for any damage or liability of any kind or for any injury to or death of persons or damage to property of Tenant or any other person occurring from and after the Possession Date (or such earlier date if Tenant is given earlier access to the Premises) from any cause whatsoever related to the use, occupancy or enjoyment of the Premises by Tenant or any person thereon or holding under Tenant. Tenant shall pay for, defend (with an attorney approved by Landlord), indemnify, and save Landlord harmless against and from any real or alleged damage or injury and from all claims, judgments, liabilities, costs and expenses, including attorney's fees and costs, arising out of or connected with Tenant's use of the Premises and its facilities, or any repairs, Alterations or improvements (including original improvements and fixtures specified as Tenant's Work) which Tenant may make or cause to be made upon the Premises, any breach of this Lease by Tenant and any loss or interruption of business or loss of rental income resulting from any of the foregoing; provided, however (and though Tenant shall in all cases accept any tender of defense of any action or proceeding in which Landlord is named or made a party and shall, notwithstanding any allegations of negligence or misconduct on the part of Landlord, defend Landlord as provided herein), Tenant shall not be liable for such damage or injury to the extent and in the proportion that the same is ultimately determined to be attributable to the negligence or misconduct of Landlord, and Landlord shall pay for, defend, indemnify, and save Tenant harmless against and from any and all claims, judgments, liabilities, costs and expenses, including attorneys' fees and costs, resulting from any such damage or injury. The obligations to indemnify set forth in this Section shall include all attorneys' fees, litigation costs, investigation costs and court costs and all other costs, expenses and liabilities incurred by the indemnified party from the first notice that any claim or demand is to be made or may be made. All indemnity obligations under this Section shall survive the expiration or termination of this Lease.

13.6 Waiver of Subrogation. Notwithstanding anything to the contrary contained herein, Landlord and Tenant each waive any rights each may have against the other on account of any loss or damage occasioned to Landlord or Tenant, as the case may be, their respective property, the Premises or its contents, or to other portions of the Project arising from any liability, loss, damage or injury caused by fire or other casualty for which property insurance is carried or required to be carried pursuant to this Lease. The insurance policies obtained by Landlord and Tenant pursuant to this Lease shall contain provisions or endorsements waiving any right of subrogation which the insurer may otherwise have against the non- insuring party. If Landlord has contracted with a third party for the management of the Project, the waiver of subrogation by Tenant herein shall also run in favor of such third party.

13.7 Failure by Tenant to Maintain Insurance. If Tenant refuses or neglects to secure and maintain insurance policies complying with the provisions of this Article 13, or to provide copies of policies or certificates or copies of renewal policies or certificates within the time provided in Section 13.2, Landlord may, after providing written notice to Tenant of its intention to do so and Tenant's failure to remedy within ten (10) business days thereafter, secure the appropriate insurance policies and Tenant shall pay, upon thirty (30) days following demand, the cost of same to Landlord, as Additional Rent.

ARTICLE 14. - DAMAGE

14.1 Insured Casualty. In the case of damage by fire or other perils covered by the insurance specified in Section 13.4, the following provisions shall apply:

(a) Within a period of sixty (60) days after all applicable permits have been obtained (which permits Landlord shall promptly apply for and diligently seek), Landlord shall commence such repair, reconstruction and restoration of the Premises as Landlord, in its reasonable business judgment, deems necessary, and shall diligently prosecute the same to completion; provided, however, that Tenant, at its cost, shall repair and restore all items of Tenant's Work and replace its stock in trade, trade fixtures, furniture, furnishings and equipment. Tenant shall commence this work promptly upon delivery of possession of the Premises to Tenant and shall diligently prosecute same to completion.

(b) Notwithstanding the foregoing, if the Premises is totally destroyed, or if the Project is destroyed to an extent of at least fifty percent (50%) of the then full replacement cost thereof as of the date of destruction, then (i) if the destruction occurs during the last two (2) years of the Term, or at any time if it is reasonably estimated that repair or restoration after a casualty which Landlord is obligated under the Lease to undertake will take more than two hundred seventy (270) days after the issuance of the building permit for such work to complete, Landlord and Tenant shall each have the right to terminate this Lease, and (ii) if the destruction occurs prior to the last two (2) years of the Term, regardless of the estimated repair or restoration time, Landlord shall have the right to terminate this Lease. In each case, the termination right shall be exercised by the terminating party giving written notice to the other party within thirty (30) days after the date of destruction. If Landlord terminates this Lease pursuant to (ii) above, then Landlord shall be entitled to retain any insurance proceeds payable by reason of such destruction.

(c) Tenant shall have the right to terminate this Lease as a result of casualty described in this Section 14.1 if Landlord does not complete the repairs and deliver the Premises to Tenant within two (2) years after the date of the casualty (subject to extension by Force Majeure).

14.2 Uninsured Casualty. If the Premises or the Project are damaged as a result of any casualty not covered by the insurance specified in Section 13.4, Landlord,

within ninety (90) days following the date of such damage, shall commence repair, reconstruction or restoration of the Premises to the extent provided herein and shall diligently prosecute the same to completion, or Landlord may elect within said ninety (90) days not to so repair, reconstruct or restore the damaged property, in which event, at Landlord's option, this Lease shall cease and terminate upon the expiration of such ninety (90) day period. In the event Landlord elects to restore the Premises, Tenant shall have the same repair, restoration and replacement obligations it has pursuant to Section 14.1(a).

14.3 Distribution of Proceeds. In the event of the termination of this Lease pursuant to this Article 14, all proceeds from the Fire and Extended Coverage insurance carried pursuant to Article 13 and all insurance covering Tenant's Work and Tenant's leasehold improvements, but excluding proceeds for trade fixtures, merchandise, signs and other personal property, shall be disbursed and paid to Landlord.

14.4 Abatement. In the event of repair, reconstruction and restoration, as provided in this Article 14, the Minimum Annual Rent and Additional Rent payable hereunder shall be thereafter abated proportionately with the degree to which Tenant's use of the Premises is impaired during the remainder of the period of repair, reconstruction and restoration; provided, however, the amount of Minimum Annual Rent and Additional Rent abated pursuant to this Section 15.4 shall in no event exceed the amount of loss of rental income insurance proceeds actually received by Landlord. Tenant shall continue the operation of its business on the Premises during any such period to the extent reasonably practicable from the standpoint of prudent business management. Tenant shall not be entitled to any compensation or damages from Landlord for loss of use of the whole or any part of the Premises or the Building of which the Premises are a part, Tenant's personal property or any inconvenience or annoyance occasioned by such damage, repair, reconstruction or restoration.

14.5 Waiver of Termination. Tenant waives any statutory rights of termination which may arise by reason of any partial or total destruction of the Premises including, without limitation, the provisions of Section 1932(2) and Section 1933(4) of the Civil Code of the State of California and any amendments thereto or of any law which may hereafter be passed during the Term of this Lease.

ARTICLE 15. - EMINENT DOMAIN

15.1 Taking. The term "**Taking**", as used in this Article 15, shall mean an appropriation or taking under the power of eminent domain by any public or quasi-public authority or a voluntary sale or conveyance in lieu of condemnation but under threat of condemnation.

15.2 Total Taking. In the event of a Taking of the entire Premises or the entire Common Area, this Lease shall terminate and expire as of the date possession is delivered to the condemning authority and Landlord and Tenant shall each be released from any liability accruing pursuant to this Lease after the date of such termination.

15.3 Partial Taking. If there is a Taking of a material portion of the Premises or the Common Area and, regardless of the amount taken, the Premises is not, using reasonable business judgment, suitable for the continued operation of Tenant's business, either Landlord or Tenant may terminate this Lease, upon giving notice in writing of such election to the other party within thirty (30) days after receipt by Tenant from Landlord of written notice that a portion of the Premises and/or the Common Area has been so appropriated or taken. In each case, the termination of this Lease shall be effective as of the date Tenant is required to vacate all or a portion of the Premises and/or the Common Area.

15.4 Award. The entire award or compensation in any such condemnation proceeding, whether for a total or partial Taking, or for diminution in the value of the leasehold or for the fee, shall belong to and be the property of Landlord. Without derogating the rights of Landlord under the preceding sentence, Tenant shall be entitled to recover from the condemning authority such compensation as may be separately awarded by the condemning authority to Tenant or recoverable from the condemning authority by Tenant in its own right for the taking of trade fixtures and equipment owned by Tenant and for the expense of removing and relocating its trade fixtures and equipment.

15.5 Continuation of Lease. In the event of a Taking, if Landlord and Tenant elect not to terminate this Lease as provided above (or have no right to so terminate), Landlord agrees, at Landlord's cost and expense as soon as reasonably possible after the Taking, to restore the Premises and/or the Common Area necessary for Tenant to reasonably operate from the Premises (to the extent of the condemnation proceeds) on the land remaining to a complete unit of like quality and character as existed prior to the Taking and, thereafter, Minimum Annual Rent and Additional Rent payable by Tenant hereunder shall be reduced on an equitable basis, taking into account the relative value of the portion taken as compared to the portion remaining, and Landlord shall be entitled to receive the total award or compensation in such proceedings.

15.6 Waiver of Termination. Tenant hereby waives the effect of Sections 1265.120 and 1265.130 of the California Code of Civil Procedure and any successor statutes.

ARTICLE 16. - ASSIGNMENT AND SUBLETTING

16.1 Landlord's Consent Required. Except for Permitted Transfers made in accordance with Section 16.4, Tenant shall not assign, sublet, enter into license or concession agreements, change ownership or voting control, mortgage, encumber, pledge, hypothecate or otherwise transfer (including any transfer by operation of law) all or any part of this Lease or Tenant's interest in the Premises (collectively "**Transfer**") without first procuring the written consent of Landlord, which consent shall not be unreasonably withheld, conditioned, or delayed, subject to the terms, covenants and conditions contained in this Lease and to the limited right of Landlord to elect to terminate this Lease as provided in Section 16.2.

16.2 Procedures. Should Tenant desire to enter into a Transfer, other than any Transfer which is expressly stated in this Article 16 not to require the prior written consent of Landlord, Tenant shall request, in writing, Landlord's consent to the proposed Transfer at least sixty (60) days before the intended effective date of the proposed Transfer, which request shall include any information reasonably requested by Landlord to evaluate the proposed Transfer. Within thirty (30) days after receipt of Tenant's request for consent to the proposed Transfer together with all of the above-required information, Landlord shall respond and shall have the right either to: (i) consent to the proposed Transfer; (ii) refuse to consent to the proposed Transfer; or (iii) with respect to an proposed Transfer whereby the proposed Transferee proposes to materially change the permitted Use of the Premises as described in Section 1.12, terminate this Lease, such termination to be effective thirty (30) days after Tenant's receipt of Landlord's notice electing to so terminate; provided, however, Tenant shall have the right to nullify Landlord's termination election by withdrawing its Transfer consent request pursuant to written notice delivered to Landlord within ten (10) days after delivery of Landlord's termination notice (it being understood that if Tenant fails to provide such written nullification with said ten [10] day period, Tenant shall be deemed to have irrevocably and unconditionally waived its right to so nullify). If Landlord shall exercise its termination right hereunder and such termination is not nullified, Landlord shall have the right to enter into a lease or other occupancy agreement directly with the proposed transferee ("**Transferee**"), and Tenant shall have no right to any of the rents or other consideration payable by such proposed Transferee under such other lease or occupancy agreement. A consent to one (1) Transfer by Landlord shall not be deemed to be a consent to any subsequent Transfer to any other party.

16.3 Standard for Consent. Tenant agrees that Landlord may refuse its consent to the proposed transfer on any reasonable grounds, and (by way of example and without limitation) Tenant agrees that it shall be reasonable for Landlord to withhold its consent if any of the following situations exist or may exist: (a) the proposed transferee proposes to change the use of the Premises from the Permitted Use pursuant to Section 9.1, and the new proposed use of the Premises (i) is a non-retail use; or (ii) is a use which would breach any exclusive use rights granted in writing to another tenant in the Project; or (iii) is a use which would duplicate the primary use of any other tenant or occupant occupying Floor Area substantially equal to or in excess of the Floor Area of the Premises (unless the proposed change is (1) to a use for which it is customary for multiple stores selling the same type of merchandise to be located within the same shopping center, and (2) such change, if permitted, would not cause an excessive concentration of such use in the Project); (b) in Landlord's reasonable opinion, is inconsistent with the tenant mix in the Project at the time of the request for Landlord's consent (excepting the use

specified in Section 1.12 above); (c) the proposed transferee's financial condition, net worth or liquidity is less than the financial condition, net worth or liquidity of Tenant as of the Effective Date or the date of the request for transfer, whichever is greater, or is inadequate to support all of the financial and other obligations of Tenant under this Lease; (d) the business reputation or character of the proposed transferee is not reasonably acceptable to Landlord; or (e) the proposed transferee is not likely to conduct on the Premises a business of a quality substantially equal to that conducted by Tenant.

16.4 Permitted Transfer. Tenant shall have the right without Landlord's consent, to enter into a Transfer (each, "**Permitted Transfer**") to (i) any entity which is wholly owned by Tenant, or (ii) the applicable Yoshiharu Japanese Ramen restaurant franchisor entity ("**Franchisor**"), or (iii) any "**Bona Fide Franchisee**" (as such term is defined below) of Franchisor, provided that within fifteen (15) days prior to the effective date of any such transfer the assignee or sublessee executes and delivers to Landlord an instrument reasonably acceptable to Landlord containing an express assumption of all of Tenant's obligations under this Lease; provided further, however, any such Permitted Transfer undertaken solely for the purpose of circumventing the approval provisions of this Article 16 shall be subject to Landlord's approval pursuant to the procedures and standards set forth in Sections 16.2 and 16.3. No such Permitted Transfer shall affect or allow any change in any term or provision of this Lease. In no event shall Tenant be released from its obligations under this Lease, nor shall Guarantor be released from its obligations under the Guaranty of Lease, as a result of any Permitted Transfer. As used herein, the term "**Bona Fide Franchisee**" shall mean that such franchisee shall (i) have executed Franchisor's standard franchise agreement, a true and accurate fully-executed copy of which will be provided to Landlord prior to the effective date of such Permitted Transfer, (ii) at the time of proposed Permitted Transfer, be operating at least one (1) other "Yoshiharu Ramen" restaurant, and (iii) together with its individual guarantor(s), if any, who execute a Guaranty of Lease in the form attached hereto as Exhibit E (as executed by the original Guarantor identified in Section 1.17), shall have an aggregate Tangible Net Worth (as defined below) equal to or greater than that of the original Tenant and Guarantor in the aggregate as of the Effective Date of this Lease. "**Tangible Net Worth**" means the total assets minus total liabilities and intangible assets, including but not limited to, goodwill, reputation, patents and trademarks.

16.5 No Release; Form. No Transfer (including a Permitted Transfer) shall relieve Tenant from its covenants and obligations under this Lease or Guarantor from its obligations under the Guaranty of Lease. The transferor ("**Transferor**") shall be bound by the following after any Transfer: (a) Any act of Landlord, or its successors or assigns, consisting of a waiver of any of the terms or conditions of this Lease, the giving of any consent to any matter or thing relating to this Lease, or the granting of any indulgence or extension of time to the Transferee may be done without notice to Transferor and without releasing Transferor from any of its obligations hereunder; (b) the obligations of Transferor hereunder shall not be released by any modification of this Lease, regardless of whether Transferor consents thereto or receives notice thereof; and (c) Transferor unconditionally guarantees, without deduction by reason of setoff, defense or counterclaim, to Landlord and its successors and assigns the full and punctual payment, performance and observance by Tenant, of all of the amounts, terms, covenants and conditions in this Lease contained on Tenant's part to be paid, kept, performed and observed. Any Transfer shall be evidenced by an instrument in form and content satisfactory to Landlord and executed by Tenant and the Transferee.

16.6 Fees. Tenant shall pay to Landlord, as Additional Rent, concurrently with any request for consent pursuant to Section 16.2, a non-refundable fee of One Thousand Dollars ($1,000.00) as payment to Landlord for its review and processing of the request. In addition, Tenant shall pay to Landlord, as Additional Rent, any legal fees and expenses incurred by Landlord in connection with the proposed Transfer, to the extent such amounts exceed the non-refundable fee set forth above.

16.7 Transfer Rent. If Tenant shall enter into a Transfer hereunder, Tenant shall pay to Landlord the "**transfer premium**" (as hereinafter defined), if any. In the event of a subletting, "**transfer premium**" shall mean all rent, additional rent or other consideration payable by such subtenant to Tenant or on behalf of Tenant in connection with the subletting in excess of the rent, additional rent and other sums payable by Tenant under this Lease during the term of the sublease on a per square foot basis if less than all of the Premises is subleased, less the reasonable costs actually incurred by Tenant to secure the sublease. In the event of any Transfer other than a subletting, "**transfer premium**" shall mean any consideration paid by the assignee to Tenant in connection with such Transfer which Landlord reasonably determines is allocable to the leasehold value of this Lease, less the reasonable costs actually incurred by Tenant to secure the Transfer. If part of the transfer premium shall be payable by the Transferee or subtenant other than in cash, then Landlord's share of such non-cash consideration shall be in such form as is reasonably satisfactory to Landlord. Notwithstanding any other provision contained in this Lease, Landlord shall not be entitled to any consideration received by Tenant that is fairly allocated to the value of Tenant's tangible and intangible (including goodwill) business assets (as distinguished from the leasehold value of this Lease).

ARTICLE 17. - DEFAULTS

17.1 Events of Default by Tenant. Each of the following shall be deemed an "**Event of Default**" hereunder:

(a) Should Tenant at any time fail to pay when due, Minimum Annual Rent, Additional Rent or any other charge payable by Tenant pursuant to this Lease, where such failure continues for a period of three (3) days after written notice from Landlord to Tenant; or

(b) Should Tenant fail to execute and deliver to Landlord any document or instrument required pursuant to Article 18 within the time prescribed therein, where such failure continues for a period of ten (10) days after written notice from Landlord; or

(c) Should Tenant fail to perform any of any other of its promises, covenants or agreements herein contained and shall remain unperformed (i.e., other than as described in subsections (a) and (b) above) for more than thirty (30) days after written notice from Landlord (provided, however, if the failure to perform cannot be rectified or cured within such thirty (30) day period, the failure to perform shall be deemed to be rectified or cured if Tenant, within such thirty (30) day period, shall have commenced to rectify or cure the failure to perform and shall thereafter diligently and continuously prosecute same to completion). Any notice required to be given by Landlord above shall be in lieu of, and not in addition to, any notice required under Section 1161 of the Code of Civil Procedure of California or any similar, superseding statute.

17.2 Landlord Remedies. Landlord may treat the occurrence of any one (1) or more of the foregoing Events of Default as a breach of this Lease and, in addition to any or all other rights or remedies of Landlord by law or at equity, Landlord shall have the right, at Landlord's option, without further notice or demand of any kind to Tenant or any other person, (a) to declare the Term ended and to re-enter and take possession of the Premises and remove all persons therefrom, or (b) without declaring this Lease terminated and without terminating Tenant's right to possession, to re-enter the Premises and occupy the whole or any part for and on account of Tenant and to collect any unpaid rentals and other charges which have become payable or which may thereafter become payable, or (c) even though it may have re-entered the Premises as provided in clause (b) above, to thereafter elect to terminate this Lease and all of the rights of Tenant in or to the Premises. Without limiting the generality of the foregoing, Landlord shall have the right to exercise all or any of the rights and remedies afforded under California Civil Code Sections 1951.2 or 1951.4. Pursuant to California Civil Code Section 1951.2, the damages Landlord may recover against Tenant include, but are not limited to, the worth at the time of award of the amount by which the unpaid rent for the balance of the term after the time of award, exceeds the amount of such rental loss for the same period that the Tenant proves could be reasonably avoided. Pursuant to California Civil Code Section 1951.4, Landlord may continue this Lease in effect after Tenant's breach of this Lease and abandonment of the Premises and recover rent as it becomes due, if Tenant has the right to sublet the Premises or assign this Lease, subject only to reasonable limitations. In addition to the foregoing rights and remedies, Landlord shall have the right, but not the obligation, without further notice to Tenant, to incur any expense necessary to perform the obligations of Tenant which Tenant has failed to perform or to otherwise cure Tenant's default, and Tenant shall pay to Landlord the cost thereof upon written demand by Landlord. Additionally, Landlord shall have the right to remedy any default of an emergency nature, in the event Tenant fails to commence to cure any default creating an emergency situation promptly upon being given notice which is reasonable under the circumstances, and Landlord shall have the right to remedy such a default without notice (if the giving of notice is not reasonably practicable) in the event of an emergency. Landlord's right to perform Tenant's obligations pursuant to this Section shall not be deemed to: (i) impose any obligation on Landlord to do so; (ii) render the Landlord liable to the Tenant or any third party for an election not to do so; (iii) relieve the Tenant from any performance obligation hereunder; (iv) relieve the Tenant from any indemnity obligation as provided in this Lease; or (v) cure Tenant's default or limit in any manner any of Landlord's rights and remedies under this Lease including, without limitation, Landlord's right to terminate the Lease due to such default by Tenant. Upon any Event of Default, Tenant shall pay to Landlord the unamortized amount (i.e.,

amortized on a straight-line basis over the Initial Term in accordance with generally accepted accounting principles) of the Tenant Improvement Allowance and the Commission(s) and all costs incurred by Landlord (including court costs and reasonable attorneys' fees and expenses) in (1) obtaining possession of the Premises, (2) removing and storing Tenant's or any other occupant's property, (3) repairing, restoring, altering, remodeling, or otherwise putting the Premises into condition acceptable to a new tenant, (4) if Tenant is dispossessed of the Premises and this Lease is not terminated, reletting all or any part of the Premises (including brokerage commissions, cost of tenant finish work, and other costs incidental to such reletting), (5) performing Tenant's obligations which Tenant failed to perform, and (6) enforcing, or advising Landlord of, its rights, remedies, and recourses arising out of the default. To the full extent permitted by law, Landlord and Tenant agree the federal and state courts of the state in which the Premises are located shall have exclusive jurisdiction over any matter relating to or arising from this Lease and the parties' rights and obligations under this Lease.

17.3 Defaults of Landlord. Landlord shall not be in default hereunder unless Landlord fails to perform the obligations required of Landlord within a reasonable time, but in no event later than thirty (30) days after written notice by Tenant to Landlord specifying the failure and state that in all capitalized bold letters it is a "**NOTICE OF DEFAULT**" and, following Landlord's failure to act within such thirty (30) day notice period, to the holder of any first mortgage or deed of trust covering the Premises, whose name and address shall have theretofore been furnished to Tenant in writing specifying wherein Landlord has failed to perform such obligation; provided, however, if the nature of Landlord's obligation is such that more than thirty (30) days are required for performance, then Landlord shall not be in default if Landlord commences performance within such thirty (30) day period and thereafter diligently prosecutes the same to completion. In the case of a default by Landlord, prior to Tenant's exercise of any remedy, the holder of any first mortgage or deed of trust encumbering the Project shall have the right, but not the obligation, to cure such a default. If and when the holder of any first mortgage or deed of trust has made performance on behalf of Landlord, the default shall be deemed cured. Tenant shall have the right to terminate this Lease as a result of Landlord's default or failure to perform (provided that Landlord's default or failure to perform materially and adversely affects Tenant's ability to operate its business from the Premises), and Tenant shall be entitled to monetary damages. Nothing herein contained shall be interpreted to mean that Tenant is excused from paying Rent due hereunder as a result of any default by Landlord. In no event shall Landlord be liable for consequential damages or Tenant's lost profits resulting from Landlord's default. If it is determined in any proceedings that Landlord has improperly failed to grant its consent or approval, where such consent or approval is required by this Lease, Tenant's sole remedy shall be to obtain declaratory relief determining such withholding to have been improper, and Tenant hereby waives all claims for damages or set-off against Landlord resulting from any withholding of consent or approval by Landlord.

ARTICLE 18. - SUBORDINATION, ATTORNMENT AND TENANT'S CERTIFICATE

18.1 Subordination. Upon written request of Landlord, Landlord's mortgagee, the beneficiary of a deed of trust of Landlord or a lessor of Landlord, Tenant will subordinate its rights pursuant to this Lease in writing to the lien of any mortgage, deed of trust or the interest of any lease in which Landlord is the lessee (or, at Landlord's option, cause the lien of said mortgage, deed of trust or the interest of any lease in which Landlord is the lessee to be subordinated to this Lease) and to all advances made or hereafter to be made upon the security thereof, any such subordination being subject to the condition that such mortgagee or beneficiary enters into a written agreement with Tenant, by the terms of which such mortgagee or beneficiary agrees: (a) not to disturb the possession and other right of Tenant pursuant to and for the Term of this Lease (as this Lease may be amended and/or renewed) so long as Tenant continues to perform its obligations hereunder; and (b) in the event of acquisition of title, or coming into possession, by said mortgagee or beneficiary, through foreclosure proceedings or otherwise, to accept Tenant as tenant of the Premises under the terms and conditions of this Lease during the Term of this Lease (as this Lease may be amended and/or renewed).

18.2 Attornment. In the event any proceedings are brought for foreclosure, or any exercise of the power of sale occurs under any mortgage or deed of trust made by Landlord encumbering the Premises, or a deed in lieu is made in lieu of or in connection with any of the foregoing, or should a lease in which Landlord is the lessee be terminated, Tenant shall attorn to the purchaser or lessor under such lease upon any foreclosure, deed in lieu of foreclosure, sale or lease termination and recognize the purchaser or lessor as Landlord under this Lease, provided that the purchaser or lessor shall acquire and accept the Premises subject to this Lease. In no event shall the purchaser or lessor be (i) liable for any previous act or omission of a prior landlord under this Lease; (ii) subject to any offset for a claim arising prior to its succession to the rights of Landlord under this Lease; or (iii) bound by any modification of this Lease or by any prepayment of more than one month's Minimum Annual Rent made after Tenant was given notice of the existence of the mortgage, deed of trust or lease by which such purchaser or lessor succeeded to the Landlord's interest, unless the mortgagee, beneficiary or lessor had given its prior written approval to such modification or prepayment.

18.3 Estoppel Certificates. Tenant agrees, upon not less than ten (10) days prior notice by Landlord, to execute, acknowledge and deliver to Landlord, a statement in writing in such form as may reasonably be required by Landlord or Landlord's beneficiary or transferee ("**Tenant's Certificate**").

18.4 Subordination of Landlord's Lien. Landlord hereby agrees to subordinate any security interest Landlord may now have or hereafter have in any of Tenant's furniture, trade fixtures and/or personal property for which the Tenant Improvement Allowance was not used to pay for all or a portion thereof (collectively, "**FF&E**") to an equipment lessor or lender with an ownership or security interest in such FF&E, provided that Landlord, Tenant and such equipment lessor or lender execute an agreement substantially in the form attached hereto as Exhibit H.

ARTICLE 19. - MATTERS OF RECORD

Tenant agrees that (a) as to its leasehold estate, it and all persons in possession or holding under it will conform to and will not violate the terms of any covenants, conditions, restrictions, easements, ground leases, mortgages or deeds of trust currently of record (collectively, "**Agreements**"), including that certain (i) Operation and Easement Agreement recorded on July 18, 2000 as Instrument No. 00195108 in the Official Records of Los Angeles County, California, as amended by that certain First Amendment to Operation and Easement Agreement, as amended from time to time (collectively, the "**OEA**"), (ii) that certain Grant of Easements and Declaration of Covenants, Conditions and Restrictions recorded on July 13, 2000, as Instrument No. 00-1011516 in the Official Records of Los Angeles County, California, as amended from time to time (the "**Master Declaration**"), and (iii) that certain Covenants, Conditions, Restrictions and Easement Agreement recorded on December 13, 2019, as Instrument No. 20191391992 in the Official Records of Los Angeles County, California, (b) this Lease is subordinate to the Agreements and any amendments or modifications thereto; provided, however, if the Agreements are not of record as of the date of this Lease, then this Lease shall automatically become subordinate to the Agreements upon recordation so long as the Agreements do not materially interfere with or prevent Tenant from using the Premises for the use set forth in Section 1.12, and do not materially diminish the rights or materially increase the obligations of Tenant under this Lease. Tenant further agrees to execute and return to Landlord, within twenty (20) days of written demand by Landlord, an agreement in recordable form subordinating this Lease to the Agreements.

ARTICLE 20. - MISCELLANEOUS

20.1 Security Deposit. The Security Deposit shall be held by Landlord as security for the faithful performance by Tenant of all of the terms, covenants and conditions of this Lease to be kept and performed by Tenant during the Lease Term. If Tenant defaults with respect to any provision of this Lease, including but not limited to the provisions relating to the payment of rent, Landlord may (but shall not be required to) use, apply or retain all or any part of the Security Deposit for the payment of any rent or any other sum in default or for the payment of any amount which Landlord may spend or become obligated to spend by reason of Tenant's default, or to compensate Landlord for any other loss or damage which Landlord may suffer by reason of Tenant's default. If any portion of the Security Deposit is so used or applied, Tenant shall, within five (5) days after written demand therefor, deposit cash with Landlord in an amount sufficient to restore the Security Deposit to its original amount. Landlord shall not be required to keep the Security Deposit separate from its general funds, and Tenant shall not be entitled to interest on the Security Deposit. If Tenant shall not then be in default, and no circumstances exist such that Tenant would become in default over the passage of time, the Security Deposit, or any balance thereof, shall be returned to Tenant (or, at Landlord's option, to the last assignee of Tenant's interest hereunder) within thirty (30) days following the expiration of the Lease Term. Tenant hereby waives any and all rights with regard to the Security Deposit set forth in California Civil Code Section 1950.7, or any similar, related or successor provision of law whereby Landlord may only

claim from a security deposit those sums reasonably necessary to remedy defaults in the payment of rent, to repair damage caused by Tenant or to clean the Premises.

20.2 Hazardous Materials. Tenant, at its sole cost and expense, shall comply with all laws relating to the storage, use, handling and disposal of hazardous, toxic or radioactive matter including, without limitation, those materials identified in Sections 66680 and 66685 of Title 22 of the California Administrative Code, Division 4, Chapter 30 ("Title 22"), as amended from time to time (collectively, "**Hazardous Materials**"). Tenant shall notify Landlord and provide to Landlord a copy or copies of any environmental entitlements or inquiries related to the Premises. The clean-up and disposal of any Hazardous Materials released onto or about the Project by Tenant or its agents, contractors or employees shall be performed by Tenant at Tenant's sole cost and expense and shall be performed in accordance with all applicable laws, rules, regulations and ordinances, pursuant to a site assessment and removal/remediation plan prepared by a licensed and qualified geotechnical engineer and submitted to and approved in writing by Landlord prior to the commencement of any work. The foregoing notwithstanding, Landlord in Landlord's sole and absolute discretion may elect, by written notice to Tenant, to perform the clean-up and disposal of such Hazardous Materials from the Premises and/or the Project. In such event, Tenant shall pay to Landlord the reasonable cost of same upon receipt from Landlord of Landlord's written invoice therefor. Notwithstanding any other term or provision of this Lease, Tenant shall permit Landlord or Landlord's agents or employees to enter the Premises at any time, upon reasonable prior notice, to inspect, monitor and/or take emergency or long-term remedial action with respect to Hazardous Materials on or affecting the Premises or to discharge Tenant's obligations hereunder with respect to such Hazardous Materials when Tenant has failed, after demand by Landlord, to do so. In exercising its rights in the immediate foregoing, Landlord shall take all reasonable measures to not interfere with or interrupt the operation of Tenant's business in the Premises. All costs and expenses incurred by Landlord in connection with performing Tenant's obligations hereunder shall be reimbursed by Tenant to Landlord within thirty (30) days of Tenant's receipt of written request therefor. Notwithstanding anything to the contrary herein this Section 20.2, Lease, or anywhere else, Tenant shall not be responsible for, shall have no liability or obligations with respect to, and shall not be obligated to pay for or take any action with respect to (i) the existence of any Hazardous Materials on, within, under, from and/or about the Premises or Project which occurred or existed prior to the date of the delivery of the Premises by Landlord to Tenant.

20.3 Relocation. Landlord shall have the right to relocate the Premises to another part of the Project in accordance with the following: (a) The new Premises shall be substantially the same in size, decor and nature as the Premises described in this Lease and shall be placed in that condition by Landlord at its cost, (b) the physical relocation of the Premises shall be accomplished by Landlord at its cost, (c) Landlord shall give Tenant at least thirty (30) days' notice of Landlord's intention to relocate the Premises, (d) Landlord shall diligently pursue the relocation of the Premises and Minimum Annual Rent and all other sums and charges payable under this Lease shall abate during the period of such relocation, and (e) all incidental costs incurred by Tenant as a result of the relocation including, without limitation, costs incurred in changing addresses on stationery, business cards, directories, advertising and other such items shall be paid by Landlord in a sum not to exceed One Thousand Five Hundred Dollars ($1,500.00).

20.4 Notices. Every notice, demand or request (collectively "**Notice**") required hereunder or by law to be given by either party to the other shall be in writing. Notices shall be given by personal service or by United States certified or registered mail, postage prepaid, return receipt requested, or by telegram, mailgram or same-day or overnight private courier, addressed to the party to be served at the address indicated in Section 1.18 or such other address as the party to be served may from time to time designate in a Notice to the other party. Copies of any Notice shall be sent to the addresses, if any, designated for service of copies of Notices in Section 1.18.

20.5 Force Majeure. Any prevention, delay or stoppage due to strikes, lockouts, labor disputes, acts of God, terrorism, inability to obtain labor or materials or reasonable substitutes therefor, governmental restrictions, governmental regulations, governmental controls, judicial orders, enemy or hostile governmental action, civil commotion, fire or other casualty, pandemic, epidemic, and other causes (except financial) beyond the reasonable control of the party obligated to perform, shall excuse the performance by that party for a period equal to the prevention, delay or stoppage, except the obligations imposed with regard to Minimum Annual Rent and Additional Rent to be paid by Tenant pursuant to this Lease.

20.6 Termination and Holding Over. Upon the expiration or earlier termination of the Term, Tenant shall peaceably and quietly surrender the Premises broom-clean and in the same condition (including, at Landlord's option, the demolition and removal of any Alterations made by Tenant to the Premises, unless at the time Landlord gave its consent to such Alterations Landlord agreed in writing that Tenant would not have to demolish and remove such Alterations upon the termination of this Lease) as the Premises were in upon delivery of possession of same to Tenant by Landlord, reasonable wear and tear and any damage to the Premises which Tenant is not required to repair pursuant to Article 14 or Article 15 excepted. Subject to the foregoing, Tenant shall remove from the Premises all of Tenant's trade fixtures, furniture, equipment, signs, improvements, additions and Alterations to the extent such items are not permanently affixed to the Premises, and immediately repair any damage occasioned to the Premises by reason of such removal so as to leave the Premises in a neat and clean condition. If Tenant fails to remove any of its trade fixtures, furniture and other personal property upon expiration or the sooner termination of this Lease, Landlord may, at Landlord's option after ten (10) days written notice to Tenant, in lieu of the provisions of California Civil Code §1980 et seq. (and any successor statutes) (i) retain all or any of such property, and title thereto shall thereupon automatically vest in Landlord, or (ii) Landlord may remove same from the Premises and dispose of all or any portion of such property, in which latter event Tenant shall, upon demand, pay to Landlord the actual expense of such removal and disposition together with the cost of repair of any and all damage to the Premises resulting from or caused by such removal. Tenant waives any and all rights it may have under California Civil Code §1980 et seq. and any successor statutes. Should Tenant hold over in the Premises beyond the expiration or earlier termination of this Lease, the holding over shall not constitute a renewal or extension of this Lease or give Tenant any rights under this Lease. In such event, Landlord may, in its sole discretion, treat Tenant as a tenant at will, subject to all of the terms and conditions in this Lease, except that Minimum Annual Rent shall be an amount equal to one and one-half (1-1/2) times the sum of Minimum Annual Rent which was payable by Tenant for the twelve (12) month period immediately preceding the expiration or earlier termination of this Lease.

20.7 Intentionally Omitted.

20.8 Intentionally Omitted.

20.9 Tenant Improvement Allowance. Provided Tenant is not then in breach or default under this Lease (as more specifically described below), Landlord agrees to contribute the lesser of (a) the amount set forth in Section 1.25 or (b) the actual cost of Tenant's Work paid by Tenant to unaffiliated contractors, excepting that said sum shall not in any event apply towards Tenant's trade fixtures, furniture, equipment, permit fees, plan review fees, signs or architect fees. Said sum is hereinafter referred to as the "**Tenant Improvement Allowance**". Landlord shall pay to Tenant the Tenant Improvement Allowance within thirty (30) days after items (a) through (g) below are satisfied:

(a) All building permits for Tenant's Work have been issued by the applicable governmental authorities and copies of such building permits have been delivered to Landlord;

(b) All required inspections of Tenant's Work by the applicable governmental agencies have taken place and the completed Tenant's Work has passed all such inspections;

(c) Tenant has completed Tenant's Work;

(d) Tenant has opened for business to the public from the Premises;

(e) Tenant has submitted to Landlord a conformed copy of Tenant's recorded Notice of Completion, prepared and recorded in accordance with statutory requirements;

(f) Tenant has submitted to Landlord (i) all invoices and proof of payment for all of Tenant's Work; and (ii) final, unconditional lien releases and waivers

from any and all contractors and materialmen which provided services or supplies to or for the account of Tenant with respect to Tenant's Work; and

(g) Tenant is not in breach or default of any provisions of the Lease and has paid to Landlord all amounts owing to Landlord pursuant to the Lease as of the date reimbursement is to be made (it being understood, however, that in the event of any such breach(es) or default(s) at the time payment is sought, Landlord shall notify Tenant of such default(s) and the Tenant Improvement Allowance shall not be deemed forfeited, but Landlord shall be obligated to pay the Tenant Improvement Allowance if and when such breach(es) or default(s) are cured, unless this Lease is terminated as a result of any such breach(es) or default(s)).

All items of Tenant's Work paid for with the Tenant Improvement Allowance shall be deemed Landlord's property under the terms of the Lease. If for any reason whatsoever, Tenant fails to use any portion of the Tenant Improvement Allowance on or before the last day of the sixth (6th) month after the Commencement Date, then Tenant shall be deemed to have unconditionally and irrevocably waived its right to use any remaining portion of the Tenant Improvement Allowance without any offset, abatement or deduction of Minimum Annual Rent.

20.10 Miscellaneous Provisions.

(a) It is understood that there are no oral or written agreements or representations between the parties hereto affecting this Lease and this Lease supersedes and cancels any and all previous negotiations, arrangements, representations, brochures, agreements and understandings, if any, between Landlord and Tenant. No provision of this Lease may be amended except by an agreement in writing signed by Landlord and Tenant.

(b) Subject to the terms of this Lease, all rights and obligations of Landlord and Tenant under this Lease shall extend to and bind the respective heirs, executors, administrators and the permitted concessionaires, successors, subtenants and assignees of the parties. If there is more than one (1) Tenant hereunder, each shall be bound jointly and severally by the terms, covenants and agreements contained in this Lease.

(c) Any waiver by either party of a breach by the other party of a covenant of this Lease shall not be construed as a waiver of a subsequent breach of the same covenant.

(d) Except where another rate of interest is specifically provided for in this Lease, any amount due from either party to the other under this Lease which is not paid when due, shall bear interest at the rate per annum ("**Interest Rate**") equal to the prime interest rate published from time to time by the Wall Street Journal plus two (2) percentage points (but in no event to exceed the maximum lawful rate) from the date such amount was originally due to and including the date of payment.

(e) If Tenant or Landlord is a corporation, partnership or limited liability company, each individual executing this Lease on behalf of the corporation, partnership or limited liability company (in his/her representative capacity only) represents and warrants that he or she is duly authorized to execute and deliver this Lease on behalf of the corporation, partnership or limited liability company and that this Lease is binding upon the corporation, partnership or limited liability company.

(f) This Lease shall be governed by and construed in accordance with the laws of the State of California without giving effect to the choice of law provisions thereof.

(g) Tenant waives any and all rights of redemption granted under any present and future laws in the event Landlord obtains the right to possession of the Premises by reason of the violation by Tenant of any of the covenants and conditions of this Lease or otherwise.

(h) In the event that, at any time after the date of this Lease, either Landlord or Tenant shall institute any action or proceeding against the other relating to the provisions of this Lease or any default hereunder, the party not prevailing in such action or proceeding shall reimburse the prevailing party for its actual attorneys' fees, and all fees, costs and expenses incurred in connection with such action or proceeding, including, without limitation, any post-judgment fees, costs or expenses incurred on any appeal or in collection of any judgment.

(i) Tenant shall observe faithfully and comply with, and shall cause its employees and invitees to observe faithfully and comply with, reasonable and nondiscriminatory rules and regulations governing the Project as may from time to time be promulgated by Landlord, a current copy of which is attached hereto as Exhibit F. Such Rules and Regulations shall not be applied against Tenant in a discriminatory manner, and any changes to which Landlord shall provide prior notice of to Tenant.

(j) Neither this Lease nor any memorandum hereof shall be recorded by either party hereto.

(k) Should Landlord sell, exchange or assign this Lease (other than a conditional assignment as security for a loan), then Landlord, as transferor, shall be relieved of any and all obligations on the part of Landlord accruing under this Lease from and after the date of such transfer provided that Landlord's successor in interest shall assume such obligations from and after such date. Written notice of any such transfer shall be given to Tenant.

(l) Notwithstanding anything contained in this Lease to the contrary, it is expressly understood and agreed that any judgment against Landlord resulting from any default or other claim under this Lease shall be satisfied only out of the net rents, issues, profits and other income actually received from the operation of the Project, and Tenant shall have no claim against Landlord (as Landlord is defined in Section 13.5) or any of Landlord's personal assets for satisfaction of any judgment with respect to this Lease.

(m) If any part of the Premises is at any time subject to a first mortgage or a first deed of trust, and this Lease or the rentals due from Tenant hereunder are assigned by Landlord to a mortgagee, trustee or beneficiary ("**Assignee**" for purposes of this clause (m) only) and Tenant is given written notice of the assignment including the post office address of Assignee, then Tenant shall also give written notice of any default by Landlord to Assignee, specifying the default in reasonable detail and affording Assignee a reasonable opportunity to make performance for and on behalf of Landlord. If and when Assignee has made performance on behalf of Landlord, the default shall be deemed cured.

(n) Landlord and Tenant desire and intend that any disputes arising between them with respect to or in connection with this Lease be subject to expeditious resolution in a court trial without a jury. Therefore, to the extent permitted by law, Landlord and Tenant each hereby waive the right to trial by jury of any cause of action, claim, counterclaim or cross-complaint in any action, proceeding or other hearing brought by either Landlord against Tenant or Tenant against Landlord on any matter whatsoever arising out of, or in any way connected with, this Lease, the relationship of Landlord and Tenant, Tenant's use or occupancy of the Premises or any claim of injury or damage, or the enforcement of any remedy under any law, statute, or regulation, emergency or otherwise, now or hereafter in effect.

(o) Tenant shall pay all costs for work performed by or on account of it and shall keep the Premises and the Project free and clear of mechanics' liens or any other liens. Tenant shall give Landlord immediate notice of any lien filed against the Premises or the Project as a result of any work of improvement performed by or on behalf of Tenant. Tenant shall immediately cause any lien to be discharged or removed of record by either paying the amount thereof or recording a statutory lien release bond in an amount equal to one hundred fifty percent (150%) of the amount of said lien, or such other amount as may be adequate to cause the lien to be released as an encumbrance against the Premises and the Project.

(p) Tenant shall be required to utilize Landlord's roofing contractor in the event Tenant or Tenant's Agents desire to penetrate the roof of the Premises for any repairs, alterations or improvements permitted to be made to the Premises by Tenant pursuant to the terms of this Lease; provided, however, if Landlord and Tenant reasonably determine that Landlord's roofing contractor's rates are not reasonably competitive, Tenant shall have the right to utilize any other licensed and reputable roofing contractor reasonably acceptable to Landlord.

(q) Tenant represents and warrants that it has not had any dealings with any realtors, brokers or agents in connection with the negotiation of this Lease, except as may be specifically set forth in Section 1.26, and agrees to pay any realtors, brokers or agents not referenced inSection 1.26 and to hold Landlord harmless from the failure to pay any realtors, brokers or agents and from any cost, expense or liability for any compensation, commission or charges claimed by any other realtors, brokers or agents claiming by, through or on behalf of Tenant with respect to this Lease and/or the negotiation hereof.

(r) **Intentionally Omitted.**

(s) Tenant acknowledges that Tenant's failure to submit any required document, certificate, report, statement of Gross Sales, insurance policy or certificate as and when required in this Lease will cause Landlord to incur additional costs of administration, and agrees that in the event Tenant fails to submit any required document, certificate, report, statement of Gross Sales, insurance policy or certificate as and when required in this Lease, Tenant shall pay to Landlord a "**Service Charge**" in the amount of One Hundred Dollars ($100.00) for each week or portion thereof that said failure continues. Tenant agrees that such Service Charge shall not constitute damages, and that neither Tenant's payment of such Service Charge nor Landlord's acceptance of such payment shall result in a cure of any default under this Lease, or waiver of any default under this Lease by Landlord.

(t) Tenant agrees to cooperate to the extent reasonably possible with all present or future programs intended to manage parking, transportation or traffic in and around the Project or Premises (but, shall fully comply with all such parking, transportation and traffic programs which are non-voluntary obligations of the Premises or Project as imposed by any governmental entity or authority) and in connection therewith, Tenant shall use reasonable efforts and take responsible action for the transportation planning and management of all employees located at the Premises by working directly with Landlord, any governmental transportation management organization or any other transportation-related committees or entities. Such programs may include, without limitation: (i) restrictions on the number of peak-hour vehicle trips generated by Tenant or its employees; (ii) increased vehicle occupancy; (iii) implementation of an in- house ridesharing program and an employee transportation coordinator; (iv) working with employees and any Project or area-wide ridesharing program manager; (v) instituting employer-sponsored incentives (financial or in-kind) to encourage employees to rideshare; (vi) the requirement that Tenant supply Landlord annually with an employee survey, in the form required by the applicable governing authority; (vii) the requirement that Tenant provide information to its employees on carpooling, bus routes and schedules, and bicycling information; and (viii) utilizing flexible work shifts for employees. Tenant agrees to pay its proportionate share of the costs of any transportation management program adopted by the Project pursuant to the requirements of any governmental entity or authority (including, but not limited to, any transportation management fees), which proportionate share shall be reasonably determined by Landlord for each category of costs incurred in connection with such program based on either (a) the Floor Area of the Premises in relation to the Floor Area of the premises of all tenants or occupants participating in the transportation management program or (b) the number of employees of Tenant in relation to the number of employees of all tenants or occupants participating in the transportation management program. In the event Landlord requires Tenant's employees to park their vehicles off the Project, Landlord shall provide such employees with transportation both to and from their vehicles at no charge to Tenant.

(u) Tenant hereby represents and warrants that Tenant has the right and license to use "Yoshiharu Japanese Ramen" as a Trade Name.

(v) Tenant represents and warrants to Landlord that Tenant is currently in compliance with, and Tenant further covenants to Landlord that Tenant shall at all times during the Lease Term (including any extension thereof) remain in compliance with, the regulations of the Office of Foreign Assets Control ("**OFAC**") of the U.S. Department of Treasury (including those named on OFAC's Specially Designated Nationals and Blocked Persons List) and any statute, executive order (including, but not limited to, Executive Order 13224, dated September 24, 2001 and entitled "Blocking Property and Prohibiting Transactions with Persons Who Commit, Threaten to Commit, or Support Terrorism"), or other governmental, regulatory, or administrative action relating thereto.

(w) This Section is intended to comply with the terms of California Civil Code Section 1938, which provides that a commercial property owner or lessor shall state on every lease form or rental agreement executed on or after January 1, 2017, whether the premises being leased or rented has undergone inspection by a Certified Access Specialist ("**CASp**"), and, if so, whether the property has or has not been determined to meet all applicable construction-related accessibility standards pursuant to California Civil Code Section 55.53. Pursuant to California Civil Code Section 1938, Landlord hereby advises Tenant that the Premises has not undergone an inspection by a CASp. The following disclosure is hereby made pursuant to California Civil Code Section 1938(e):

> "A CASp can inspect the subject premises and determine whether the subject premises comply with all of the applicable construction-related accessibility standards under state law. Although state law does not require a CASp inspection of the subject premises, the commercial property owner or lessor may not prohibit the lessee or tenant from obtaining a CASp inspection of the subject premises for the occupancy or potential occupancy of the lessee or tenant, if requested by the lessee or tenant. The parties shall mutually agree on the arrangements for the time and manner of the CASp inspection, the payment of the fee for the CASp inspection, and the cost of making any repairs necessary to correct violations of construction-related accessibility standards within the premises."

Landlord and Tenant hereby acknowledge and agree that, in the event Tenant elects to have a CASp inspection performed in accordance with its rights pursuant to California Civil Code Section 1938, Tenant shall be solely responsible for the cost and/or fees associated with such CASp inspection, as well as the cost of any and all repairs, alterations, modifications, upgrades, improvements or other compliance work necessary to correct violations of construction-related accessibility standards with respect to the Premises and hereby agrees to keep such inspection report and results strictly confidential and not disclose same to any person or entity (including, without limitation, the other tenants and occupants of the Project), other than Tenant's attorneys, contractors and other consultants.

(x) All of the exhibits referenced in this Lease are incorporated herein by this reference.

20.11 Tenant's Building Permit Contingency. Notwithstanding anything to the contrary contained in this Lease, provided Tenant complies with all of the terms and conditions of this Section 20.11, Tenant shall have the one-time right to terminate this Lease if within ninety (90) days after the Submittal Date (as defined inExhibit C) (the **"Building Permit Period**"), Tenant shall not have obtained the necessary approvals and permits (collectively, "**Building Permits**") from the City and/or any other governmental or quasi-governmental authority having jurisdiction over the Premises (or reasonable assurances that it will obtain the foregoing) so as to permit Tenant to perform Tenant's Work (the " **Building Permit Contingency**"). Landlord hereby covenants and agrees, at no cost to Landlord, to reasonably cooperate with Tenant in securing the Building Permits. From and after the Effective Date, Tenant, at its sole cost and expense, shall promptly prepare, process and submit all appropriate applications to all applicable governmental bodies and agencies to obtain the Building Permits in strict accordance with the terms of this Lease and diligently pursue and use all commercially reasonable efforts to obtain all Building Permits as soon as reasonably possible. In the event the Building Permits acceptable to Tenant, in its reasonable discretion, cannot be timely obtained notwithstanding Tenant's commercially reasonable, good faith and diligent efforts, then Tenant may terminate this Lease only by providing written notice to Landlord, in which event Landlord shall promptly refund Tenant the Security Deposit and any prepaid rent and each party shall have no further obligation to the other party, except for any

indemnity obligations which survive the termination of this Lease. In the event Tenant fails to terminate this Lease on or before the expiration of the Building Permit Period, Tenant shall be deemed to have irrevocably and unconditionally waived its right to terminate the Lease pursuant to this Section 20.11. Notwithstanding the foregoing, Landlord shall have the right, but not the obligation, to nullify Tenant's election to terminate the Lease pursuant to this Section 20.11 and extend the Building Permit Period for up to an additional forty-five (45) days upon written notice to Tenant within ten (10) days after Landlord's receipt of Tenant's termination notice. In such event, Landlord shall have the right to process Tenant's Building Permit applications and obtain Tenant's Building Permits upon Tenant's behalf and cost and Tenant shall cooperate fully with Landlord. If Landlord obtains Tenant's Building Permits within such forty-five (45) day period, Tenant shall have no right to terminate the Lease pursuant to this Section 20.11 and this Lease shall continue in full force and effect. Tenant's Building Permits shall be deemed to be obtained or received on the date same are ready to be picked up or issued by the City or other applicable governmental entity.

[remainder of page left blank intentionally – signature page follows]

IN WITNESS WHEREOF, Landlord and Tenant have duly executed this Lease on the day and year first above written.

"LANDLORD"

CERRITOS WEST COVENANT GROUP LLC,
a Nevada limited liability company,
a tenant in common

By: California RE Manager, LLC,
a California limited liability company,
as Managing Member

By: Christopher Aguon
Name: Christopher Aguon
Its: Authorized Signatory

CERRITOS WEST EXCHANGE I LLC,
a Nevada limited liability company,
a tenant in common

By: California RE Manager, LLC,
a California limited liability company,
as Manager

By: Christopher Aguon
Name: Christopher Aguon
Its: Authorized Signatory

CERRITOS WEST EXCHANGE II LLC,
a Nevada limited liability company,
a tenant in common

By: California RE Manager, LLC,
a California limited liability company,
as Manager

By: Christopher Aguon
Name: Christopher Aguon
Its: Authorized Signatory

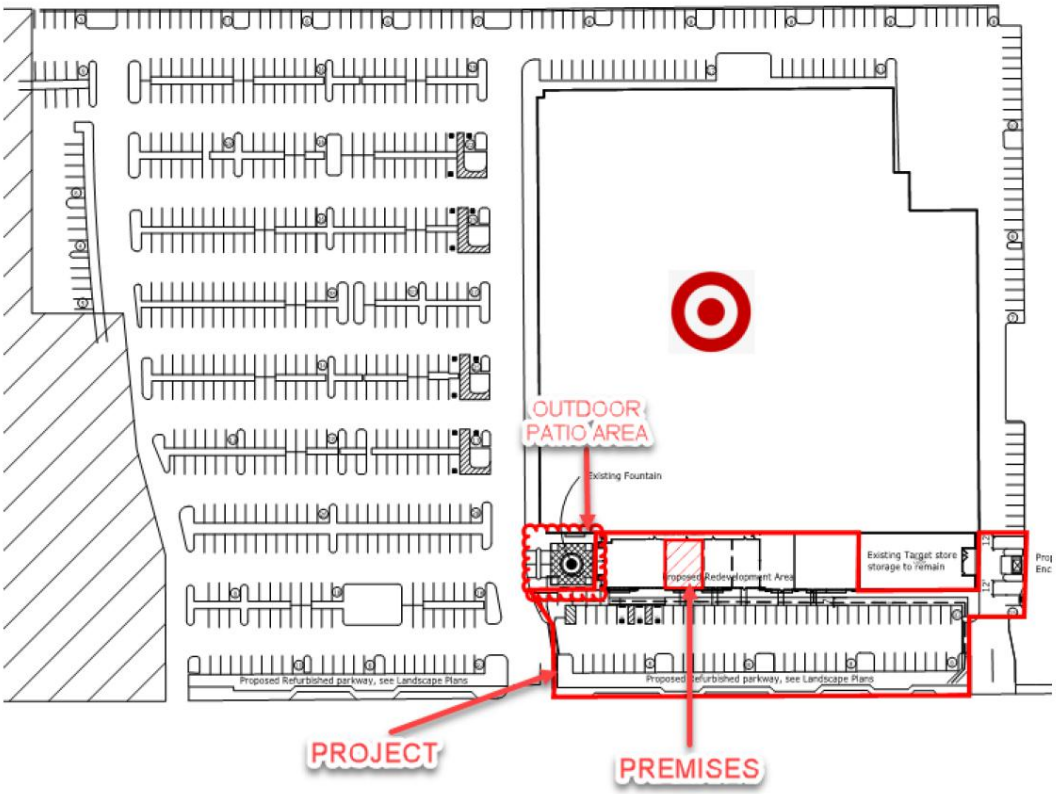
"TENANT"

YOSHIHARU CERRITOS,
a California Corporation,
dba "Yoshiharu Japanese Ramen"

By: James Chae
Name: James Chae
Title: james chaePresident

EXHIBIT A

SITE PLAN



The purpose of this Exhibit is to show the approximate location of the Premises. It shall not be deemed to be a warranty, representation or agreement on the part of Landlord that the Project will be, or will remain, as depicted hereon, or that the tenants shown hereon (if any) are now, or will be, in occupancy at any time during the Lease Term.

EXHIBIT A-1

LEGAL DESCRIPTION OF PROJECT

The Land referred to herein below is situated in the City of Cerritos, County of Los Angeles, State of California, and is described as follows:

PARCEL 2 OF PARCEL MAP NO. 82274, IN THE CITY OF CERRITOS, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP FILED IN BOOK 406, PAGES 33 THROUGH 35 OF PARCEL MAPS, IN THE OFFICE OF THE LOS ANGELES COUNTY RECORDER.

EXHIBIT B

PREMISES FLOOR PLAN

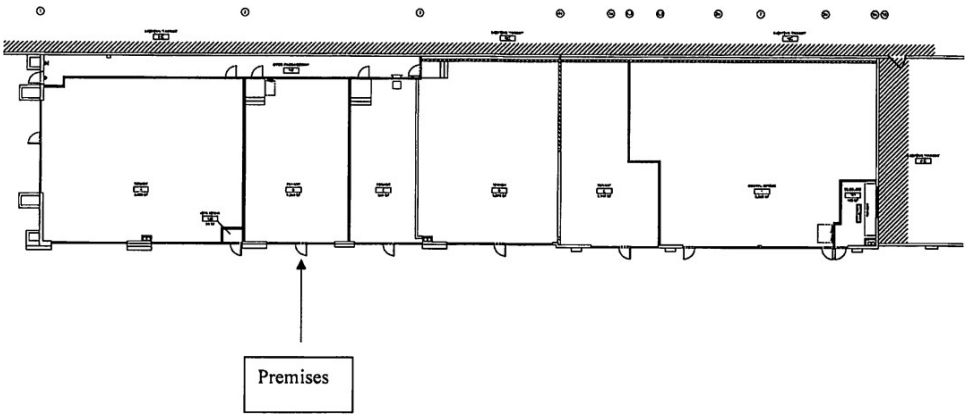


EXHIBIT C

11525 SOUTH STREET, CERRITOS, CA
CONSTRUCTION PROVISIONS

IN-LINE RETAIL AND RESTAURANT SPACE

1 . LANDLORD'S WORK. TENANT ACKNOWLEDGES AND AGREES THAT IT HAS INSPECTED THE PREMISES AND THAT, EXCEPT FOR LANDLORD'S WORK, TENANT IS ACCEPTING THE PREMISES IN ITS EXISTING "AS-IS" CONDITION. TENANT IS RELYING ON ITS OWN INVESTIGATIONS AND NOT ON ANY REPRESENTATIONS OR WARRANTIES OF LANDLORD. Notwithstanding the foregoing to the contrary, in accordance with the following provisions, Landlord warrants (the "**Building Systems Warranty**") that the electrical and plumbing systems and the existing HVAC unit serving the Premises will be in good working condition as of the Possession Date.

Landlord, at its cost and expense, will construct the Premises in accordance with Landlord's plans and specifications prepared by Landlord, or Landlord's architect, inclusive of the items described below (such work shall hereinafter be referred to as "**Landlord's Work**"):

1. Landlord shall construct the demising wall.

2. Landlord shall permanently seal off rear door to Premises and remove rear stairs.

Any work in addition to the Landlord's Work the items outlined above shall be provided by Tenant at its sole cost and expense. Any equipment or work other than those items specifically enumerated in the Landlord's Work items outlined above, which Landlord installs or constructs in the Premises on Tenant's behalf, shall be paid for by Tenant within fifteen (15) days after receipt of a bill therefor. Said bill will be inclusive of Landlord's cost plus supervision, architectural and engineering expenses.

2. TENANT'S WORK.

A. General.

1. The work to be done by Landlord in satisfying its obligation to construct Tenant's store under this Lease shall be limited to that described in the foregoing paragraphs. All other work to be done in the Premises shall be provided by Tenant at Tenant's sole cost and expense (" **Tenant's Work**") in accordance with Tenant's detailed plans and specifications, which shall be reasonably approved by Landlord in advance. All Tenant's Work shall be undertaken at Tenant's sole cost and expense and shall be prosecuted diligently to completion. Upon Tenant's receipt of its Building Permits (as defined in Section 20.11), Tenant shall immediately commence construction of Tenant's Work and shall diligently pursue such construction to completion in accordance with the Tenant's Approved Plans.

2. Tenant's Work shall comply with all applicable statutes, ordinances, regulations, laws and codes, and Landlord's design criteria for Tenant's Work previously delivered to Tenant.

3. All contractors engaged by Tenant shall be bondable, licensed contractors, possessing good labor relations, capable of performing quality workmanship and working in harmony with Landlord's general contractor and other contractors on the job and shall be subject to Landlord's prior written consent. All work shall be coordinated with the general project work. The performance of Tenant's Work shall be subject to rules and regulations promulgated by Landlord from time to time, including without limitation, the times and manner for the performance of certain elements of Tenant's Work.

4. Where conflict exists between building codes, utility regulations, statutes, ordinances, other regulatory requirements and Landlord's requirements, as set forth herein, the more stringent of the requirements shall govern.

5. Tenant shall inspect, verify and coordinate all field conditions pertaining to the Premises from time to time prior to the start of its store design work, through its construction, including its fixturing and merchandising. Tenant shall advise Landlord immediately of any discrepancies with respect to Landlord's drawings. Any adjustments to the work arising from field conditions, not apparent on Tenant's drawings and other building documents, shall require the prior written approval of Landlord.

6. Landlord reserves the right to require changes in Tenant's Work when necessary by reason of code requirements or building facility necessity, field conditions, or directives of governmental authorities having jurisdiction over the Premises, or directives of Landlord's insurance underwriters.

7. Tenant's Work shall be (i) performed under the supervision of a competent architect or competent licensed structural engineer satisfactory to Landlord, (ii) performed in accordance with plans and specifications with respect thereto, approved in writing by Landlord before the commencement of work, and (iii) high quality, appropriate for a first-class shopping center and done in a good and workmanlike manner and diligently prosecuted to completion to the end that the Premises shall at all times be a complete unit except during the period of work. Upon completion of Tenant's Work, Tenant agrees to cause a Notice of Completion to be recorded in the office of the Recorder of the County in which the Premises is located in accordance with Section 3093 of the Civil Code of the State of California or any successor statute. All leasehold improvements by Tenant shall become an integral part of the Premises upon installation thereof and shall not be removed by Tenant. All improvements to the Premises by Tenant including, but not limited to, light fixtures, floor coverings and partitions, and other items comprising Tenant's Work pursuant to Exhibit C, but excluding trade fixtures and signs, shall be deemed to be the property of Landlord upon installation thereof. All materials used in Tenant's Work shall be new or like new quality and condition.

B. Plans and Specifications. Within thirty (30) days after full execution of the Lease and receipt of Landlord's plans and specifications for Landlord's Work, Tenant shall cause to be prepared fully- dimensioned quarter-inch (1/4") scale plans ("**Tenant's Plans**"), to be delivered to Landlord for review and approval. The plans shall show, among other things, the specific requirements for the Premises, showing clearly the storefronts, interior partitions, trade fixture plans, lighting, electric outlets, floor coverings, exterior signs, and other specific requirements of Tenant, all in conformity with Landlord's Work, and Tenant's Work. Within ten (10) business days after Landlord's receipt of Tenant's Plans, Landlord shall return Tenant's Plans to Tenant with Landlord's required modifications or approval. Within fifteen (15) days after Tenant's receipt of Landlord's required modifications of Tenant's Plans, Tenant shall cause Tenant's Plans to be revised and resubmitted to Landlord for approval. Within five (5) business days following Landlord's approval of Tenant's Plans (the " **Submittal Date**"), Tenant shall, at Tenant's sole cost and expense, apply for Tenant's Building Permits and all other permits required for Tenant's Work, use and occupancy of the Premises, specifically including Tenant's exterior sign plans, and Tenant shall submit Tenant's Plans to all applicable governmental authorities for approval. Tenant shall diligently seek to obtain Tenant's Building Permits and shall notify Landlord in writing of any changes to Tenant's Plans required by any governmental authority. All changes to Tenant's Plans shall be subject to Landlord's approval. For each Tenant submission to the applicable governmental authorities, Tenant agrees it shall pay any reasonable fees which may be stipulated by such authorities for the expediting of the processing of Tenant's Building Permits. Upon Tenant's receipt of Tenant's Building Permits, Tenant shall immediately deliver each of the following to Landlord: (a) two (2) sets of the final plans for Tenant's Work as approved by the applicable governmental authorities ("**Tenant's Approved Plans**"); (b) a copy of Tenant's Building Permit; and (c) executed copies of policies of insurance or certificates thereof (as required under Article 14). Notwithstanding Landlord's review and approval of Tenant's Plans, neither Landlord, nor its agents, servants or employees shall have any liability in any respect to any inadequacies, deficiencies, errors or omissions in Tenant's Plans or the failure of Tenant's Plans to comply with applicable law.

C. Fees. Tenant shall pay all Governmental Fees (as defined herein) required to be paid for the issuance of Tenant's Building Permits. As used herein, "**Governmental Fees**" shall mean and include all impact, city planning, inspection, permit, mitigation, school, public facility, traffic thoroughfare, traffic signal, energy, sewer, governmental entitlement, permit, fire protection, processing, license, roadway assessment, flood control, electrical department, drainage and utility hook-up, connection, start-up or user fees (including, without limitation the cost of all utility meters) and the other fees, assessments and impositions required to be paid as a condition for obtaining Tenant's Building Permits.

D. Delivery of Premises. Upon the Possession Date (as defined in Section 4.1 of the Lease), Landlord shall deliver to Tenant and Tenant shall accept possession of the Premises.

E. Installation of Tenant's Property.

1. Within five (5) business days following the Possession Date, Tenant shall commence Tenant's Work and proceed with due diligence, at its own expense, to install in the Premises Tenant's property (meaning all items of personal property included in Tenant's Work, as well as Tenant's trade fixtures, equipment and merchandise) without interference with other work, if any, being done in the Building or Project, and in compliance with all certificates and approvals relating to any work or installation done by Tenant that may be required by any governmental or insurance requirement. In the event that Tenant's Work is not completed within the time period set forth in Section 1.7 of the Lease in conformance with Tenant's Approved Plans to the standards set forth herein, Landlord shall have the right (but not the obligation) to complete Tenant's Work utilizing Landlord's contractors, in which case Tenant shall reimburse Landlord for the total actual costs incurred by Landlord plus a ten percent (10%) administration charge, to be paid by Tenant within ten (10) days after presentation to Tenant by Landlord of invoices evidencing such costs. Tenant shall utilize licensed contractors for the performance of Tenant's Work, and shall provide Landlord with the names and qualifications of any selected contractors prior to initiating Tenant's Work. Landlord shall have ten (10) days thereafter to approve or disapprove of Tenant's selected contractor, in Landlord's reasonable discretion. If Landlord disapproves of Tenant's selected contractors, Tenant shall submit alternative selections. This procedure shall be repeated until an acceptable contractor list is submitted to and approved by Landlord. Landlord shall have no responsibility for any loss of or damage to any of Tenant's property so installed or left on the Premises. Tenant's entry prior to the commencement of the Lease Term shall be governed by all of the provisions of the Lease, notwithstanding the fact that the Lease Term or the requirement to pay Rent may not then have commenced.

2. Landlord's Work shall not include, and Tenant shall bear the entire expense of, procuring and installing in the Premises, whether affixed to the Premises or not, any work designated in Tenant's Approved Plans as a Tenant item or Tenant's property incidental to the operation of business on the Premises, including, without limitation, furniture, shelves, interior decoration, graphics, movable partitions, and exterior and interior signs (see Exhibit "D", "Sign Criteria").

F. Payment for Changes in Work. No changes, modifications or alterations in Tenant's Approved Plans can be made without the written consent of Landlord. Any additional charges, expenses or costs [including any increased fee which Landlord may be required to pay for architectural, engineering and other similar services arising by reason of any subsequent change, modification or alteration in Tenant's Approved Plans made at the request of Tenant, and including a fifteen percent (15%) administration charge on the entire cost of the change or modification to be paid to Landlord], shall be at the sole cost and expense of Tenant and shall be paid by Tenant to Landlord before the performance of the work requested by Tenant.

EXHIBIT D

SIGN CRITERIA

These criteria have been established for the purpose of assuring an outstanding retail center and for the mutual benefit of all tenants. Conformance will be strictly enforced and any installed nonconforming or unapproved signs must be brought into conformance at the expense of the Tenant. These criteria are in addition to any sign criteria and sign restrictions set forth in the Agreements governing the Project. Approval by Landlord does not constitute approval by all governing bodies, including, without limitation, city or county governmental entities or agencies. Tenant shall obtain all necessary permits prior to any sign installation.

A. GENERAL REQUIREMENTS

1. Each Tenant shall submit or cause to be submitted to the Landlord for approval before fabrication at least three (3) copies of the sign shop drawings (1) one copy to be colored indicating the location, size, layout, design and color of proposed signs, including all lettering and/or graphics. Refer to section E for shop drawing requirements.

2. All permits for signs and their installation shall be obtained by the Tenant. Signs shall be designed and constructed in accordance with these standards and applicable governmental standards; the more rigorous provisions shall control.

3. All signs shall be constructed, installed and maintained at Tenant's expense.

4. Tenant shall be responsible for the fulfillment of all requirements of these criteria.

5. The removal of signs is the responsibility of the Tenant. Such signs shall be removed within five (5) days of the expiration or earlier termination of Tenant's lease. AT THIS TIME, IT IS ALSO THE RESPONSIBILITY OF THE TENANT TO RESTORE THE SIGN BAND FASCIA TO LIKE NEW CONDITION.

B. GENERAL SPECIFICATIONS

1. No animated, flashing, moving or audible signs will be permitted.

2. All signs and their installation shall comply with all local building and electrical codes.

3. No exposed conduit will be permitted.

4. All conductors, transformers and other equipment shall be concealed.

5. Electrical service to all signs shall be from Tenant's premises, at Tenant's expense and controlled by Tenant's time clock.

6. Painted lettering, paper or cardboard signs, temporary signs (exclusive of contractor or real estate leasing or sale signs), stickers and decals will not be permitted except as specified.

7. All signs shall be professionally made and installed.

8. Except as provided herein, no advertising placards, banners, pennants, names, insignia, trademarks or other descriptive material, shall be affixed or maintained upon the glass panes and supports of the show windows and doors, or upon the exterior wall of the Building or storefront unless specifically approved in writing by Landlord.

9. Tenant is required to place upon each public entrance of its premises not more than 144 square inches of white decal application lettering not to exceed two inches (2") in height, indicating hours of business and emergency telephone numbers.

C. LOCATION OF SIGNS

1. Each Tenant will be allowed one (1) sign on the front, rear and side exterior walls of its premises. The total length of sign shall in no event be more than 70% of the wall length. Each Tenant's sign area shall equal 1.5 sq. ft. per lineal foot of the Tenant's primary building wall. All signs shall be centered unless otherwise approved by Landlord.

2. No signs perpendicular to the wall face of the Building or storefront will be permitted. All signs shall be located in the sign band area. No signs shall be placed to extend above or below the sign band area.

D. DESIGN REQUIREMENTS

1. Imaginative designs which depart from traditional methods and placement are encouraged.

2. Wording of signs shall not include the product or service sold except as part of Tenant's trade name or insignia. MasterCard/VISA or product trademarks shall be prohibited.

3. The use of logos, logotypes or registered trademarks is permitted.

4. Types of signs permitted are individual channel letters fabricated painted aluminum, stainless steel, or other non-ferrous material letters 30" in height (maximum) mounted to 1" stand- offs and attached to the exterior of the Building in the sign band area. All signs will be illuminated. Backer panels and raceway are allowed if they are designed in an architecturally pleasing manner to enhance the look of the sign. Cabinet type signs are prohibited. Behind the glass and inside the leased premises, lighted signs are permitted - one sign per surface or façade of the leased premises.

5. Color choice and letter styles are unrestricted. Imaginative design solutions are preferable.

6. Letter or logo materials can include such choices as plexiglass, lexan, aluminum, stainless steel, brass and copper. Sheet metal construction will be prohibited.

7. The maximum height of an individual letter on the designated sign band shall be thirty (30) inches.

8. The design of all signs, including style and placement of lettering, size, color, materials and method of illumination, shall be subject to the approval of the Landlord.

E. SHOP DRAWING REQUIREMENTS

All drawings to be fully dimensioned and drawn to scale to the following specifications:

1. An elevation view is required to show wall area and sign placement.

2. An end view detail is required to show depth of letter and stand-off from wall and installation methods.

3. All materials are to be specified including brand names and thickness. Also, paint brands, color and primer usage to be specified.

4. Design and lettering details to have crisp edges, as if ready to project to full size patterns.

F. CONSTRUCTION REQUIREMENTS

1. All exterior signs, bolts, fastenings and clips shall be of non-rusting materials such as enamel, stainless steel, aluminum, brass or bronze. No ferrous materials of any type will be permitted.

2. All exterior letters and signs exposed to the weather shall be mounted in alignment and with the sign band set off with aluminum spacers a minimum of 1/2" to permit proper dirt and water drainage.

3. Location of all penetrations in sign band or building walls shall be indicated by the sign contractor on drawings submitted to the Landlord.

4. Penetrations of the Building structure shall only be allowed for stand-off mounting and shall be kept to an absolute minimum. All exterior signs are to be mounted in the sign band.

5. Company labels will not be permitted on the exposed surface of signs except those required by local ordinance which shall be applied in an inconspicuous location.

6. Sign contractor shall repair any damage to property or building caused by its work.

7. Tenant shall be fully responsible for the actions of Tenant's sign contractors.

G. CONSTRUCTION DETAILS

1. Letter Construction Materials for construction are fairly open, but all construction to be of "craftsman" quality and installed by a reputable contractor.

2. Secondary Wiring No exposed wiring running between individual letters shall be allowed. Amp load shall be computed and shown on drawing.

3. Installation All letters are to be mounted on the designated sign band, as shown on the elevations.

H. MAINTENANCE

1. Tenant is responsible for any damage to the Building as caused by the sign. Tenant is advised to have an understanding with the sign contractor that constructs the sign of its liability regarding damage that occurs as a result of a sign installation or defect.

2. Maintenance of the Tenant's sign is of prime importance. The cleaning of the sign on a regular basis is also required. Any delamination or other structural occurrence that reflects on the visual appeal of the sign shall be repaired at the expense of the Tenant in a timely fashion. All criteria set forth here also apply to maintenance

service and reconstruction.

3. Landlord advises the purchase of an extended warranty from your sign contractor to satisfy the above maintenance requirements.

EXHIBIT E

FORM OF GUARANTY OF LEASE

THIS GUARANTY OF LEASE ("**Guaranty**") is entered into as of the _____ day of February, 2021, by JAMES CHAE and JENNIE Y. CHAE, husband and wife, jointly and severally, on behalf of each of their marital, community and sole and separate property estates (collectively, "**Guarantor**"), for the benefit of CERRITOS WEST COVENANT GROUP LLC, a Nevada limited liability company, CERRITOS WEST EXCHANGE I LLC, a Nevada limited liability company and CERRITOS WEST EXCHANGE II LLC, a Nevada limited liability company, as tenants in common (collectively, "**Landlord**"), with reference to the following facts:

Landlord and Yoshiharu Cerritos, a California Corporation, dba "Yoshiharu Japanese Ramen" ("**Tenant**") have entered or will enter into a lease on or about the date hereof (the "**Lease**") for certain premises located 11525 South Street, Suite B, Cerritos, California 90703.

By its covenants herein set forth, Guarantor has induced Landlord to enter into the Lease, which was made and entered into in consideration for Guarantor's said covenants.

1. Guarantor unconditionally guarantees, without deduction by reason of setoff, defense or counterclaim, to Landlord and its successors and assigns the full and punctual payment, performance and observance by Tenant, of all of the amounts, terms, covenants and conditions in the Lease contained on Tenant's part to be paid, kept, performed and observed.

2. If Tenant shall at any time default in the punctual payment, performance and observance of any of the amounts, terms, covenants or conditions in the Lease contained on Tenant's part to be paid, kept, performed and observed, Guarantor will pay, keep, perform and observe same, as the case may be, in the place and stead of Tenant. Guarantor shall also pay to Landlord all reasonable and necessary incidental damages and expenses incurred by Landlord as a direct and proximate result of Tenant's failure to perform, which expenses shall include reasonable attorneys' fees and interest on all sums due and owing Landlord by reason of Tenant's failure to pay same, at the maximum rate allowed by law.

3. Any act of Landlord, or its successors or assigns, consisting of a waiver of any of the terms or conditions of the Lease, the giving of any consent to any matter or thing relating to the Lease, or the granting of any indulgence or extension of time to Tenant may be done without notice to Guarantor and without releasing Guarantor from any of its obligations hereunder.

4. The obligations of Guarantor hereunder shall not be released by Landlord's receipt, application or release of any security given for the performance and observance of any covenant or condition in the Lease contained on Tenant's part to be performed or observed, nor by any modification of the Lease, regardless of whether Guarantor consents thereto or receives notice thereof.

5. The liability of Guarantor hereunder shall in no way be affected by: (a) the release or discharge of Tenant in any creditor's, receivership, bankruptcy or other proceeding; (b) the impairment, limitation or modification of the liability of Tenant or the estate of Tenant in bankruptcy, or of any remedy for the enforcement of Tenant's liability under the Lease resulting from the operation of any present or future provision of the national bankruptcy act or other statute or from the decision of any court; (c) the rejection or disaffirmance of the Lease in any such proceedings; (d) the assignment or transfer of the Lease by Tenant; (e) any disability or other defense of Tenant; (f) the cessation from any cause whatever of the liability of Tenant; (g) the exercise by Landlord of any of its rights or remedies reserved under the Lease or by law; or (h) any termination of the Lease.

6. If Tenant shall become insolvent or be adjudicated bankrupt, whether by voluntary or involuntary petition, if any bankruptcy action involving Tenant shall be commenced or filed, if a petition for reorganization, arrangement or similar relief shall be filed against Tenant, or if a receiver of any part of Tenant's property or assets shall be appointed by any court, Guarantor shall pay to Landlord the amount of all accrued, unpaid and accruing Minimum Annual Rent and other charges due under the Lease to the date when the debtor-in-possession, the trustee or administrator accepts the Lease and commences paying same. At such time as the debtor-in-possession, the trustee or administrator rejects the Lease, however, Guarantor shall pay to Landlord all accrued, unpaid and accruing Minimum Annual Rent and other charges under the Lease for the remainder of the Lease Term. At the option of Landlord, Guarantor shall either: (a) pay Landlord an amount equal to the Minimum Annual Rent and other charges which would have been payable for the unexpired portion of the Lease Term reduced to present-day value; or (b) execute and deliver to Landlord a new lease for the balance of the Lease Term with the same terms and conditions as the Lease, but with Guarantor as tenant thereunder. Any operation of any present or future debtor's relief act or similar act, or law or decision of any court, shall in no way affect the obligations of Guarantor or Tenant to perform any of the terms, covenants or conditions of the Lease or of this Guaranty.

7. Guarantor may be joined in any action against Tenant in connection with the obligations of Tenant under the Lease and recovery may be had against Guarantor in any such action. Landlord may enforce the obligations of Guarantor hereunder without first taking any action whatever against Tenant or its successors and assigns, or pursuing any other remedy or applying any security it may hold. Guarantor hereby waives all rights to assert or plead at any time any statute of limitations as relating to the Lease, the obligations of Guarantor hereunder and any surety or other defense in the nature thereof including, without limitation, the provisions of California Civil Code Section 2845 or any similar, related or successor provision of law. Guarantor also hereby waives the provisions of Sections 2809, 2810, 2819 and 2850 of the California Civil Code and their successors, and all other waivable defenses.

8. Until all of the covenants and conditions in the Lease on Tenant's part to be performed and observed are fully performed and observed, Guarantor: (a) shall have no right of subrogation against Tenant by reason of any payment or performance by Guarantor hereunder; and (b) subordinates any liability or indebtedness of Tenant now or hereafter held by Guarantor to the obligations of Tenant to Landlord under the Lease.

9. This Guaranty shall apply to the Lease, any extension, renewal, modification or amendment thereof, to any assignment, subletting or other tenancy thereunder and to any holdover term following the Lease Term granted under the Lease, or any extension or renewal thereof.

10. In the event of any litigation between Guarantor and Landlord with respect to the subject matter hereof, the unsuccessful party in such litigation shall pay to the successful party all fees, costs and expenses thereof, including reasonable attorneys' fees and expenses.

11. If there is more than one undersigned Guarantor, (a) the term "Guarantor", as used herein, shall include all of the undersigned; (b) each provision of this Guaranty shall be binding on each one of the undersigned, who shall be jointly and severally liable hereunder; and (c) Landlord shall have the right to join one or all of them in any proceeding or to proceed against them in any order.

12. This instrument constitutes the entire agreement between Landlord and Guarantor with respect to the subject matter hereof, superseding all prior oral and written agreements and understandings with respect thereto. It may not be changed, modified, discharged or terminated orally or in any manner other than by an agreement in writing

signed by Guarantor and Landlord.

13. This Guaranty shall be governed by and construed in accordance with the laws of the State of California.

14. Every notice, demand or request (collectively "**Notice**") required hereunder or by law to be given by either party to the other shall be in writing. Notices shall be given by personal service or by United States certified or registered mail, postage prepaid, return receipt requested, or by telegram, mailgram or same-day or overnight private courier, addressed to the party to be served at the address indicated below or such other address as the party to be served may from time to time designate in a Notice to the other party.

15. Any action to declare or enforce any right or obligation under the Lease may be commenced by Landlord in the Superior Court of Los Angeles County, California. Guarantor hereby consents to the jurisdiction of such Court for such purposes. Any notice, complaint or legal process so delivered shall constitute adequate notice and service of process for all purposes and shall subject Guarantor to the jurisdiction of such Court for purposes of adjudicating any matter related to this Guaranty. Landlord and Guarantor hereby waive their respective rights to trial by jury of any cause of action, claim, counterclaim or cross-complaint in any action, proceeding and/or hearing brought by either Landlord against Guarantor or Guarantor against Landlord on any matter whatever arising out of, or in any way connected with, the Lease or this Guaranty.

16. This Guaranty may be assigned in whole or part by Landlord upon written notice to Guarantor, but it may not be assigned by Guarantor without Landlord's prior written consent, which may be withheld in Landlord's sole and absolute discretion.

17. The terms and provisions of this Guaranty shall be binding upon and inure to the benefit of the heirs, personal representatives, successors and permitted assigns of the parties hereto.

[remainder of page left blank intentionally – signature page follows]

IN WITNESS WHEREOF, Guarantor has executed this Guaranty as of the date first above written.

"GUARANTOR"

JAMES CHAE and JENNIE Y.CHAE, husband and wife, jointly and severally, on behalf of each of their marital, community and sole and separate property estates

By: _____
James Chae

By: _____
Jennie Y. Chae

Landlord's Address for Notices:

To Landlord:

Cerritos West Covenant Group LLC
2460 Paseo Verde Parkway, Suite 145
Henderson, Nevada 89074
Attention: Real Estate Department

Guarantor's Address for Notices:

James Chae
15476 Canon Lane
Chino Hills, CA 91709
Phone: (____) ____-_____
E-Mail: jchae@apiis.com

EXHIBIT F

RULES AND REGULATIONS

1. Tenant will comply with all safety, fire protection and evacuation procedures and regulations established by Landlord or any governmental agency. Landlord will not be liable for damages for any error with regard to the admission to or exclusion from the Project of any person. Landlord reserves the right to prevent access to the Project in case of invasion, mob, riot, public excitement or other commotion by requiring all persons to vacate the Project or by other appropriate action, without abatement of rent, for the safety of tenants of the Project and protection of the Project.

2. Landlord will furnish Tenant, free of charge, with two keys to each door lock in the Premises. Landlord may make reasonable charge for any additional keys. Tenant will not alter any lock or install a new additional lock or bolt on any door to the Premises without written notice to Landlord. Tenant, upon the termination of the Term, will return all door keys furnished to Tenant.

3. No tenant and no employee or invitee of any tenant will go upon the roof of the Project without first notifying Landlord and obtaining Landlord's written consent, which consent may, be conditioned or withheld by Landlord in Landlord's reasonable discretion.

4. Landlord reserves the right to exclude or expel from the Project any person whom, in Landlord's judgment, is intoxicated or under the influence of liquor or drugs or who is in violation of any of the Rules and Regulations of the Project.

5. Tenant will close and lock the doors of the Premises before Tenant leaves the Premises each day. Tenant assumes responsibility for protecting the Premises from theft, robbery and pilferage.

6. Except for minor repairs and installation of temporary promotional materials, Tenant will not mark, drive nails, screw or drill into the partitions, woodwork or plaster, or in any way deface the Premises, except in accordance with Exhibit C – Tenant's Work and the provisions of the Lease pertaining to alterations, Tenant will not affix any floor covering to the floor of the Premises in any manner except as approved by Landlord. Tenant will repair any damage resulting, from noncompliance with this rule.

7. The toilets, urinals, wash bowls and other apparatus must not be used for any purpose other than their intended use. The expense of breakage, stoppage or damage resulting from the violation of this rule will be borne by the Tenant.

8. Tenant will not display, sell or store merchandise outside the defined exterior walls and permanent doorways of the Premises without first obtaining Landlord's written consent. The Premises will not be used for lodging or for manufacturing of any kind unless expressly provided herein. No cooking will be done or permitted on the Premises without Landlord's prior written consent except for use by Tenant of Underwriters Laboratory and legally approved equipment for brewing coffee, tea, hot chocolate and similar beverages and microwave ovens for employee use. Tenant will not use or keep in the Premises, any inflammable or combustible fluid or material other than those limited quantities necessary for the operation or maintenance of office equipment. Tenant will not use or permit be used in the Premises any foul or noxious gas or substance; birds or animals; or create any noise, odors or vibrations objectionable to Landlord or tenants of the Project.

9. Tenant will store all its trash and garbage within the Premises or in other facilities provided by Landlord. Tenant will not place in any trash box or receptacle any material, which cannot be disposed of in the ordinary and customary manner of trash and garbage disposal. Containers must not be visible to the general public and must not constitute a fire or health hazard or nuisance to any tenants or customer. Tenant will not burn any trash or garbage in or about the Premises or Project. All garbage and refuse disposal will be made in accordance with directions issued from time to time by Landlord.

10. Tenant will not place any load upon the floor of the Premises, which exceeds the load per square foot, which such floor was designed to carry and which is allowed by law.

11. Tenant will not install or use any method of heating or air conditioning other than that supplied by Landlord without the written consent of Landlord, which approval shall not be unreasonably withheld. Tenant will not waste electricity, water or air conditioning, and agrees to cooperate fully with Landlord to assure the most effective operation of the Project's heating and air conditioning and to comply with any governmental energy saving rules, laws or regulations of which Tenant has actual notice.

12. Except as otherwise permitted herein, Tenant will not install any radio or television antenna, loudspeaker or other devices on the roof or exterior walls of the Project. Tenant will not interfere with radio or television broadcasting or reception from or in the Project or elsewhere. If Tenant requires telephone, burglar alarm or similar services outside of the demised Premises, it must first obtain, and comply with, Landlord's instruction in their installation,

13. Tenant and its authorized representatives and invitees may not use the Parking Area for anything but parking motor vehicles. All motor vehicles must be parked in an orderly manner within the painted lines defining the individual parking places. During peak periods of business activity, Landlord may impose length of time for parking use. Any violations of local code or these Rules and Regulations may result in vehicles being towed away at owner's expense.

14. No employee may use any area for motor vehicle parking except the area reasonably designated for employee parking. No tenant may designate an area for employee or reserved customer parking except an area designated in writing by Landlord. No person may use any utility area, truck loading, or other specific use area except for its specified purpose.

15. Without the prior written consent of Landlord, no person may use the Parking or Common Areas for: vending, peddling, soliciting orders for sale or for membership in or contributions for any organization, distribution or exhibition of any merchandise; parading, patrolling, picketing, demonstrating, or engaging in conduct that might interfere with the use of the Parking or Common Areas or be detrimental to any of the tenants in the Project; or for any purpose when none of the tenants in the Project are open for business.

16. Canvassing, soliciting and distribution of advertising or any other written material in the Project, other than in the Premises, is prohibited and Tenant will cooperate with Landlord to prevent such activities. No sale by auction will be conducted upon the Premises, whether the auction is, voluntary, involuntary, pursuant to any assignment for benefit or creditors, or pursuant to any bankruptcy or other insolvency proceedings.

17. Except as permitted in the Lease, no sign, placard, picture, flag, balloon, advertisement, name or notice will be installed or displayed on the outside of the Project, Landlord has the right to remove, at Tenant's expense and without notice, any signs installed or displayed in violation of this rule. All approved signage or lettering will be printed, painted or affixed at Tenant's expense and in a manner and by a fully licensed and insured contractor.

18. Tenant will not display anything against or near doors or windows, which may appear unsightly from outside the Premises.

19. Any form of lodging on the Premises or within the Common Area is strictly prohibited.

20. All trash, refuse, and waste material must be placed in adequate containers and removed from the Premises daily. Containers must not be visible to the general public and must not constitute a fire or health hazard or nuisance to any tenants or customers. Tenant will not burn any trash or garbage in or about the Premises.

21. The sidewalks and Common Area must not be used to display store or place any merchandise, equipment, or devices, except in connection with sidewalk sales held with Landlord's prior written approval.

22. Landlord reserves the right, exercisable with notice but without liability to Tenant, to change the name and street address of the Premises and the Project.

23. Landlord may waive any of these Rules and Regulations for the benefit of Tenant, or any other tenant, but no such waiver by Landlord will be construed as a waiver of the Rules and Regulations in favor of Tenant, nor prevent Landlord from enforcing the Rules and Regulations against Tenant. Landlord reserves the right to change and modify these Rules and Regulations and to make such other Rules and Regulations as in its judgment, may from time to be reasonably necessary for the safety, security, care and cleanliness of the Project and for the preservation of good order.

24. Tenant is responsible for the observance of the Rules and Regulations by Tenant's subtenants, employees, agents, clients, customers, and others within the reasonable control of Landlord.

EXHIBIT G

EXCLUSIVE AND PROHIBITED USES

The restrictions set forth below are from leases and agreements which are effective, executed or in the process of being negotiated, which exclusive uses and prohibited uses encumber (or shall encumber) the Premises. Although set forth in terms of restrictions against Landlord, Tenant (including any assignee, subtenant, franchisee or other transferee of Tenant under the Lease) shall not use the Premises in any way which will violate (or cause Landlord to violate) any of the terms and/or conditions or other provisions of such exclusive or restrictive use provisions. In no event shall Tenant have the right to enforce any of the following provisions against Landlord or any other tenant or occupant of the Project. Except as otherwise indicated below, the term "Premises" set forth in each of the provisions below shall be deemed to mean the respective premises in connection with each specific tenant or occupant set forth below, and defined terms used below shall have the meanings ascribed to the same in the subject agreement or document from which such provision is derived. All section references shall refer to the applicable agreement, and bracketed text other than bracketed text within parentheticals has been added to clarify the quoted provisions.

1. EXCLUSIVE USES

Dental Services: Landlord shall not execute any lease for premises located within the Project for Dental Services, as such term is defined below (the "Exclusive Use") nor shall Landlord permit any other space in the Project to be used for Dental Services. The term "Dental Services" shall mean any amount of general dentistry or specialty dentistry (including, without limitation, orthodontics, pediatric dentistry, endodontics, periodontics, prosthodontics, cosmetic dentistry and oral and maxillofacial surgery) services and/or operations.

Mediterranean Restaurant: Landlord shall not execute any lease for, or subject to the terms and conditions below relating to a Rogue Tenant breach, allow another entity to operate within premises located within the Project to any other "Mediterranean Restaurant," as defined below (the "Exclusive Use"). The term "Mediterranean Restaurant" shall mean the business operation of a restaurant or food establishment whose primary business is the preparation and retail sale of Mediterranean, Middle Eastern, Persian or Greek cuisine. As used herein, the term "primary business" means that the gross sales of Mediterranean, Middle Eastern, Persian or Greek cuisine constitute more than ten percent (10%) of such tenant's total annual gross sales from its premises.

2. PROHIBITED USES

The following uses are not permitted on the Project:

(A) Any gas station and/or other facility that dispenses gasoline, diesel or other petroleum products as fuel.

(B) Any (i) automotive service/repair station, or (ii) any facility that both sells and installs any lubricants, tires, batteries, transmissions, brake shoes or any other similar vehicle accessories.

(C) Any "dollar" (or any increment of a dollar) store or other similar variety discount type store, such as those currently operating under the trade name Dollar Tree, Family Dollar, 99 Cents Only, or Five Below.

(D) Any use that emits an obnoxious odor, noise or sound that can be heard or smelled outside of any Building.

(E) An operation primarily used as a storage or warehouse operation, and any assembling, manufacturing, distilling, refining, smelting, agricultural or mining operation.

(F) Any "second hand" store, any operation selling "surplus" or "salvage" goods, or pawn shop.

(G) Any mobile home park, trailer court, labor camp, junkyard, or stockyard; provided, however, this prohibition is not applicable to the temporary use of construction trailers during periods of construction, reconstruction or maintenance.

(H) Any dumping, disposing, incineration or reduction of garbage, but this prohibition does not apply to

(i) garbage compactors or other garbage collection areas or facilities located near the rear of any Building, or (ii) recycling centers that may be required by Governmental Requirements.

(I) Any fire sale, bankruptcy sale (unless pursuant to a court order) or auction house operation.

(J) Any central laundry, dry cleaning plant or laundromat, but this restriction is not intended to prevent the operation of an on-site service oriented solely to pickup and delivery of clothing by the ultimate consumer, with no washing or processing facilities on the Adjacent Parcel, as the same may be found in retail shopping centers in the metropolitan area where the Adjacent Parcel is located.

(K) Any (i) automobile, truck, trailer or recreational vehicle sales, leasing, or display operation, (ii) car wash or (iii) body shop repair operation.

(L) Any bowling alley or skating rink.

(M) Any movie theater or live performance theater.

(N) Any hotel, motel, short or long term residential use, including: single family dwellings, townhouses, condominiums, other multi-family units, and other forms of living quarters, sleeping apartments or lodging rooms.

(O) Any veterinary hospital or animal raising or boarding facility.

(P) Any mortuary or funeral home.

(Q) Any establishment selling or exhibiting "obscene" material.

(R) Any establishment selling or exhibiting illicit drugs or related paraphernalia.

(S) Any establishment that exhibits either live or by other means to any degree, nude or partially clothed entertainers, dancers, wait staff or other employees or contractors.

(T) Any massage parlor or similar establishment (but the provision of therapeutic massages as part of a first-class health or beauty spa operation or by professional health care providers is permitted).

(U) Any health spa, fitness center or workout facility.

(V) Any flea market, amusement or video arcade, pool or billiard hall or dance hall.

(W) Any training or educational facility, including: beauty schools, barber colleges, reading rooms, places of instruction or other operations catering primarily to students or trainees rather than to customers, but this prohibition is not applicable to on-site employee training incidental to the conduct of its business on the Adjacent Parcel.

(X) Any gambling facility or operation, including: off-track or sports betting parlor; table games such as blackjack or poker; slot machines, video poker/blackjack/keno machines or similar devices; or bingo hall. Notwithstanding the foregoing, this prohibition is not applicable to government sponsored gambling activities or charitable gambling activities, so long as such activities are incidental to the business operation being conducted.

(Y) Any firearms testing or firing range, or the sale or display of any type of firearms or ammunition, except that a sporting goods retailer may sell and display firearms and ammunition as an incidental part of its business.

(Z) (i) any emergency rooms, which includes, for purposes hereof, any use that includes the use of ambulance services; (ii) a blood banks or plasma centers; (iii) any clinics performing abortions; and (iv) any drug treatment or drug rehabilitation centers.

The Project shall not use the Adjacent Parcel for any of the following purposes:

(A) Any toy store exceeding five thousand (5,000) square feet of Floor Area.

(B) Any store, department or operation of any size selling or offering for sale any pharmaceutical drugs requiring the services of a licensed pharmacist.

(C) Any pet shop.

(D) Any operation offering the sale of alcoholic beverages.

(E) Any grocery store, supermarket, convenience store or other store, or department within a store, for the sale of food and/or beverages.

(F) Any department store, discount department store or junior department store.

(G) Any Membership Wholesale Club, as defined below. "Membership Wholesale Club" means a general merchandise store that sells merchandise in bulk and limits sales to individuals, businesses, or organizations who have purchased a membership in order to shop at the store, such as those currently operating on the date hereof under the trade name Costco, Sam's Club and BJ's Wholesale.

(H) Any lockers, lock-boxes or other type of storage system that is used to receive or store merchandise from a catalog or online retailer.

(I) Any store, or department within a store, operated as a fulfillment center in connection with receiving, storing or distributing merchandise from a catalog or online retailer.

(J) Any beauty specialty store or beauty-retail concept store such as those operated on the date of this agreement under the trade name ULTA or Sephora.

EXHIBIT H

FORM OF LANDLORD'S SUBORDINATION OF LIEN

CONSENT AND SUBORDINATION OF LIEN AGREEMENT

This Consent and Subordination of Lien Agreement (this "**Agreement**") is made and entered into by and among _____, a _____ _____ (the "**Secured Party**") and _____, _____ _____ (the "**Landlord**"), _____, a _____ _____ (hereinafer called "**Tenant**" or "**Borrower**") with reference to the following:

A. WHEREAS, Landlord and Tenant entered into that certain Lease dated as of _____, 20 ____ (the "**Lease**"), for premises consisting of approximately_____ (_____) square feet located at _____ ("**Premises**"), as more particularly described in the Lease, within the shopping center commonly known as "_____" located in _____, _____ (the "**Shopping Center**"); and

B. WHEREAS, the Secured Party is willing to extend credit to Borrower if Landlord will consent to the Secured Party taking a security interest, chattel mortgage or other lien on certain "Collateral" (as defined below) now or hereafter to be located at or on or affixed to such real property and if Landlord will subordinate any interest in or lien on such Collateral.

C. NOW, THEREFORE, for valuable consideration, the Landlord, Tenant and Secured Party hereby agree as follows:

1. Landlord's Consent. Landlord, intending to be legally bound hereby, consents to the Secured Party taking a security interest, chattel mortgage or other lien on the following described Collateral and subordinates any interest therein or lien thereon, subject to all of the terms and conditions of this Agreement:

> All personal property belonging to Borrower which is located in the Premises, including but not limited to, all furniture, trade fixtures, equipment and inventory (collectively, the "**Collateral**").

2. Secured Party's Right of Removal. Landlord hereby grants Secured Party a limited license (the "**License**") to enter upon the Shopping Center and Premises at any time prior to the expiration or earlier termination of the Lease for the sole purpose of inspecting and/or removing such Collateral from the Premises; provided, however, prior to any such entry, Secured Party shall provide Landlord not less than twenty-four (24) hours' prior written notice to Landlord, together with delivery to Landlord of a certificate of insurance in commercially reasonable form evidencing that Secured Party has obtained a policy of commercial general liability insurance with limits of not less than $1,000,000.00 and that Landlord is a named insured or additional insured thereunder. Secured Party shall use due care in removing the Collateral to prevent damage to the Premises and Shopping Center. Any damage caused to the Premises or Shopping Center by Secured Party or any of its employees, agents or contractors by reason of the exercise of its License and/or removal of the Collateral shall be immediately repaired (including detailed work such as painting and patching) without cost or expense to Landlord. If Secured Party fails to properly repair any such damage when required to do so, Landlord shall have the right, but not the obligation to do so, and Secured Party

shall promptly reimburse Landlord for the reasonable cost of such repair. Secured Party shall be liable for damages caused by Secured Party or its employees, agents or contractors during the exercise of its License and any such removal. Accordingly, Secured Party hereby agrees to indemnify, defend and hold Landlord and its affiliates harmless from and against any and all damages, injuries, losses, claims, actions, litigation, liabilities, costs or expenses of any kind, including, but not limited to, reasonable attorneys' fees, arising from or in connection with Secured Party's exercise of its License, including any removal and/or repossession of all or any portion of the Collateral from the Premises or from any entry or actions whatsoever on the Premises or the Shopping Center by Secured Party or any of its employees, agents or contractors.

3. No Auction or Sale. Notwithstanding anything to the contrary contained in this Agreement, in no event shall Secured Party conduct a sale or auction (or negotiations or advertising for sale or auction) with respect to the Collateral from the Premises or any other portion of the Shopping Center.

4. Landlord's Subordination. Landlord hereby subordinates to Secured Party, any and all Landlord's lien and other lien rights or security interests whether statutory or contractual, perfected or unperfected, respecting the Collateral; provided, however, that this subordination shall not extend to any portion of the Collateral which is or becomes affixed to the Premises, unless the affixed Collateral can be readily detached and removed from the Premises without material damage to the Premises; and provided, further, that this subordination shall not extend to any portion of the Collateral which is or becomes the property of Landlord under the Lease or is or becomes real property, or is or becomes regarded as part of the Premises in accordance with the customs or practices of the marketplace or by operation of law. Accordingly, Landlord will not seek to levy execution on or to foreclose any lien or other security interest on such Collateral or otherwise apply any such Collateral to satisfy any claim of the undersigned against the Borrower, and will notify any successor in interest of the Premises of this consent and disclaimer, which shall be binding on the executors, administrators, successors and assigns of the undersigned; provided, however, notwithstanding anything to the contrary contained herein, in the event Secured Party fails to remove the Collateral prior to the scheduled expiration or earlier termination of the Lease, Secured Party shall be deemed to have waived all right, title and interest in and to the Collateral and Landlord may retain same or sell or dispose of same (subject to the rights of Tenant pursuant to the Lease) at its sole discretion without recourse from Secured Party. Landlord will provide Secured Party with a copy of any notice of a default under the lease delivered by Landlord to Borrower in accordance with Section 6 below.

5. Tenant Consent. Tenant consents to this Agreement, to the granting of the License to Secured Party, and to the exercise by Secured Party of its rights hereunder. Landlord shall not have any liability to Tenant arising out of or relating to the acts or omissions of Secured Party in connection with the exercise by Secured Party of its rights hereunder. Landlord shall not have any duty to inquire as to the validity of Secured Party's right, title or interest in the Collateral, or as to the authority of any person who purports to act on behalf of Secured Party. Tenant shall indemnify, defend and hold harmless Landlord, its affiliated entities, and each of their respective members, managers, partners, officers, directors, agents, employees, lenders, successors and assigns from and against any and all claims, demands, losses, causes of action, liabilities, cost and expenses arising from or relating to the acts or omissions of Secured Party in connection with the exercise or attempted exercise of its rights under its License, which may be asserted by or incurred in favor of any person or entity (including, without limitation, Tenant), including, without limitation, claims, demands, causes of action, or liabilities (a) for personal injury or property damage, and/or (b) relating to any alleged right, title or interest in or to the Collateral. Tenant hereby further releases Landlord, its affiliated entities and each of their respective members, managers, partners, directors, officers, agents, employees, lenders, successors and assigns from any and all liability for or damage to Tenant's property, its business or by reason of any rights arising out of this Agreement, or Secured Party's future conduct pursuant to this Agreement or Landlord's consent thereto or cooperation therewith.

6. Notices. All notices, statements, demands, consents or approvals or other communications to be given under or pursuant to this Agreement shall be in writing, addressed to the parties at their respective addresses as provided below, and may be delivered or sent by certified mail, return receipt requested or overnight express mail or reputable overnight delivery service (provided accurate delivery records are maintained by such service). The addresses of the parties to whom such notices are to be sent are as follows:

If to Landlord: _____

_____

_____

Attn: _____

With a copy to: _____

_____

_____

Attention: _____

If to Tenant: _____

_____

_____

Attn: _____

If to Secured Party: _____

_____

_____

Attn: _____

7. Attorneys' Fees. In the event that at any time after the date hereof either Landlord, Secured Party or Tenant shall institute any action or proceeding against the other(s) relating to this Agreement, then and in that event, the party(ies) not prevailing in such action or proceeding shall reimburse the prevailing party for the reasonable expenses of attorneys' fees and all costs and disbursements incurred therein by the prevailing party.

8. No Effect on Lease. This Agreement shall not be deemed to affect or modify the Lease or Tenant's obligations thereunder, including, without limitation, Tenant's obligations regarding surrender of the Premises in the condition required under the Lease, removal of such of the Collateral as may be required under the Lease and repair of any damage occasioned thereby. Secured Party shall not be a third party beneficiary with respect to the Lease.

9. Course of Conduct; Successor & Assigns. This Agreement may not be changed or terminated orally or by course of conduct and is binding upon the parties hereto, their successors and assigns and inures to the benefit of the parties hereto, their successors and assigns.

10. Severability. If any term or provision of this Agreement, or the application thereof to any persons or circumstances, shall to any extent be invalid or unenforceable, the remainder of this Agreement, or the application of such provisions to persons or circumstances other than those as to which it is invalid or unenforceable, shall not be affected thereby, and each provision of this Agreement shall be valid and shall be enforceable to the extent permitted by law.

11. Governing Law. This Agreement shall be governed by, and construed in accordance with, the laws of the State where the Premises are situated.

12. Time is of the Essence. Time is of the essence with respect to each of the terms, conditions and provisions of this Agreement.

13. Counterparts. This Agreement may be executed in any number of original or facsimile counterparts or .pdf counterparts delivered by electronic mail, each of which will be effective on delivery and all of which together will constitute one binding agreement of the parties. Any signature page of this Agreement may be detached from any executed counterpart of this Agreement without impairing the legal effect of any signatures and may be attached to another counterpart of this Agreement that is identical in form to the document signed (but that has attached to it one or more additional signature pages).

[remainder of page left intentionally blank – signature page follows]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on the day and year first written above.

LANDLORD:

_____,
a _____ _____

By: _____
Name: _____
Title: _____

TENANT:

_____,
a _____ _____

By: _____
Name: _____
Title: _____

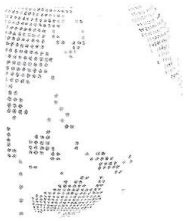
SECURED PARTY:

_____, _____,
a _____ _____

By: _____
Name: _____
Title: _____

Signature:

Email: aguonc@pacden.com



Adaptive CPA
Flexible accounting solutions for growing needs
1240 E. Ontario Ave.
Suite 102-170
Corona, CA 92881
(951) 818-3830
www.adaptivecpa.com

ENGAGEMENT AGREEMENT

THIS AGREEMENT is entered into by and between **Adaptive CPA,** a California corporation, located at 1240 E. Ontario Ave., Suite 102-170, Corona, CA 92881 (hereinafter referred to as "ADAPTIVE" and/or "Consultant") and **Global JJ Group, Inc., dba Yoshiharu Ramen** ("YOSHIHARU") (and/or all subsidiary companies, corporations and or entities), located at 6940 Beach Blvd., Suite D-705, Buena Park, CA 90621, both of which will be herein referred to as the "Parties."

NOW, THEREFORE, for and in consideration of the mutual covenants and obligations assumed by the parties hereto, it is agreed as follows:

Terms

1. Services to Be Performed and Terms of Payment

ADAPTIVE would like to offer our consulting services to support YOSHIHARU in the capacity of Chief Financial Officer in a part-time, contract capacity. It is expected ADAPTIVE will provide support to YOSHIHARU in its financial matters, accounting, and reporting, including assistance with coordination of independent audits and reviews and necessary reporting to further the Company's goals. Those services include, but are not limited to, the following:

- Review for proper accounting for significant transactions.
- Provide oversight for period-end close and review of accounting to ensure proper accounting.
- Review and provide guidance on accounting matters.
- Provide assistance with external auditors and other third-party services as required
- Assistance with and/or preparation of financial statements for periodic and fiscal year end requirements, including periodic public company filing requirements.
- Assistance with internal reporting, as required.
- Assistance with review of internal procedures and policies, and assistance with process improvement and remediation, as necessary.
- Assistance with the development of financial policies and guidelines for YOSHIHARU
- From time to time, review and provide guidance on accounting matters. The above procedures **do not** constitute an audit, review, or compilation of the financial statements in accordance with the standards established by the American Institute of Certified Public Accountants.

YOSHIHARU _____ Adaptive CPA _____

3. Independent Consultant Status

Consultant is an independent Consultant, and neither Consultant nor Consultant's employees or contract personnel are, or shall be deemed, YOSHIHARU's employees. In its capacity as an independent Consultant, Consultant agrees and represents, and YOSHIHARU agrees, as follows:

- Consultant has the right to perform services for others during the term of this Agreement. However, such services shall not interfere with the duties delegated to him or her by YOSHIHARU. YOSHIHARU's duties are to be performed within the expected time frame as a condition of the right to perform services for others.
- Consultant has the sole right to control and direct the means, manner, and method by which the services required by this Agreement will be performed.
- Consultant has the right to perform the services required by this Agreement at any place or location and at such times as Consultant may determine unless YOSHIHARU requires Consultant to perform specified duties at a specific location.
- Consultant has the right to employ and/or independent contractors ("Contract Personnel") to provide the services required by this Agreement.

If Consultant does employ assistants, YOSHIHARU shall in no way be responsible for said assistants and/or Consultants, either financially or legally.

- The services required by this Agreement shall be performed by Consultant or by Consultant's employees or contract personnel, and YOSHIHARU shall not hire, supervise, or pay any assistants to help Consultant.
- Neither Consultant nor Consultant's employees or contract personnel shall receive any training from YOSHIHARU in the professional skills necessary to perform the services required by this Agreement.
- Neither Consultant nor Consultant's employees or contract personnel shall be required by YOSHIHARU to devote full time to the performance of the services required by this Agreement.

4. Business Permits, Certificates, and Licenses

Consultant represents to YOSHIHARU that they have complied with all federal, state, and local laws requiring business permits, certificates, and licenses required to carry out the services to be performed under this Agreement.

YOSHIHARU_____ Adaptive CPA_____

5. State and Federal Taxes

YOSHIHARU will not:

- Withhold FICA (Social Security and Medicare taxes) from Consultant's payments or make FICA payments on Consultant's behalf;
- Make state or federal unemployment compensation contributions on Consultant's behalf; or,
- Withhold state or federal income tax from Consultant's payments.

Consultant shall pay all taxes incurred while performing services under this Agreement--including all applicable income taxes. Upon demand, Consultant shall provide YOSHIHARU with proof that such payments have been made. Consultant's EIN number is 81-2779514.

6. Fringe Benefits

Consultant understands that neither Consultant nor Consultant's employees or contract personnel are eligible to participate in any employee pension, health, vacation pay, sick pay, or other fringe benefit plan of YOSHIHARU. If Consultant is subsequently classified by the IRS as a common law employee, Consultant expressly waives his or her rights to any benefits to which he or she was, or might have become, entitled.

7. Workers' Compensation

YOSHIHARU is not responsible and shall *not* obtain "workers' compensation insurance" on behalf of Consultant or Consultant's employees. If Consultant hires employees to perform any work under this Agreement, Consultant will cover them with workers' compensation insurance to the extent required by law and provide YOSHIHARU with a certificate of workers' compensation insurance before the employees begin the work.

8. Unemployment Compensation

YOSHIHARU shall make no state or federal unemployment compensation payments on behalf of Consultant or Consultant's employees or contract personnel. Consultant will not be entitled to these benefits in connection with work performed under this Agreement.

9. Insurance

YOSHIHARU shall not provide any insurance coverage of any kind for Consultant or Consultant's employees or contract personnel.

10. Term of Agreement

This agreement will become effective when executed by both parties.

YOSHIHARU_____ Adaptive CPA_____

11. Terminating the Agreement

Either party may terminate this Agreement at any time or upon completion of the duties as noted above.

12. Modifying the Agreement

This Agreement may be modified only by a writing signed by both parties.

13. Confidentiality

Consultant acknowledges that it will be necessary for YOSHIHARU to disclose certain confidential and proprietary information to Consultant in order for Consultant to perform duties under this Agreement. Consultant acknowledges that any disclosure to any third party or any misuse of this proprietary or confidential information would irreparably harm YOSHIHARU. Accordingly, Consultant will not disclose or use, either during or after the term of this Agreement, any proprietary or confidential information of YOSHIHARU without YOSHIHARU's prior written permission except to the extent necessary to perform services on YOSHIHARU's behalf. Proprietary or confidential information includes:

- The written, printed, graphic, or electronically recorded materials furnished by YOSHIHARU for Consultant to use;
- Any written or tangible information stamped "confidential," "proprietary," or with a similar legend or any information that YOSHIHARU makes reasonable efforts to maintain the secrecy of;
- Business or marketing plans or strategies, customer lists, operating procedures, trade secrets, design formulas, know-how and processes, computer programs and inventories, discoveries and improvements of any kind, sales projections, pricing information;
- Information belonging to customers and suppliers of YOSHIHARU about whom Consultant gained knowledge as a result of Consultant's services to YOSHIHARU; and,
- Consultant shall not be restricted in using any material that is publicly available, already in Consultant's possession prior to commencement of Consultant's provision of services to YOSHIHARU, known to Consultant without restriction, or rightfully obtained by Consultant from sources other than YOSHIHARU.
- Upon termination of Consultant's services to YOSHIHARU, or at YOSHIHARU's request, Consultant shall deliver to YOSHIHARU all materials in Consultant's possession relating to YOSHIHARU's business;
- Consultant acknowledges that any breach or threatened breach of this clause will result in irreparable harm to YOSHIHARU for which damages would be an inadequate remedy.

YOSHIHARU _____ Adaptive CPA _____

Therefore, YOSHIHARU shall be entitled to equitable relief, including an injunction, in the event of such breach or threatened breach of this clause. Such equitable relief shall be in addition to YOSHIHARU's rights and remedies otherwise available at law.

14. Resolving Disputes

If a dispute arises among the parties hereto, the parties agree to first try in good faith to settle the dispute by mediation administered by the American Arbitration Association under its Rules for Professional Accounting and Related Services Disputes before resorting to litigation. Mediator will be mutually agreed to by both parties and will be located in Orange County, California. The costs of any mediation proceeding shall be shared equally by all parties.

Client and accountant both agree that any dispute over fees charged by the accountant to the client will be submitted for resolution by arbitration in accordance with the Rules for Professional Accounting and Related Services Disputes of the American Arbitration Association. Such arbitration shall be binding and final. IN AGREEING TO ARBITRATION, WE BOTH ACKNOWLEDGE THAT, IN THE EVENT OF A DISPUTE OVER FEES CHARGED BY THE ACCOUNTANT, EACH OF US IS GIVING UP THE RIGHT TO HAVE THE DISPUTE DECIDED IN A COURT OF LAW BEFORE A JUDGE OR JURY AND INSTEAD WE ARE ACCEPTING THE USE OF ARBITRATION FOR RESOLUTION.

15. Venue and Applicable Law

If any civil action, complaint or claim is brought under the terms of this Agreement, or between the parties, such action must be filed in the Superior Court for the County of Orange, California, and this Agreement will be governed by the Laws of the State of California.

16. Attorney's Fees

If any legal dispute arises under the terms of this Agreement, or between the Parties based on their contractual arrangement, the prevailing party in any legal dispute shall be entitled to recover reasonable attorney's fees and costs incurred in the dispute, in addition to any damages awarded.

17. Indemnification

To the extent ADAPTIVE are acting on behalf of the company and at the direction of management, the company agrees to indemnify us for any damages that may result from our good faith actions.

YOSHIHARU _____ Adaptive CPA _____

18. Notices

All notices and other communications in connection with this Agreement shall be in writing and shall be considered given as follows:

- When delivered personally to the recipient's address as stated on this Agreement
- Three (3) days after being deposited in the United States mail, with postage prepaid to the recipient's address as stated on this Agreement, or
- When sent by fax or electronic mail, such notice is effective upon receipt provided that a duplicate copy of the notice is promptly given by first class mail, or the recipient delivers a written confirmation of receipt.

19. No Partnership

This Agreement does not create a partnership relationship. Consultant does not have authority to enter into contracts on YOSHIHARU's behalf, unless such authority is expressly provided by the YOSHIHARU.

20. Assignment

Consultant may not assign or subcontract any rights or delegate any of its duties under this Agreement without YOSHIHARU's prior written approval.

Execution

IN WITNESS WHEROF, the parties hereto have executed this Agreement as of the day and year first above written.

YOSHIHARU RAMEN	**ADAPTIVE CPA**
BY: _____	BY: /S/ Kevin Hartley
TITLE: CEO & President	TITLE: Principal
DATE: 10/1/21	DATE: October 1, 2021

LIFE CONSTRUCTION
LIFE CONSTRUCTION DEVELOPMENT, Inc.
12658 Hoover Street
Garden Grove, CA 92841

Contract Agreement

Yoshiharu Ramen

La Mirada

LIFE CONSTRUCTION
LIFE CONSTRUCTION DEVELOPMENT, Inc.
12658 Hoover Street
Garden Grove, CA 92841

Contract Agreement

Yoshiharu Ramen
12806 La Mirada Blvd.
La Mirada, CA 90638

Dear Mr. Chae,

Thank you for giving us the opportunity to provide you with this proposal. We are confident in the quality of service and workmanship that we can provide through our team of highly trained experts.

We are looking forward to starting this project with you soon!

For any further clarification and/or information, please feel free to contact us at any time.

Yours very truly,

David Cho
CEO

Life Construction Development, Inc.

LIFE CONSTRUCTION
LIFE CONSTRUCTION DEVELOPMENT, Inc.
12658 Hoover Street
Garden Grove, CA 92841

Contract Agreement

Project Info

Tenant Improvement
Total Floor Area: 1,500 SF
Construction Type: Type 5-B, Fire Alarm

Architect Info

AHK Architecture
13005 Mesa Verde Way
Sylmar, CA 91342

Project No: 21-0222 | **Proposal Date:** February 22, 2021

Project Location:

12806 La Mirada Blvd.
La Mirada, CA 90638

Owner Information:

Global DD Group Inc. DBA
Yoshiharu Ramen
12806 La Mirada Blvd.
La Mirada, CA 90638

Proposal Summary

Section 1 – Work Preparation
Section 2 – Building
Section 3 – Mechanical
Section 4 – Electrical
Section 5 – Plumbing
Section 6 – Kitchen Hood
Section 7 – Flooring & Tiles
Section 8 – WIC/WIF
Section 9 – Paint
Section 10 – Storefront System **(NIC)
Section 11 – Camera/Speakers/TV/Internet **(NIC)
Section 12 – Fire System
Section 13 – Cabinets
Section 14 – Furniture & Design
Section 15 - Kitchen Equipment **(NIC)
Section 16 – Roofing **(NIC)
Section 17 – Provision

Section 18 – Exclusion ****Please read carefully***

**NIC = Not in Contract

Contract Agreement

Project Description

Section 1 – Work Preparation $3,000.00

1.1 Remove existing flooring per plan
1.2 Remove existing restroom items per plan
1.3 Remove existing ceiling per plan
1.4 Remove existing walls per plan
1.5 Remove and discard trash from property

Section 2 – Building $106,500.00

2.1 Install new walls per plan
2.2 Install new floors per plan
2.3 Install new ceilings
2.4 Install wood trims per architect's rendering
2.5 Install new FRP panels in kitchen
2.7 Install vertical woods in dining – 5 ea.
2.6 Install new kitchen ceiling tiles – Smooth washable type
2.7 Install new asphalt

Section 3 – Mechanical $25,000.00

3.1 Install new package unit – Bryant 604DPXA60000AA or equal
3.2 Install new ducts per code
3.3 Install new registers
3.4 Perform maintenance on existing a/c unit

Section 4 – Electrical $18,000.00

4.1 Install new recessed lights and pendant lights per plan
4.2 Install new outlets per plan
4.3 Install new switches
4.4 Install new LED strip lights on ceiling soffit
4.5 Wire AC systems, blowers, make up
4.6 Install air curtain per plan

Section 5 – Plumbing $65,000.00

5.1 Install new plumbing fixtures per plan
5.2 Install new water pipes per plan
5.3 Install new gas pipes per plan
5.4 Install new vents per plan
5.5 Install new drains per plan
5.6 Install new tankless water heater per plan
5.7 Install grease interceptor

Section 6 – Kitchen Hood $19,000.00

6.1 Install 19'x4' hood in kitchen – Parts per plan or equal
6.2 Install make-up air per plan
6.3 Install ducts per plan

Section 7 – Flooring & Tiles $25,000.00

7.1 Smooth concrete sealed finish
7.2 Accent wall tiles in kitchen
7.3 Kitchen floor tiles
7.4 Restroom floor tiles

Section 8 – WIC..... $14,000.00

8.1 Install new walk-in cooler
8.2 Install condenser on roof

Section 9 – Paint $12,000.00

9.1 All paint colors to be decided by owner
9.2 Paint walls per plan – Semi gloss
9.3 Paint ceilings per plan – Semi gloss
9.4 Mud, Patching and Sanding

Section 10 – Storefront System

10.1 NIC

Section 11 – Camera/Speakers/TV/Internet

11.1 NIC

Section 12 – Fire System $13,000.00

12.1 Install new ANSUL system per code
12.2 Install pull station per code
12.3 Install fire alarm system
**Fire sprinkler NOT require per architect – If city official requires a sprinkler, it will be under separate permit and proposal

Section 13 – Cabinets / Countertop $6,500.00

13.1 Install new countertop & cabinet per plan

Section 14 – Furniture & Design $56,000.00

14.1 Tables – 13 ea.
14.2 Booths – 30'6"
14.3 Chairs – 25 ea.
14.5 Wood Accents
14.6 Paintings/Artwork
14.7 Custom traditional door design

Section 15 – Kitchen Equipment (Not Included.)

15.1 All kitchen equipment needs to be supplied by the customer to the contractor before final inspections - Burners, dishwashers, All sinks, paper towel dispenser, soap dispenser, etc.
15.2 All kitchen amenities need to supplied by the customer to the contractor before final inspections- Soap, paper towels, water test strips, etc.
15.3 All restroom equipment's needs to be supplied by the customer to the contractor before final inspections - Soap dispenser, paper towel dispenser, mirrors, etc.
15.4 All restroom amenities need to supplied by the customer to the contractor before final inspections - Soap, toilet papers, paper towels, toilet seat cover, etc.

Section 16 – Roofing

16.1 NIC – Required to use landlord's subcontractor. Price to be set at a later time.

Section 17 – Provision

17.1 Provision

Section 18 – Exclusion

18.1 Main wire feeders
  a. Any main wire that needs to be ran from switchgear room
18.2 Lighting fixtures
  a. Pendant lights
  b. Additional light fixtures
18.3 Roof work
18.4 Low voltage
  a. Internet, cable, telephone, CCTV, speaker
18.5 Fire sprinkler system (Not required per architect – If city requires this, it will be under separate permit)
18.6 Restaurant Equipment - Any fixtures or equipment pertaining to the restaurant
18.7 Signage
18.8 Expenses required or demanded by surrounding tenants of jobsite to temporarily close
18.9 Additional work required by the inspector that differs from the approved plans
18.10 Special inspections; such as,
  a. Structural observation
  b. Deputy inspection
  c. Title 24
  d. Air balance test
  e. HERS test
18.11 Any fees architectural or engineering fees
18.12 Construction deposit utility fees
18.13 City fees
  a. Permit fees
  b. Sewer fees
  c. Traffic (impact) fees

Total: $393,700.00

PAYMENT SCHEDULE

Progress	Description	Percentage	Amount
Down Payment	- Contract finalized - Clean up - Layout	30%	$118,000
Rough Work	- Electrical Conduits, Wiring, J-Boxes - Mechanical Ducts, Thermostat Wires - Framing / Drywall - Plumbing Vents, Drains, Pipes - Alarm Conduit - Roof Frame Work, Penetration, Repairs - Kitchen System - Concrete Cutting - Reinforcement Bar	20%	$79,000
Rough Inspection	- Electrical - Mechanical - Framing / Drywall - Fire System - Plumbing - Kitchen System - Roofing - Reinforcement Bar	20%	$79,000
Interior Work	- Floor & Wall Tiles - Paint - Door Installation - Cabinet - Lighting Installation - Outlet Installation - HVAC Registers/Vent Installation - Thermostat Installation - Millwork - Molding - Caulking - Clean up	20%	$79,000
Final Inspection	- Building Final	10%	$38,700

*** All payment shall be received before commencement of the work listed above*

TOTAL CONSTRUCTION COST: $393,700.00

Contract Agreement

Agreement Terms

This Construction Agreement is made and entered into as of the signed date below by and between the **Yoshiharu Ramen**, hereinafter referred to as the "CLIENT" and Life Construction Development, Inc., hereinafter referred to as the "CONTRACTOR";

Witnesseth:

WHEREAS, the CLIENT requires the services for a duly licensed and qualified construction firm to develop his/her property;

WHEREAS, the CONTRACTOR represents that it has the required professional skills/certifications and financial capacity to provide services to the Client;

NOW THEREFORE, the parties bind and agree to the following terms below:

I. PROJECT

The CLIENT will award a Construction project to the CONTRACTOR entitled **Yoshiharu Ramen**;

1. The location of the CLIENT's property will be properly endorsed to the CONTRACTOR, including the necessary technical details of the lot parcel/building;

II. PAYMENT TERMS

1. The CLIENT agrees to pay the CONTRACTOR an initial 30% of the estimated contract cost, upon the finalization of the estimated project cost.
2. The CLIENT will pay per the above payment schedule of the estimated project cost upon the commencement of the development.
3. Full payment of the project will be due and demandable ten (10) days after the completion and CLIENT's receipt of Certificate of Completion.
4. Payments should be made to the CONTRACTOR in Post Dated Checks and will be given an Official Receipt or Acknowledgement Receipt for every check received and validated.
5. Should the CLIENT be in default during the on-going construction, the CONTRACTOR has the right to give notice and may stop performance until the CLIENT corrects the default within thirty (30) business days.
6. Any delays and/or additional work in the construction caused by the CLIENT, city officials, landlord, surrounding tenants, and/or unforeseen circumstances may result in additional costs reviewed by the CONTRACTOR to the CLIENT.

III. CONSTRUCTION BOND AND PERMITS

1. The applicable construction bond applied during the development/construction of the project will be shouldered by the CONTRACTOR provided that the cost of the bond will be included as part of the total estimated cost.
2. All concerned permits for the construction phase will be form part of the estimated project cost and shall be duly completed by the CLIENT before the start date stated in the contract.

IV. CONSTRUCTION MATERIALS

1. CONTRACTOR will use the approved materials per the approved plans; unless specified differently from approved plans by a building official.
2. Changes/Modifications in materials will be reflected in the estimated project cost and will be reviewed by the CONTRACTOR.

V. WORK SCHEDULE

1. The CONTRACTOR will provide a schedule of the performance of work to the CLIENT prior to the commencement of construction.
2. Extension of work schedule is permitted in case of any unforeseen circumstances, any additional work requested, or delayed response from the CLIENT, city officials, or landlord.

Contract Agreement

VI. COMPLIANCE

1. Should the CONTRACTOR fail to meet the requirements set by the CLIENT, the CLIENT may notify the CONTRACTOR in writing that the CONTRACTOR is in default and will be given up to five (5) business days to act. If the CONTRACTOR fails to comply or respond within the given period, the CLIENT may correct the default and deduct the cost thereof from any payment due to the CONTRACTOR or terminate the Agreement.
2. If the CLIENT decides to terminate the Agreement, the CONTRACTOR shall be entitled to payment for services rendered until termination of contract.

VII. WARRANTIES

1. The CONTRACTOR warrants the Work against defects in workmanship and materials for a period of 12 months after full completion and turnover of the building.
2. The warranty does not take effect if the CLIENT is in default of this Agreement or the effects of normal damages brought by wear and tear, caused by the faulty maintenance of the CLIENT.
3. Should the CLIENT provide the CONTRACTOR with a notice of a warranty claim under the 12 month period stated in this Agreement, the CONTRACTOR should respond within thirty (30) business days to the said warranty.

In Witness Whereof, the parties have executed this Agreement on the date and place above specified.

VIII. ATTORNEY FEES

1. In any litigation, arbitration, or other proceeding by which one party either seeks to enforce its rights under this Agreement (whether in contract, tort, or both) or seeks a declaration of any rights or obligations under this Agreement, the CLIENT shall pay all reasonable attorney fees, and costs and expenses incurred.

Signed by:

X _____ 3/23/21
Name: Date

Title:

Yoshiharu Ramen

X _____ 2/23/2021
Name: Date

Title: CEO

Life Construction Development, Inc.

LIFE CONSTRUCTION
LIFE CONSTRUCTION DEVELOPMENT, Inc.
12658 Hoover Street
Garden Grove, CA 92841

Proposal

Yoshiharu Ramen

Cerritos

LIFE CONSTRUCTION
LIFE CONSTRUCTION DEVELOPMENT, Inc.
12658 Hoover Street
Garden Grove, CA 92841

Proposal

Yoshiharu Ramen
11533 South Street
Cerritos, CA 90703

Dear Mr. Chae,

Thank you for giving us the opportunity to provide you with this proposal. We are confident in the quality of service and workmanship that we can provide through our team of highly trained experts.

We are looking forward to starting this project with you soon!

For any further clarification and/or information, please feel free to contact us at any time.

Yours very truly,

David Cho
CEO

Life Construction Development, Inc.

LIFE CONSTRUCTION
LIFE CONSTRUCTION DEVELOPMENT, Inc.
12658 Hoover Street
Garden Grove, CA 92841

Proposal

Project Info

Tenant Improvement
Total Floor Area: 1,264 SF
Construction Type: Type 5-B, Fire Alarm

Architect Info

AHK Architecture
13005 Mesa Verde Way
Sylmar, CA 91342

Deisgner Info

35db, Inc.

Project No: 21-0319 | **Proposal Date:** March 19, 2021

Project Location:

11533 South Street
Cerritos, CA 90703

Owner Information:

Yoshiharu Ramen
11533 South Street
Cerritos, CA 90703

Proposal Summary

Section 1 – Work Preparation
Section 2 – Building
Section 3 – Mechanical
Section 4 – Electrical
Section 5 – Plumbing
Section 6 – Kitchen Hood
Section 7 – Flooring & Tiles
Section 8 – WIC
Section 9 – Paint
Section 10 – Storefront System **(NIC)
Section 11 – Camera/Speakers/TV/Internet **(NIC)
Section 12 – Fire System
Section 13 – Cabinets
Section 14 – Furniture & Design **(NIC)
Section 15 - Kitchen Equipment **(NIC)
Section 16 – Roofing **(NIC)
Section 17 – Finish Work

Section 18 – Exclusion ***Please read carefully*

**NIC = Not in Contract – Should there be additional minor work performed that is not included in this contract. There will be no additional provision fees. Any 3rd party contractor or entities shall oblige to Life Construction Development, Inc. rules and regulations.

Project Description

Section 1 – Work Preparation

1.1 Clean up
1.2 Temporary power – To be provided by landlord/owner
1.3 Layout

Section 2 – Building

2.1 Install new wall & ceiling frames per code
2.2 Install sink and grab bar backing
2.3 Install rebars after saw cutting
2.4 Pour and finish new concrete after saw cutting
2.5 Reinforce pony walls with posts
2.6 Install new drywall on ceiling per code
2.7 Tape and compound walls and ceilings for smooth finish
2.8 Waterproof floor edges of kitchen on demising walls
2.9 Provide ceiling access for future maintenance work
2.10 Install roof curbs for equipment 6" above grade

Section 3 – Mechanical

3.1 Install new ducts per code
3.2 Install new registers
3.3 Install new fresh air ducts
3.4 Relocate duct detector
3.5 Install new restroom exhaust vents
3.6 Install new thermostats
3.7 Run new copper drain lines from AC unit

Section 4 – Electrical

4.1 Install new recessed lights per plan **(NOTE: Pendant lights are <u>not</u> included)**
4.2 Install new outlets per plan
4.3 Install new switches per plan
4.4 Install new LED strip lights on ceiling soffit
4.5 Wire AC systems, blowers, make up air
4.6 Install air curtain per plan
4.7 Install new electrical panel
4.8 Install new electrical main feeders

Section 5 – Plumbing

5.1 Install new plumbing fixtures per plan
5.2 Install new water pipes per plan
5.3 Install new gas pipes per plan
5.4 Install new vents per plan
5.5 Install new drains per plan
5.6 Install new water heater per plan

Section 6 – Kitchen Hood

6.1 Install 8'4" and 9'5" hood in kitchen – Parts per plan or equal
6.2 Install make-up air per plan
6.3 Install ducts per plan

Section 7 – Flooring & Tiles

7.1 Dining room floor – SPC flooring
7.2 Hallway floor tiles – SPC flooring
7.3 Kitchen floor tiles – Quarry tiles
7.4 Restroom floor tiles – Ceramic tiles
7.5 Accent wall tiles in kitchen – Subway / Hexagon tiles
7.6 Restroom wall tiles – Ceramic tiles

Section 8 – WIC

8.1 Install new walk-in cooler
8.2 Install condenser on roof
8.3 Install refrigeration unit

Section 9 – Paint

9.1 All paint colors to be decided by owner / 35db, Inc.
9.2 Paint walls per plan – Semi gloss
9.3 Paint ceilings per plan – Semi gloss
9.4 Spray paint dining room ceiling flat black

Section 10 – Storefront System

10.1 NIC

Section 11 – Camera/Speakers/TV/Internet/POS

11.1 NIC – Provision will be provided for no additional cost

Section 12 – Fire System

12.1 Install new ANSUL system per code
12.2 Install pull station per code
12.3 Install fire alarm system
12.4 Install new fire sprinklers per code

Section 13 – Cabinets / Countertop

13.1 Install new countertop & cabinet per plan – Bar counter

Section 14 – Furniture & Design

14.1 NIC

Section 15 – Kitchen Equipment (Not Included.)

15.1 All kitchen equipment needs to be supplied by the customer to the contractor before final inspections - Burners, dishwashers, All sinks, paper towel dispenser, soap dispenser, etc.
15.2 All kitchen amenities need to supplied by the customer to the contractor before final inspections- Soap, paper towels, water test strips, etc.
15.3 All restroom equipment's needs to be supplied by the customer to the contractor before final inspections - Soap dispenser, paper towel dispenser, mirrors, etc.
15.4 All restroom amenities need to supplied by the customer to the contractor before final inspections - Soap, toilet papers, paper towels, toilet seat cover, etc.

Section 16 – Roofing

16.1 NIC – Provision will be provided for no additional cost

Section 17 – Finish Work

17.1 Install new FRP panels in kitchen
17.2 Install vertical woods in dining
17.3 Install new kitchen ceiling tiles – Smooth washable type
17.4 Install wood base molding – Industry standard
17.5 Install sneeze guard per plan
17.6 Install restroom door and frame – Timely Frame & Hollow Doors
17.7 Install soap dispensers
17.8 Install paper towel dispensers
17. 9 Install grab bars per ADA code requirements
17.10 Final clean up

Section 17 – Exclusion

17.1 Any special designs – eg. Wallpapers, wall films, TV mounting
17.2 Lighting Fixture
  a. Pendant lights
  b. Additional light fixtures
17.3 Roof work – Any costs associated with patching or installing roofing materials
17.4 Low voltage
  a. Internet, cable, telephone, CCTV, speaker, POS
17.5 Restaurant Equipment - Any fixtures or equipment pertaining to the restaurant – Unless otherwise stated
17.6 Signage installation & any associated fees
17.7 Expenses/compensation required or demanded by surrounding tenants
17.8 Additional work required by the inspector that differs from the approved plans
17.9 Special inspections; such as,
  a. Structural observation
  b. Deputy inspection
  c. Title 24
  d. Air balance test
  e. HERS test
17.10 Any architectural fees or engineering fees
17.11 Construction deposit utility fees
17.12 City fees (Health department, fire department, building department)
  a. Permit fees
  b. Sewer fees
  c. Traffic (impact) fees

Grand Total: $390,000.00

PAYMENT SCHEDULE

Progress	Description	Percentage	Amount
Down Payment	- Contract finalized - Clean up - Layout	30%	$117,000
Rough Work	- Electrical Conduits, Wiring, J-Boxes - Mechanical Ducts, Thermostat Wires - Framing / Drywall - Plumbing Vents, Drains, Pipes - Fire Alarm Conduit - Roof Frame Work, Penetration, Repairs - Kitchen System - Concrete Cutting - Reinforcement Bar	20%	$78,000
Rough Inspection	- Electrical - Mechanical - Framing / Drywall - Fire System - Plumbing - Kitchen System - Roofing - Reinforcement Bar	20%	$78,000
Interior Work	- Floor & Wall Tiles - Paint - Door Installation - Cabinet - Lighting Installation - Outlet Installation - HVAC Registers/Vent Installation - Thermostat Installation - Millwork - Molding - Caulking - Clean up	20%	$78,000
Final Inspection	- Building Final	10%	$39,000

*** All payment shall be received before commencement of the work listed above.***

TOTAL CONSTRUCTION COST: $390,000.00

Agreement Terms

This Construction Agreement is made and entered into as of the signed date below by and between the **Yoshiharu Ramen**, hereinafter referred to as the "CLIENT" and Life Construction Development, Inc., hereinafter referred to as the "CONTRACTOR";

Witnesseth:

WHEREAS, the CLIENT requires the services for a duly licensed and qualified construction firm to develop his/her property;

WHEREAS, the CONTRACTOR represents that it has the required professional skills/certifications and financial capacity to provide services to the Client;

NOW THEREFORE, the parties bind and agree to the following terms below:

I. PROJECT

The CLIENT will award a Construction project to the CONTRACTOR entitled **Yoshiharu Ramen**;

1. The location of the CLIENT's property will be properly endorsed to the CONTRACTOR, including the necessary technical details of the lot parcel/building;

II. PAYMENT TERMS

1. The CLIENT agrees to pay the CONTRACTOR an initial 30% of the estimated contract cost, upon the finalization of the estimated project cost.
2. The CLIENT will pay per the above payment schedule of the estimated project cost upon the commencement of the development.
3. Full payment of the project will be due and demandable ten (10) days after the completion and CLIENT's receipt of Certificate of Completion.
4. Payments should be made to the CONTRACTOR in Post Dated Checks and will be given an Official Receipt or Acknowledgement Receipt for every check received and validated.
5. Should the CLIENT be in default during the on-going construction, the CONTRACTOR has the right to give notice and may stop performance until the CLIENT corrects the default within thirty (30) business days.
6. Any delays and/or additional work in the construction caused by the CLIENT, city officials, landlord, surrounding tenants, and/or unforeseen circumstances may result in additional costs reviewed by the CONTRACTOR to the CLIENT.

III. CONSTRUCTION BOND AND PERMITS

1. The applicable construction bond applied during the development/construction of the project will be shouldered by the CONTRACTOR provided that the cost of the bond will be included as part of the total estimated cost.
2. All concerned permits for the construction phase will be form part of the estimated project cost and shall be duly completed by the CLIENT before the start date stated in the contract.

IV. CONSTRUCTION MATERIALS

1. CONTRACTOR will use the approved materials per the approved plans; unless specified differently from approved plans by a building official.
2. Changes/Modifications in materials will be reflected in the estimated project cost and will be reviewed by the CONTRACTOR.
3. Should CLIENT requests for any work to be performed without drafting plans through licensed engineers or architects and submitting a plan revision to city, the CONTRACTOR shall not be liable for any monetary loss of materials, labor cost, and loss of time should there be an event of the city official/landlord demanding the removal of unapproved work.

V. WORK SCHEDULE

1. The CONTRACTOR will provide a schedule of the performance of work to the CLIENT prior to the commencement of construction.
2. Extension of work schedule is permitted in case of any unforeseen circumstances, any additional work requested, or delayed response from the CLIENT, city officials, or landlord.
3. In the event a city official/landlord demands the removal of any unapproved work, construction completion date shall increase accordingly and incur additional cost of labor and materials to the CLIENT.

VI. COMPLIANCE

1. Should the CONTRACTOR fail to meet the requirements set by the CLIENT, the CLIENT may notify the CONTRACTOR in writing that the CONTRACTOR is in default and will be given up to five (5) business days to act. If the CONTRACTOR fails to comply or respond within the given period, the CLIENT may correct the default and deduct the cost thereof from any payment due to the CONTRACTOR or terminate the Agreement.
2. If the CLIENT decides to terminate the Agreement, the CONTRACTOR shall be entitled to payment for services rendered until termination of contract.
3. Any work not included in the contract whether mentioned or not, shall be deemed as an excluded item, unless there is a written agreement between the CLIENT and CONTRACTOR is signed and dated.
4. Any additional work performed by 3rd party contractors or entities shall adhere to the CONTRACTORS rules and regulations. The CONTRACTOR at any time shall have full discretion on who is and isn't allowed on the premises of the job site and shall not be held liable for any damages or loss incurred to CLIENT.
5. Any damages incurred by 3rd party contractors or entities shall not be covered by the CONTRACTOR. If CONTRACTOR shall repair any damages caused by 3rd party contractors or entities, a change order shall be submitted in writing to the CLIENT.

VII. WARRANTIES

1. The CONTRACTOR warrants the Work against defects in workmanship and materials for a period of 12 months after full completion and turnover of the project.
2. The warranty does not take effect if the CLIENT is in default of this Agreement or the effects of normal damages brought by wear and tear, caused by the faulty maintenance of the CLIENT.
3. Should the CLIENT provide the CONTRACTOR with a notice of a warranty claim under the 12 month period stated in this Agreement, the CONTRACTOR should respond within thirty (30) business days to the said warranty.

In Witness Whereof, the parties have executed this Agreement on the date and place above specified.

VIII. ATTORNEY FEES

1. In any litigation, arbitration, or other proceeding by which one party either seeks to enforce its rights under this Agreement (whether in contract, tort, or both) or seeks a declaration of any rights or obligations under this Agreement, the CLIENT shall pay all reasonable attorney fees, costs, and expenses incurred.

Signed by:

X_____ 7/30/21
Name: Date

Title: President

Yoshiharu Ramen

X_____ 7/30/21
Name: Date

Title: CEO

Life Construction Development, Inc.

LIFE CONSTRUCTION
LIFE CONSTRUCTION DEVELOPMENT, Inc.
12658 Hoover Street
Garden Grove, CA 92841

Contract Agreement

Yoshiharu Ramen

Corona

LIFE CONSTRUCTION
LIFE CONSTRUCTION DEVELOPMENT, Inc.
12658 Hoover Street
Garden Grove, CA 92841

Contract Agreement

Yoshiharu Ramen
440 McKinley St., #101
Corona, CA 92879

Dear Mr. Chae,

Thank you for giving us the opportunity to provide you with this proposal. We are confident in the quality of service and workmanship that we can provide through our team of highly trained experts.

We are looking forward to starting this project with you soon!

For any further clarification and/or information, please feel free to contact us at any time.

Yours very truly,

David Cho
CEO

Life Construction Development, Inc.

X

James Chae
CEO / Global CC Group, Inc.

LIFE CONSTRUCTION
LIFE CONSTRUCTION DEVELOPMENT, Inc.
12658 Hoover Street
Garden Grove, CA 92841

Contract Agreement

Project Info

Tenant Improvement
Total Floor Area: 1,925 SF
Construction Type: Type 5-B, Fire Alarm

Architect Info

AHK Architecture
13005 Mesa Verde Way
Sylmar, CA 91342

Project No: 21-0223 | **Proposal Date:** February 23, 2021

Project Location:

440 McKinley St., #101
Corona, CA 92879

Owner Information:

Global JJ Group Inc. DBA
Yoshiharu Ramen
440 McKinley St., #101
Corona, CA 92879

Proposal Summary

Section 1 – Work Preparation
Section 2 – Building
Section 3 – Mechanical
Section 4 – Electrical
Section 5 – Plumbing
Section 6 – Kitchen Hood
Section 7 – Flooring & Tiles
Section 8 – WIC/WIF
Section 9 – Paint
Section 10 – Storefront System **(NIC)
Section 11 – Camera/Speakers/TV/Internet **(NIC)
Section 12 – Fire System
Section 13 – Cabinets
Section 14 – Furniture **(NIC)
Section 15 - Kitchen Equipment **(NIC)
Section 16 – Roofing **(NIC)
Section 17 – Provision

Section 18 – Exclusion ***Please read carefully***

**NIC = Not in Contract

Contract Agreement

Project Description

Section 1 – Work Preparation $3,000.00

1.1 Remove existing flooring per plan
1.2 Remove existing restroom items per plan
1.3 Remove existing ceiling per plan
1.4 Remove existing walls per plan
1.5 Remove and discard trash from property

Section 2 – Building $105,000.00

2.1 Install new walls per plan
2.2 Install new floors per plan
2.3 Install new ceilings
2.4 Install wood trims per architect's rendering
2.5 Install new FRP panels in kitchen
2.7 Install vertical woods in dining – 5 ea.
2.6 Install new kitchen ceiling tiles – Smooth washable type

Section 3 – Mechanical $30,000.00

3.1 Install new package unit – Carrier 48 HC-06 or equal
3.2 Install new ducts per code
3.3 Install new registers
3.4 Perform maintenance on existing a/c unit

Section 4 – Electrical $25,000.00

4.1 Install new recessed lights and pendant lights per plan
4.2 Install new outlets per plan
4.3 Install new switches
4.4 Install new LED strip lights on ceiling soffit
4.5 Wire AC systems, blowers, make up
4.6 Install air curtain per plan

Section 5 – Plumbing $70,000.00

5.1 Install new plumbing fixtures per plan
5.2 Install new water pipes per plan
5.3 Install new gas pipes per plan
5.4 Install new vents per plan
5.5 Install new drains per plan
5.6 Install new tankless water heater per plan
5.7 Install new grease interceptor

Section 6 – Kitchen Hood $19,000.00

6.1 Install 19'x4' hood in kitchen – Parts per plan or equal
6.2 Install make-up air per plan
6.3 Install ducts per plan

Section 18 – Exclusion

18.1 Main wire feeders
  a. Any main wire that needs to be ran from switchgear room
18.2 Lighting fixtures
  a. Pendant lights
  b. Additional light fixtures
18.3 Roof work
18.4 Low voltage
  a. Internet, cable, telephone, CCTV, speaker
18.5 Fire sprinkler system (Not required per architect – If city requires this, it will be under separate permit)
18.6 Restaurant Equipment - Any fixtures or equipment pertaining to the restaurant
18.7 Signage
18.8 Furniture (booths, chairs, tables, etc.), appliances, artwork, and no typical finish materials (Other than city approved plans)
18.9 Expenses required or demanded by surrounding tenants of jobsite to temporarily close
18.10 Additional work required by the inspector that differs from the approved plans
18.11 Special inspections; such as,
  a. Structural observation
  b. Deputy inspection
  c. Title 24
  d. Air balance test
  e. HERS test
18.12 Any fees architectural or engineering fees
18.13 Construction deposit utility fees
18.14 City fees
  a. Permit fees
  b. Sewer fees
  c. Traffic (impact) fees

Total: ~~$340,150.00~~
$315,000

PAYMENT SCHEDULE

Progress	Description	Percentage	Amount
Down Payment	- Contract finalized - Clean up - Layout	30%	$102,000
Rough Work	- Electrical Conduits, Wiring, J-Boxes - Mechanical Ducts, Thermostat Wires - Framing / Drywall - Plumbing Vents, Drains, Pipes - Fire Alarm Conduit - Roof Frame Work, Penetration, Repairs - Kitchen System - Concrete Cutting - Reinforcement Bar	20%	$68,000
Rough Inspection	- Electrical - Mechanical - Framing / Drywall - Fire System - Plumbing - Kitchen System - Roofing - Reinforcement Bar	20%	$68,000
Interior Work	- Floor & Wall Tiles - Paint - Door Installation - Cabinet - Lighting Installation - Outlet Installation - HVAC Registers/Vent Installation - Thermostat Installation - Millwork - Molding - Caulking - Clean up	20%	$68,000
Final Inspection	- Building Final	10%	$34,150

*** All payment shall be received before commencement of the work listed above.*

$315,000

TOTAL CONSTRUCTION COST: ~~$340,150.00~~

LIFE CONSTRUCTION
LIFE CONSTRUCTION DEVELOPMENT, Inc.
12658 Hoover Street
Garden Grove, CA 92841

Contract Agreement

Agreement Terms

This Construction Agreement is made and entered into as of the signed date below by and between the **Yoshiharu Ramen**, hereinafter referred to as the "CLIENT" and Life Construction Development, Inc., hereinafter referred to as the "CONTRACTOR";

Witnesseth:

WHEREAS, the CLIENT requires the services for a duly licensed and qualified construction firm to develop his/her property;

WHEREAS, the CONTRACTOR represents that it has the required professional skills/certifications and financial capacity to provide services to the Client;

NOW THEREFORE, the parties bind and agree to the following terms below:

I. PROJECT

The CLIENT will award a Construction project to the CONTRACTOR entitled **Yoshiharu Ramen**;

1. The location of the CLIENT's property will be properly endorsed to the CONTRACTOR, including the necessary technical details of the lot parcel/building;

II. PAYMENT TERMS

1. The CLIENT agrees to pay the CONTRACTOR an initial 30% of the estimated contract cost, upon the finalization of the estimated project cost.
2. The CLIENT will pay per the above payment schedule of the estimated project cost upon the commencement of the development.
3. Full payment of the project will be due and demandable ten (10) days after the completion and CLIENT's receipt of Certificate of Completion.
4. Payments should be made to the CONTRACTOR in Post Dated Checks and will be given an Official Receipt or Acknowledgement Receipt for every check received and validated.
5. Should the CLIENT be in default during the on-going construction, the CONTRACTOR has the right to give notice and may stop performance until the CLIENT corrects the default within thirty (30) business days.
6. Any delays and/or additional work in the construction caused by the CLIENT, city officials, landlord, surrounding tenants, and/or unforeseen circumstances may result in additional costs reviewed by the CONTRACTOR to the CLIENT.

III. CONSTRUCTION BOND AND PERMITS

1. The applicable construction bond applied during the development/construction of the project will be shouldered by the CONTRACTOR provided that the cost of the bond will be included as part of the total estimated cost.
2. All concerned permits for the construction phase will be form part of the estimated project cost and shall be duly completed by the CLIENT before the start date stated in the contract.

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1. CONTRACTOR will use the approved materials per the approved plans; unless specified differently from approved plans by a building official.
2. Changes/Modifications in materials will be reflected in the estimated project cost and will be reviewed by the CONTRACTOR.
3. Should CLIENT requests for any work to be performed without drafting plans through licensed engineers or architects and submitting a plan revision to city, the CONTRACTOR shall not be liable for any monetary loss of materials and labor cost should there be an event of the city official/landlord demanding the removal of unapproved work.

V. WORK SCHEDULE

1. The CONTRACTOR will provide a schedule of the performance of work to the CLIENT prior to the commencement of construction.
2. Extension of work schedule is permitted in case of any unforeseen circumstances, any additional work requested, or delayed response from the CLIENT, city officials, or landlord.
3. In the event a city official/landlord demands the removal of any unapproved work, construction completion date shall increase accordingly and incur additional cost of labor and materials to the CLIENT.

VI. COMPLIANCE

1. Should the CONTRACTOR fail to meet the requirements set by the CLIENT, the CLIENT may notify the CONTRACTOR in writing that the CONTRACTOR is in default and will be given up to five (5) business days to act. If the CONTRACTOR fails to comply or respond within the given period, the CLIENT may correct the default and deduct the cost thereof from any payment due to the CONTRACTOR or terminate the Agreement.

2. If the CLIENT decides to terminate the Agreement, the CONTRACTOR shall be entitled to payment for services rendered until termination of contract.

VII. WARRANTIES

1. The CONTRACTOR warrants the Work against defects in workmanship and materials for a period of 12 months after full completion and turnover of the building.
2. The warranty does not take effect if the CLIENT is in default of this Agreement or the effects of normal damages brought by wear and tear, caused by the faulty maintenance of the CLIENT.
3. Should the CLIENT provide the CONTRACTOR with a notice of a warranty claim under the 12 month period stated in this Agreement, the CONTRACTOR should respond within thirty (30) business days to the said warranty.

In Witness Whereof, the parties have executed this Agreement on the date and place above specified.

VIII. ATTORNEY FEES

1. In any litigation, arbitration, or other proceeding by which one party either seeks to enforce its rights under this Agreement (whether in contract, tort, or both) or seeks a declaration of any rights or obligations under this Agreement, the CLIENT shall pay all reasonable attorney fees, and costs and expenses incurred.

Signed by:

X _____ 3/5/21
Name: James Chae — Date

Title: President & CEO

Yoshiharu Ramen

X _____ 3/5/21
Name: CEO — Date

Title: CEO

Life Construction Development, Inc.

PROMISSORY NOTE

Principal	Loan Date	Maturity	Loan No	Call / Coll	Account	Officer	Initials
$780,000.00	11-27-2018	12-01-2025	0935023			81SP	

References in the boxes above are for Lender's use only and do not limit the applicability of this document to any particular loan or item.
Any item above containing "****" has been omitted due to text length limitations.

Borrower: GLOBAL AA GROUP, INC.
GLOBAL JJ GROUP, INC.
8426 LAUREL AVENUE, SUITE A
WHITTIER, CA 90605

Lender: PACIFIC CITY BANK
BUENA PARK BRANCH
5400 BEACH BLVD.
SUITE 101
BUENA PARK, CA 90621

Principal Amount: $780,000.00 **Date of Note: November 27, 2018**

PROMISE TO PAY. GLOBAL AA GROUP, INC.; and GLOBAL JJ GROUP, INC. ("Borrower") jointly and severally promise to pay to PACIFIC CITY BANK ("Lender"), or order, in lawful money of the United States of America, the principal amount of Seven Hundred Eighty Thousand & 00/100 Dollars ($780,000.00), together with interest on the unpaid principal balance from November 28, 2018, until paid in full.

PAYMENT. Borrower will pay this loan in full immediately upon Lender's demand. If no demand is made, subject to any payment changes resulting from changes in the Index, Borrower will pay this loan in 83 payments of $11,818.08 each payment and an irregular last payment estimated at $11,817.63. Borrower's first payment is due January 1, 2019, and all subsequent payments are due on the same day of each month after that. Borrower's final payment will be due on December 1, 2025, and will be for all principal and all accrued interest not yet paid. Payments include principal and interest. Unless otherwise agreed or required by applicable law, payments will be applied first to any accrued unpaid interest; then to principal; then to any unpaid collection costs; and then to any late charges. Borrower will pay Lender at Lender's address shown above or at such other place as Lender may designate in writing.

SCHEDULED PAYMENT. The above "PAYMENT" is an estimated payment schedule based on the assumption that all payments and advances will be made exactly as scheduled.

VARIABLE INTEREST RATE. The interest rate on this Note is subject to change from time to time based on changes in an independent index which is the Prime Rate as published in the Wall Street Journal (the "Index"). The Index is not necessarily the lowest rate charged by Lender on its loans. If the Index becomes unavailable during the term of this loan, Lender may designate a substitute index after notifying Borrower. Lender will tell Borrower the current Index rate upon Borrower's request. The interest rate change will not occur more often than each day. Borrower understands that Lender may make loans based on other rates as well. **The Index currently is 5.250% per annum.** Interest on the unpaid principal balance of this Note will be calculated as described in the "INTEREST CALCULATION METHOD" paragraph using a rate of 1.750 percentage points over the Index, resulting in an initial rate of 7.000%. NOTICE: Under no circumstances will the interest rate on this Note be more than the maximum rate allowed by applicable law. Whenever increases occur in the interest rate, Lender, at its option, may do one or more of the following: (A) increase Borrower's payments to ensure Borrower's loan will pay off by its original final maturity date, (B) increase Borrower's payments to cover accruing interest, (C) increase the number of Borrower's payments, and (D) continue Borrower's payments at the same amount and increase Borrower's final payment.

INTEREST CALCULATION METHOD. Interest on this Note is computed on a 365/360 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. This calculation method results in a higher effective interest rate than the numeric interest rate stated in this Note.

ADJUSTMENT TO MONTHLY PAYMENT AMOUNT. In addition to the VARIABLE INTEREST RATE as described above, whenever change occurs in the interest rate or Borrower makes prepayment or Borrower fails to make any payment when due or additional advance is made with any reason or the term of the loan is shortened due to delayed initial disbursement, Lender, at its option, may do one or more of the followings: (A) change Borrower's payments to ensure Borrower's loan will pay off by its original final maturity date. (B) change Borrower's payments to cover accruing interest. (c) change the number of borrower's payments, and (D) continue Borrower's payments at the same amount and change Borrower's final payment.

PREPAYMENT. Borrower agrees that all loan fees and other prepaid finance charges are earned fully as of the date of the loan and will not be subject to refund upon early payment (whether voluntary or as a result of default), except as otherwise required by law. Except for the foregoing, Borrower may pay without penalty all or a portion of the amount owed earlier than it is due. Early payments will not, unless agreed to by Lender in writing, relieve Borrower of Borrower's obligation to continue to make payments under the payment schedule. Rather, early payments will reduce the principal balance due and may result in Borrower's making fewer payments. Borrower agrees not to send Lender payments marked "paid in full", "without recourse", or similar language. If Borrower sends such a payment, Lender may accept it without losing any of Lender's rights under this Note, and Borrower will remain obligated to pay any further amount owed to Lender. **All written communications concerning disputed amounts, including any check or other payment instrument that indicates that the payment constitutes "payment in full" of the amount owed or that is tendered with other conditions or limitations or as full satisfaction of a disputed amount must be mailed or delivered to: PACIFIC CITY BANK, BUENA PARK BRANCH, 5400 BEACH BLVD., SUITE 101, BUENA PARK, CA 90621.**

LATE CHARGE. If a payment is 11 days or more late, Borrower will be charged **5.000% of the regularly scheduled payment or $5.00, whichever is greater.**

INTEREST AFTER DEFAULT. Upon default, including failure to pay upon final maturity, at Lender's option, and if permitted by applicable law, Lender may add any unpaid accrued interest to principal and such sum will bear interest therefrom until paid at the rate provided in this Note (including any increased rate). Upon default, the interest rate on this Note shall, if permitted under applicable law, immediately increase by adding an additional 5.000 percentage point margin ("Default Rate Margin"). The Default Rate Margin shall also apply to each succeeding interest rate change that would have applied had there been no default.

DEFAULT. Each of the following shall constitute an event of default ("Event of Default") under this Note:

Payment Default. Borrower fails to make any payment when due under this Note.

Other Defaults. Borrower fails to comply with or to perform any other term, obligation, covenant or condition contained in this Note or in any of the related documents or to comply with or to perform any term, obligation, covenant or condition contained in any other agreement between Lender and Borrower.

Default in Favor of Third Parties. Borrower or any Grantor defaults under any loan, extension of credit, security agreement, purchase or sales agreement, or any other agreement, in favor of any other creditor or person that may materially affect any of Borrower's property or Borrower's ability to repay this Note or perform Borrower's obligations under this Note or any of the related documents.

False Statements. Any warranty, representation or statement made or furnished to Lender by Borrower or on Borrower's behalf under this

Note or the related documents is false or misleading in any material respect, either now or at the time made or furnished or becomes false or misleading at any time thereafter.

Insolvency. The dissolution or termination of Borrower's existence as a going business, the insolvency of Borrower, the appointment of a receiver for any part of Borrower's property, any assignment for the benefit of creditors, any type of creditor workout, or the commencement of any proceeding under any bankruptcy or insolvency laws by or against Borrower.

Creditor or Forfeiture Proceedings. Commencement of foreclosure or forfeiture proceedings, whether by judicial proceeding, self-help, repossession or any other method, by any creditor of Borrower or by any governmental agency against any collateral securing the loan. This includes a garnishment of any of Borrower's accounts, including deposit accounts, with Lender. However, this Event of Default shall not apply if there is a good faith dispute by Borrower as to the validity or reasonableness of the claim which is the basis of the creditor or forfeiture proceeding and if Borrower gives Lender written notice of the creditor or forfeiture proceeding and deposits with Lender monies or a surety bond for the creditor or forfeiture proceeding, in an amount determined by Lender, in its sole discretion, as being an adequate reserve or bond for the dispute.

Events Affecting Guarantor. Any of the preceding events occurs with respect to any Guarantor of any of the indebtedness or any Guarantor dies or becomes incompetent, or revokes or disputes the validity of, or liability under, any guaranty of the indebtedness evidenced by this Note.

Change In Ownership. Any change in ownership of twenty-five percent (25%) or more of the common stock of Borrower.

Adverse Change. A material adverse change occurs in Borrower's financial condition, or Lender believes the prospect of payment or performance of this Note is impaired.

Cure Provisions. If any default, other than a default in payment, is curable and if Borrower has not been given a notice of a breach of the same provision of this Note within the preceding twelve (12) months, it may be cured if Borrower, after Lender sends written notice to Borrower demanding cure of such default: (1) cures the default within fifteen (15) days; or (2) if the cure requires more than fifteen (15) days, immediately initiates steps which Lender deems in Lender's sole discretion to be sufficient to cure the default and thereafter continues and completes all reasonable and necessary steps sufficient to produce compliance as soon as reasonably practical.

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

ATTORNEYS' FEES; EXPENSES. Lender may hire or pay someone else to help collect this Note if Borrower does not pay. Borrower will pay Lender that amount. This includes, subject to any limits under applicable law, Lender's attorneys' fees and Lender's legal expenses, whether or not there is a lawsuit, including attorneys' fees, expenses for bankruptcy proceedings (including efforts to modify or vacate any automatic stay or injunction), and appeals. Borrower also will pay any court costs, in addition to all other sums provided by law.

GOVERNING LAW. 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 of California without regard to its conflicts of law provisions. This Note has been accepted by Lender in the State of California.

CHOICE OF VENUE. If there is a lawsuit, Borrower agrees upon Lender's request to submit to the jurisdiction of the courts of LOS ANGELES County, State of California.

DISHONORED ITEM FEE. Borrower will pay a fee to Lender of $25.00 if Borrower makes a payment on Borrower's loan and the check or preauthorized charge with which Borrower pays is later dishonored.

RIGHT OF SETOFF. To the extent permitted by applicable law, Lender reserves a right of setoff in all Borrower's accounts with Lender (whether checking, savings, or some other account). This includes all accounts Borrower holds jointly with someone else and all accounts Borrower may open in the future. However, this does not include any IRA or Keogh accounts, or any trust accounts for which setoff would be prohibited by law. Borrower authorizes Lender, to the extent permitted by applicable law, to charge or setoff all sums owing on the indebtedness against any and all such accounts.

COLLATERAL. Borrower acknowledges this Note is secured by the following collateral described in the security instruments listed herein:

(A) a Commercial Security Agreement dated November 27, 2018 made and executed between GLOBAL AA GROUP, INC. and Lender on collateral described as: inventory, chattel paper, accounts, deposit accounts, equipment and general intangibles.

(B) a Commercial Security Agreement dated November 27, 2018 made and executed between GLOBAL JJ GROUP, INC. and Lender on collateral described as: inventory, chattel paper, accounts, deposit accounts, equipment and general intangibles.

(C) an Assignment of Life Insurance Policy dated November 27, 2018 made and executed between JAMES CHAE and Lender on an insurance policy described therein.

SUCCESSOR INTERESTS. The terms of this Note shall be binding upon Borrower, and upon Borrower's heirs, personal representatives, successors and assigns, and shall inure to the benefit of Lender and its successors and assigns.

NOTIFY US OF INACCURATE INFORMATION WE REPORT TO CONSUMER REPORTING AGENCIES. Borrower may notify Lender if Lender reports any inaccurate information about Borrower's account(s) to a consumer reporting agency. Borrower's written notice describing the specific inaccuracy(ies) should be sent to Lender at the following address: PACIFIC CITY BANK NOTE DEPARTMENT 3701 WILSHIRE BLVD., #300 LOS ANGELES, CA 90010.

GENERAL PROVISIONS. This Note is payable on demand. The inclusion of specific default provisions or rights of Lender shall not preclude 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. Lender may delay or forgo enforcing any of its rights or remedies under this Note without losing them. Each Borrower understands and agrees that, with or without notice to Borrower, Lender may with respect to any other Borrower (a) make one or more additional secured or unsecured loans or otherwise extend additional credit; (b) 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) apply such security and direct the order or manner of sale thereof, including without limitation, any non-judicial sale permitted by the terms of the controlling security agreements, as Lender in its discretion may determine; (e) release, substitute, agree not to sue, or deal with any one or more of Borrower's sureties, endorsers, or other guarantors on any terms or in any manner Lender may choose; and (f) determine how, when and what application of payments and credits shall be made on any other indebtedness owing by such other Borrower. Borrower and any other person who signs, guarantees or endorses this Note, to the extent allowed by law, waive any applicable statute of limitations, 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. All such parties agree that 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 Lender's security interest in the collateral; and take any other action deemed necessary by Lender without

the consent of or notice to anyone. All such parties also agree that 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.

PRIOR TO SIGNING THIS NOTE, EACH BORROWER READ AND UNDERSTOOD ALL THE PROVISIONS OF THIS NOTE, INCLUDING THE VARIABLE INTEREST RATE PROVISIONS. EACH BORROWER AGREES TO THE TERMS OF THE NOTE.

BORROWER ACKNOWLEDGES RECEIPT OF A COMPLETED COPY OF THIS PROMISSORY NOTE.

BORROWER:

GLOBAL AA GROUP, INC.

By:_____
JAMES CHAE, President and Secretary of GLOBAL AA GROUP, INC.

GLOBAL JJ GROUP, INC.

By:_____
JAMES CHAE, President and Secretary of GLOBAL JJ GROUP, INC.

Exhibit 21.1

SUBSIDIARIES OF THE REGISTRANT

Name	State of Formation
Yoshiharu Holdings Co. *	California
Global JJ Group, Inc.	California
Global AA Group, Inc.	California
Global BB Group, Inc.	California
Global CC Group, Inc.	California
Global DD Group, Inc.	California
Yoshiharu Irvine	California

* Direct subsidiary

Exhibit 23.1

CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

We hereby consent to the incorporation in this Registration Statement on Form S-1 of our report dated December 15, 2021, relating to the financial statements of Yoshiharu Global Co. as of December 31, 2020 and 2019 and to all references to our firm included in this Registration Statement.

Certified Public Accountants
Lakewood, CO
January 25, 2022