


EQUIPMENT FINANCING AGREEMENT - CONTRACT No.

CREDITOR: Radiance Capital LLC	DEBTOR: C.V.K. Subs, Inc. dba Subway, KNH Subway Holding, LLC & Subway 18252, LLC
Address: 820 A Street, Suite 560	Address: 45 Main St.
City/State/Zip: Tacoma, WA 98402	City/State/Zip: Warrenton, VA 23712

- 1. SECURITY AGREEMENT:** Debtor hereby grants Creditor a security interest under the Uniform Commercial Code in the property (collectively the "Collateral" and individually in "Item" or "Item of Collateral") described in Schedule A attached hereto and incorporated herein. Such security interest is granted to secure performance by Debtor of its obligations hereunder and under any other present or future agreement with Creditor. Debtor shall insure that such security interest is and shall remain a sole first lien security interest.
- 2. PAYMENTS:** Debtor shall repay Creditor the "Total Advance" shown in Schedule A together with interest in the number of periodic installments shown in Schedule A. The initial installment payment shall be deemed due as of the date indicated on Schedule A and subsequent installment payments shall be due on the same day of each month thereafter until paid, whether or not an invoice is rendered. Advance Payments, if any are shown in Schedule A, will be used for the first payment and any balance will be used for the last payment(s), provided that if there is a default, any payments under this Agreement may be applied to Debtor's obligation to Creditor in such order as Creditor chooses.
- 3. NO AGENCY: DEBTOR ACKNOWLEDGES THAT NO SUPPLIER OF ANY ITEM OR INTERMEDIARY NOR ANY AGENT OF EITHER THEREOF IS AN AGENT OF CREDITOR AND FURTHER THAT NONE OF SUCH PARTIES IS AUTHORIZED TO WAIVE OR ALTER ANY TERM OR CONDITION OF THIS AGREEMENT. NO REPRESENTATION AS TO ANY MATTER BY ANY SUCH PARTY SHALL BIND CREDITOR OR AFFECT DEBTOR'S DUTY TO PAY THE INSTALLMENT PAYMENTS AND PERFORM ITS OTHER OBLIGATIONS HEREUNDER.**
- 4. NON-CANCELABLE AGREEMENT; REPAYMENT; NO OFFSET:** THIS AGREEMENT IS NON-CANCELABLE BY DEBTOR FOR ANY REASON WHATSOEVER; DEBTOR MAY REPAY THE INSTALLMENT PAYMENTS ONLY IN ACCORDANCE HERewith. ALL PAYMENTS HEREUNDER ARE TO BE MADE WITHOUT OFFSET.
- 5. FINANCING:** THIS AGREEMENT IS SOLELY A FINANCING AGREEMENT. CREDITOR HAS HAD NO INVOLVEMENT IN THE SELECTION OR PURCHASE OF AND HAS MADE AND HEREBY MAKES NO AGREEMENT, REPRESENTATION OR WARRANTY AS TO ANY ITEM OF COLLATERAL.
- 6. LOCATION; INSPECTION; USE:** Debtor shall keep, or as to an Item which is movable, permanently garage and not remove from the United States, as appropriate, each Item of Collateral in Debtor's possession and control at the Collateral Location specified in Schedule A or at such other location to which such Item may have been moved with prior written consent of Creditor. Upon request, Creditor may inspect the Collateral during normal business hours and enter the premises where the Collateral may be located for such purposes. Each Item shall be used solely for commercial or business purposes and operated in a careful and proper manner in compliance with all applicable governmental requirements and all requirements of insurance policies carried hereunder and all manufactures' instructions and warranty requirements.
- 7. ALTERATIONS; SECURITY INTEREST COVERAGE:** Without Creditor's prior written consent, Debtor shall not make any alterations, additions or improvements to an Item of Collateral that detract from its economic value or functional utility. All additions and improvements made to an Item shall be deemed accessions thereto, and shall not be removed if removal would impair the Item's economic value or functional utility. Creditor's security interest shall cover all modifications, accessions, additions to and replacements and substitutions for the Collateral. Debtor will not make any replacements or substitutions without Creditor's prior written consent.
- 8. MAINTENANCE** Debtor shall maintain the Collateral in good repair, condition and working order. Debtor shall cause all repairs required to maintain the Collateral in such condition to be made promptly by qualified parties. Debtor will cause each Item of Collateral for which a service contract is generally available to be covered by such a contract that provides coverage typical as to property of the type involved and is issued by a competent servicing entity.
- 9. LOSS AND DAMAGE CASUALTY VALUE:** Debtor will bear all risk of loss, theft, destruction or requisition of or damage to any Item. Debtor shall give Creditor prompt notice of a casualty occurrence and shall thereafter place the Item in good repair, condition and working order; provided however, that if such Item is determined by Creditor to be lost, stolen, destroyed or damaged beyond repair or is requisitioned or suffers a constructive total loss under an insurance policy carried hereunder, Debtor shall pay Creditor all remaining payments of such Item to satisfy the debt.
- 10. TITLING:** If requested by Creditor, Debtor shall cause an Item of Collateral subject to title registration laws to be titled as directed by Creditor. Debtor shall advise Creditor promptly as to any necessary retitling. Debtor shall cause all documents of title to be furnished to Creditor within sixty (60) days of the date on any titling done by Debtor.
- 11. TAXES:** Unless otherwise directed in writing by Creditor, Debtor shall pay when due and make filings with respect to all taxes, fees, including registrations, fines, penalties, and other governmental assessments with respect to the Collateral and shall pay all other governmental assessments (including gross receipt taxes but exclusive of Federal and State taxes based on Creditor's net income) related to amounts due hereunder, the Collateral or otherwise related hereto.
- 12. LIMITED POWER OF ATTORNEY:** Debtor hereby irrevocably appoints Creditor as Debtor's attorney-in-fact for the following limited purposes: (1) to sign and to file or record on Debtor's behalf and in Debtor's name any document Creditor deems necessary to perfect or protect Creditor's interest in the Collateral or pursuant to the UCC, and (2) to sign, endorse and/or negotiate, on Debtor's behalf and in Debtor's name, for Creditor's benefit, any instrument representing proceeds from any policy of insurance covering the Collateral.
- 13. INSURANCE:** Debtor shall maintain and provide Creditor evidence satisfactory to Creditor for the maintenance of all risk insurance against loss of or damage to the Collateral for not less than the full replacement value thereof naming Creditor as Loss Payee. Such insurance shall be in an amount and form and with companies approved by Creditor, shall provide at least thirty (30) days advance written notice to Creditor of material change or cancellation, shall provide full breach of warranty protection, if appropriate, and shall provide that coverage is "primary." In the event of any assignment of this Agreement of which Debtor receives notice, Debtor shall cause such insurance to provide the same protection to the assignee as its interest may appear. The proceeds of such insurance, at the option of the Creditor, shall be applied toward (a) the repair or replacements of the appropriate Item or Items of Collateral, (b) payment of the remaining balance, or (c) payment of any other accrued obligations of Debtor hereunder. Any excess of such proceeds remaining shall belong to Debtor. Debtor shall maintain public liability and property damage coverage in such amounts and in such forms as Creditor shall reasonably require. If Debtor does not provide the insurance described in the section, Creditor may, but will not be required to, buy such insurance and add the cost, including any customary charges or fees associated with the placement, maintenance or service for such insurance, to the Installment Payment amount due from the Debtor.
- 14. CREDITOR'S PAYMENT:** If Debtor fails to perform any of its obligations hereunder, Creditor may perform such obligation, and Debtor shall (a) reimburse Creditor the cost of such performance and related expenses and (b) pay Creditor the late charge contemplated in Paragraph 21 on the cost and expenses of such performance.
- 15. INDEMNITY:** Debtor shall indemnify, defend and hold harmless Creditor against any claim, action, liability or expense, including attorney's fees and court costs, incurred by Creditor related to this Agreement.
- 16. FAULT:** Any of the following constitutes an event of default hereunder: (a) Debtor's failure to pay any amount hereunder, within ten (10) business days of when due; (b) Debtor's default in performing any other obligation hereunder or under any other agreement between Debtor and Creditor; (c) Debtor changes its name, state of incorporation, chief executive officer and/or place of business without providing Creditor with thirty (30) days written notice of such change; (d) death or judicial declaration on incompetency of Debtor, if an individual or partner; (e) the filing by or against Debtor of a petition under the Bankruptcy Code or under any insolvency law or law providing for the relief of debtors, including without limitation, a petition for reorganization, agreement or extension; (f) the making of an assignment of a substantial portion of its assets by Debtor for the benefit of creditors, appointment of a receiver or trustee for Debtor or for any Debtor's assets, institution by or against Debtor of any other type of insolvency proceeding or other proceeding contemplating settlement of claims against or winding up of the affairs of Debtor, Debtor's cessation of active business affairs or the making by Debtor of a transfer of a material portion of Debtor's assets or inventory not in the ordinary course of business; (g) the occurrence of an event described in (d), (e) or (f) as to a guarantor or other surety of Debtor's obligations hereunder, (h) any misrepresentation of a material fact in connection herewith by or on behalf of Debtor, (i) Debtor's default under a lease or agreement providing financial accommodations with a third party or (j) Creditor shall in good faith deem itself insecure as a result of a material adverse change in Debtor's financial condition or otherwise.

Initial 

- 17. REMEDIES:** Upon the occurrence of an event of default Creditor shall have the rights, options, duties and remedies of a secured party, and Debtor shall have the rights and duties of a Debtor, under the Uniform Commercial Code of Washington (regardless of whether such Code or law similar thereto has been enacted in a jurisdiction wherein the rights or remedies are asserted). Without limiting the generality of the foregoing, Creditor shall have the right to (a) at Creditor's option, declare immediately due and payable the entire amount of all of Debtor's obligations hereunder, without notice or demand to Debtor and without setoff; (b) take possession of any, if deemed appropriate, render unusable any or all Items of Collateral, without demand or notice wherever located, without any process of law and without liability for any damages occasioned by such taking of possession including damages to contents; (c) require Debtor to assemble any or all Items of Collateral at a location in reasonable proximity to their designated location hereunder; (d) upon notice to Debtor required by law, sell or otherwise dispose of any Items of Collateral, whether or not in Creditor's possession, in a commercially reasonable manner at public or private sale at any place designated in such notice and apply the net proceeds of such sale after deducting all costs of such sale, including, but not limited to, costs of transportation, repossession, storage, refurbishing, advertising and brokers fees, to the obligations of Debtor hereunder with Debtor remaining liable for any deficiency and with any excess being returned to Debtor or (e) utilize any other remedy available under the Uniform Commercial Code or otherwise to Creditor. All remedies are cumulative. Any sale may be adjourned by announcement at the time and place appointed for such sale without further published notice, and Creditor may if permitted by law bid and become the purchaser at any such sale.
- 18. LITIGATION EXPENSES:** Debtor shall pay Creditor its costs and expenses, including repossession and attorney's fees and court costs, incurred by Creditor in enforcing this Agreement. This obligation includes the payment of such amounts whether an action is filed and whether an action that is filed is dismissed.
- 19. ASSIGNMENT:** Without the prior written consent of Creditor, Debtor shall not sell, lease or create or allow any lien other than Creditor's security interest against an Item of Collateral or assign any of Debtor's obligations hereunder. Debtor's obligations are not assignable by operation of law. Consent to any of the foregoing applies only in the given instance. Creditor may assign, pledge or otherwise transfer any of its rights hereunder without notice to Debtor. If Debtor is given notice of any such assignment, Debtor shall acknowledge receipt thereof in writing and shall thereafter pay any amounts due hereunder as directed in the notice. The rights of an assignee to amounts due hereunder shall be free of any claim or defense Debtor may have against Creditor, and Debtor agrees not to assert against an assignee any claim or defense which Debtor may have against Creditor. Subject to the foregoing, this Agreement insures to the benefit of, and is binding upon, the heirs, legatees, personal representatives, successors and assigns of the parties.
- 20. MARKINGS; PERSONAL PROPERTY:** Debtor shall mark the Collateral or its location as requested by Creditor to indicate Creditor's security interest. Debtor will provide Creditor any real property waivers requested by Creditor as to the real property where an Item of Collateral is or is to be located.
- 21. LATE PAYMENT AND NSF FEES:** In the event a payment is not made within ten (10) days when due hereunder, the Debtor promises to (a) pay a late charge to Creditor or its assigns not later than one month thereafter, of up to 10% of the payment, or twenty-five dollars (\$25.00), whichever is greater and (b) pay Creditor amounts paid to others in connection with collection of the amount. The late charge and/or the interest payments set forth in this Agreement shall apply only when permitted by law, and if not permitted by law, the late charge and/or interest payments shall be calculated at the maximum rate permissible by law. If a check or other instrument tendered for payment is dishonored, Debtor shall be liable for a fifty dollar (\$50.00) fee.
- 22. COMPLIANCE WITH LAW:** Debtor and Creditor intend to comply with all applicable laws. If it is determined that payments under this Agreement result in an interest payment higher than that allowed by applicable law, then any excess interest collected will be applied to the repayment of principal and interest will be charged at the rate allowed by law.
- 23. ADDITIONAL DOCUMENTS:** Debtor shall provide to Creditor such financing statements and similar documents as Creditor shall request. Debtor authorizes Creditor where permitted by law to make filings of such documents without Debtor's signature. Debtor further shall furnish Creditor (a) a fiscal year-end financial statement including balance sheet and profit and loss statement within one hundred twenty (120) days of the close of each fiscal year and (b) such other information and documents not specifically mentioned herein relative to this Agreement as Creditor may request. Debtor shall reimburse Creditor for all search and filing fees incurred by Creditor related hereto.
- 24. CROSS COLLATERAL/CROSS DEFAULT:** All Collateral shall secure the payment and performance for all of Debtor's liabilities and obligations to Creditor hereunder, under any other agreement between Debtor and Creditor, and under any of the loan documents relating hereto, including but not limited to all Equipment Finance Agreements, Lease Agreements, Interim Funding Agreements and all other documents (referred to herein collectively as the "Documents"). Creditor's security interest in the Collateral shall not be terminated until and unless all of Debtor's obligations to Creditor under any of the Documents are fully paid and performed. The occurrence of an event of default under any other of the Documents shall be deemed to be an Event of Default hereunder and an Event of Default hereunder shall be deemed to be an Event of Default under the Documents.
- 25. NOTICES:** Notices shall be in writing and sufficient if mailed to the party involved, United States mail first class postage prepaid, at its respective address set forth above or at such other address as such party may provide on notice in accordance herewith. Notice so given shall be effective when mailed. Debtor shall promptly notify Creditor of any change in Debtor's address.
- 26. CHOICE OF LAW; WAIVER OF JURY TRIAL:** THIS AGREEMENT SHALL BE DEEMED FULLY EXECUTED AND PERFORMED IN THE STATE OF WASHINGTON AND SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS THEREOF WITHOUT REGARD TO THE CONFLICTS OF LAWS RULES OF SUCH STATE. DEBTOR AGREES TO SUBMIT TO THE JURISDICTION OF THE STATE OF WASHINGTON IN KING COUNTY. EACH CREDITOR AND DEBTOR HEREBY WAIVES ANY RIGHT TO TRIAL BY JURY OF ANY ACTION INVOLVING THIS AGREEMENT.
- 27. GENERAL:** This agreement constitutes the entire agreement of the parties as to the subject matter and shall not be amended, altered or changed except by a written agreement signed by the parties. Any waiver by Creditor must be in writing, and forbearance shall not constitute a waiver. Whenever the context of this Agreement requires, the neuter includes the masculine or feminine and the singular includes the plural. If there is more than one Debtor named in this Agreement, the liability of each shall be joint and several. The titles to the paragraphs of this Agreement are solely for the convenience of the parties and are not in aid in the interpretation. Any provision declared invalid shall be deemed severable from the remaining provisions that shall remain in full force and effect. Time is of the essence of this Agreement. The obligations of Debtor shall survive the release of security interest in the Collateral.
- 28. DEBTOR'S WARRANTIES:** DEBTOR CERTIFIES AND WARRANTS: (a) THE FINANCIAL AND OTHER INFORMATION WHICH DEBTOR HAS SUBMITTED, OR WILL SUBMIT, TO CREDITOR IN CONNECTION WITH THIS AGREEMENT IS, OR SHALL BE AT TIME OF SUBMISSION, TRUE AND COMPLETE; (b) THE DEBTOR'S EXACT LEGAL NAME, STATE OF INCORPORATION, LOCATION OF ITS CHIEF EXECUTIVE OFFICE AND/OR ITS PLACE OF RESIDENCE AS APPLICABLE, HAVE BEEN CORRECTLY IDENTIFIED TO CREDITOR; (c) THIS AGREEMENT HAS BEEN DULY AUTHORIZED BY DEBTOR AND UPON EXECUTION BY DEBTOR SHALL CONSTITUTE THE LEGAL, VALID AND BINDING OBLIGATION, CONTRACT AND AGREEMENT OF DEBTOR ENFORCEABLE AGAINST DEBTOR IN ACCORDANCE WITH ITS TERMS; AND (d) EACH SHOWING PROVIDED BY DEBTOR IN CONNECTION HERewith MAY BE FULLY RELIED UPON BY CREDITOR NOTWITHSTANDING ANY TECHNICAL DEFICIENCY IN ATTESTATION OR OTHERWISE. THE PERSON EXECUTING THIS AGREEMENT ON BEHALF OF THE DEBTOR WARRANTS THAT PERSON'S DUE AUTHORITY TO DO SO. DEBTOR FURTHER WARRANTS THAT EACH ITEM OF COLLATERAL SHALL AT THE TIME CREDITOR FUNDS THE TOTAL ADVANCE BE OWNED BY DEBTOR FREE AND CLEAR OF LIENS AND ENCUMBRANCES AND BE IN GOOD CONDITION AND WORKING ORDER.

Initial 

29. NO WARRANTIES BY CREDITOR CREDITOR MAKES NO REPRESENTATION OR WARRANTY, EXPRESSED OR IMPLIED AS TO ANY MATTER WHATSOEVER, INCLUDING, BUT NOT LIMITED TO: THE CONDITION, DESIGN, OR QUALITY OF THE EQUIPMENT; THE FITNESS OF THE EQUIPMENT FOR USE OR FOR A PARTICULAR PURPOSE; THE MERCHANTABILITY OF THE EQUIPMENT; COMPLIANCE OF THE EQUIPMENT WITH THE REQUIREMENTS OF ANY LAWS, RULES, SPECIFICATIONS OR CONTRACTS PERTAINING THERETO; PATENT INFRINGEMENT; OR LATENT DEFECTS; THE QUALITY OF THE MATERIAL OR WORKMANSHIP OF THE EQUIPMENT OR THE CONFORMITY OF THE EQUIPMENT TO THE PROVISIONS AND SPECIFICATIONS OF ANY PURCHASE ORDER RELATING THERETO; THE OPERATION, USE OR PERFORMANCE OF THE EQUIPMENT OR ANY OTHER REPRESENTATION OR WARRANTY OF ANY KIND, EXPRESSED OR IMPLIED, WITH RESPECT TO THE EQUIPMENT. NO DEFECT OR UNFITNESS OF THE EQUIPMENT SHALL RELIEVE DEBTOR OF THE OBLIGATION TO PAY RENT OR OF ANY OTHER OBLIGATION UNDER THIS AGREEMENT. THE DEBTOR ALSO ACKNOWLEDGES THAT THE CREDITOR HAS MADE NO REPRESENTATION OR WARRANTY OF ANY KIND, NATURE OR DESCRIPTION, EXPRESSED OR IMPLIED, WITH RESPECT TO THE OPERATION, USE OR PERFORMANCE OF THE EQUIPMENT. CREDITOR SHALL HAVE NO LIABILITY TO DEBTOR OR ANY PERSON WHOMSOEVER FOR ANY CLAIM, LOSS, DAMAGE, OR EXPENSE (INCLUDING ATTORNEY FEES) OF ANY KIND OR NATURE, WHETHER SPECIAL, CONSEQUENTIAL, ECONOMIC OR OTHERWISE, CAUSED OR ALLEGED TO BE CAUSED DIRECTLY, INDIRECTLY, INCIDENTALY, OR CONSEQUENTIALY BY THE EQUIPMENT OR ANY PART THEREOF OR PRODUCTS THEREFROM, BY ANY INADEQUACY OF THE EQUIPMENT OR DEFECT OR DEFICIENCY THEREIN, BY ANY INCIDENT WHATSOEVER ARISING IN STRICT LIABILITY OR OTHERWISE, FROM CREDITOR'S OR DEBTOR'S NEGLIGENCE OR OTHERWISE, BY THE USE OR MAINTENANCE THEREOF, OR FOR REPAIR, SERVICING OR ADJUSTMENT THERETO, OR FOR ANY INTERRUPTION OF SERVICE OR LOSS OF USE OF THE EQUIPMENT, OR FOR ANY LOSS OF BUSINESS OR DAMAGE WHATSOEVER AND HOWSOEVER CAUSED, OR ARISING OUT OF THIS AGREEMENT. DEBTOR SHALL INDEMNIFY AND HOLD CREDITOR HARMLESS FROM AND AGAINST ANY AND ALL CLAIMS COSTS EXPENSES, DAMAGES, LOSSES, LIABILITIES INCURRED OR SUFFERED BY THE CREDITOR, DEBTOR, OR ANY OTHER PARTY IN CONNECTION WITH THE DELIVERY, OPERATION, USE OR PERFORMANCE OF THE EQUIPMENT, OR AS A RESULT OF ANY INCIDENTAL OR CONSEQUENTIAL DAMAGES (INCLUDING STRICT LIABILITY IN TORT); FURTHER, DEBTOR UNDERSTANDS AND AGREES THAT THERE SHALL BE NO ABATEMENT OF RENT DURING ANY PERIOD OF BREAKDOWN OR NONUSE OF THE EQUIPMENT.

This Agreement is effective only upon execution by an authorized officer of Creditor following Debtor's execution hereof. Debtor hereby authorizes Creditor to disburse the Total Advance as reflected on the Pay Proceeds Direction attached to each Schedule A.

CREDITOR: Radiance Capital LLC

DEBTOR: C.V.K. Kaba, Inc., The Railway, KMH Railway Holding, LLC & Subway 18282, LLC

By: _____

By: [Signature]

Title: _____

Title: [Signature] President

Date: _____

Date: [Signature] 8/3/06

BY: [Signature]

TITLE: [Signature] Member

DATE: [Signature] 8/3/06

BY: [Signature]

TITLE: [Signature] Member

DATE: [Signature] 8/3/06

SCHEDULE "A" to Equipment Financing Agreement

EQUIPMENT FINANCING AGREEMENT - CONTRACT No. _____
DATED: _____

CREDITOR: Radiance Capital LLC DEBTOR: C.V.K. Subs, Inc. dba Subway, KNH Subway Holding, LLC & Subway 18252, LLC

CREDITOR AND DEBTOR HAVE ENTERED INTO THE EQUIPMENT FINANCING AGREEMENT DESCRIBED ABOVE (THE "AGREEMENT"), THE TERMS OF WHICH ARE INCORPORATED HEREIN BY THIS REFERENCE. THIS IS A SCHEDULE A TO THE AGREEMENT. ALL WORDS AND TERMS USED HEREIN AND NOT DEFINED HEREIN SHALL HAVE MEANINGS SPECIFIED IN THE AGREEMENT.

TERMS

TOTAL ADVANCE \$ 49,951.26	TERM OF LOAN 60	MONTHLY PAYMENT \$ 1,196.31	ADVANCE PAYMENTS 2	INITIAL AMOUNT DUE \$ 2,592.62
BALLOON PAYMENT \$ 0.00	DUE DATE	TOTAL NUMBER OF PAYMENTS 60	DOC FEE/OTHER FEE \$ 200.00	SECURITY DEPOSIT \$ 0.00

COLLATERAL DESCRIPTION

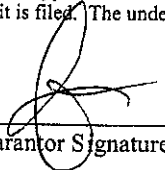
QUANTITY	SERIAL NO.	DESCRIPTION	ITEMIZED ADVANCE
		"COLLATERAL DESCRIPTION EXHIBIT" attached hereto as though set forth at length herein.	
If collateral description is of length where it would not fit in this section, then use "COLLATERAL DESCRIPTION EXHIBIT" attached hereto as though set forth at length herein.			TOTAL ADVANCE \$ 49,951.26

SUPPLIER	COLLATERAL LOCATION (IF DIFFERENT THAN BUSINESS ADDRESS)
See Attached Pay Proceeds Direction	

This agreement is effective only upon execution by an authorized officer of Creditor following Debtor's execution hereof, and upon execution Creditor shall fund the Total Advance. Debtor hereby authorizes Creditor to disburse the Total Advance as identified in the **PAY PROCEEDS DIRECTION**. Creditor reserves the right to pay the applicable portion of the Total Advance jointly to any party not specified in the preceding sentence with a security interest in an Item of Collateral.

PERSONAL GUARANTEE(S)

The undersigned guarantee and promise to make all of the payments and perform all Debtors' obligations as specified in this Equipment Financing Agreement. Each of our liabilities is primary and joint and several and shall not be affected by any settlement, extension, renewal or modification of the Agreement, by the discharge of release of the Debtor's obligations or by the taking or release of additional guarantors or security for the performance of the Agreement. The undersigned waive any rights we may have to (a) presentment, demand, protest, notice of protest, notice of dishonor, notice of default under the Agreement any other notices related to this guaranty or the Agreement and (b) the right to require Creditor to proceed against Debtor or to pursue any other remedy in Creditor's power. The undersigned also waive any other rights and defenses available to a guarantor by reason of application case or statutory law. The undersigned agree that we are liable for Creditor's attorney's fees and costs in enforcing this guaranty, whether or not suit is filed. The undersigned acknowledge that this guaranty inures to the benefit of Creditor's assigns.

Jetendra K. Patel		8/3/06
_____ Guarantor name (printed)	_____ Guarantor Signature	_____ Date
_____ Guarantor name (printed)	_____ Guarantor Signature	_____ Date
_____ Guarantor name (printed)	_____ Guarantor Signature	_____ Date
_____ Guarantor name (printed)	_____ Guarantor Signature	_____ Date

COLLATERAL DESCRIPTION EXHIBIT

EQUIPMENT FINANCING AGREEMENT – CONTRACT No. _____

CREDITOR: Radiance Capital LLC		DEBTOR: C.V.K. Subs. Inc. dba Subway, KNH Subway Holding, LLC & Subway 18252, LLC	
QUANTITY	SERIAL NO.	DESCRIPTION	ITEMIZED ADVANCE
1		KLF freezer, 6'x6'x7'	\$49,951.26
1		KLB sub cooler, 6'x6'x7'	
1		Retarder cab, 22 1/4"x17 3/8"x76"	
1		Bottled beverage cooler, 1 door	
1		Set of black Cambro pans w/ clear lids	
1		72" prep table, 72"x30"x34"	
1		2-door deposit safe, 15"x17"x28"	
2		Digital key pad push button lock option	
4		24"x48" 5-tier dry storage shelving	
1		Cooler/freezer shelving, 6x6x7'7"	
1		Cooler shelving for 6x6x7'7"	
2		Amana microwave	
1		Nemco easy slicer slicer/board 55200	
1		Nemco tomato slicer	
1		Nemco tomato 3/16" s/s blade	
1		Toaster oven, 24"x26"x19" w/ 1 pad & 2 oven baskets	
1		Cuber air ice machine, 30"x21 1/2"	
1		Bread cabinet, 29 3/4"x22 3/4"x72"	
1		6-pan oven, 18-pan proofer, 29"x36 1/4"x77 3/4"	
4		4-wide bread form	
1		Deli roll form	
1		Party sub bread form	
1		Silpat liner for 1/2 size bread pan	
8		13"x18" aluminum 1/2 size baking pans	
1		FAF kids pak floor display	
		TOTAL ADVANCE	PAGE 1 of 3

CREDITOR: Radiance Capital LLC

By: _____

Title: _____

Date: _____

DEBTOR: C.V.K. Subs. Inc. dba Subway, KNH Subway Holding, LLC & Subway 18252, LLC

By: *f* President *f* member *f* member

Title: Jetendra K. Patel

Date: 8/3/06

COLLATERAL DESCRIPTION EXHIBIT

EQUIPMENT FINANCING AGREEMENT - CONTRACT No. _____

CREDITOR: Radiance Capital LLC		DEBTOR: C.V.K. Subs. Inc. dba Subway, KNH Subway Holding, LLC & Subway 18252, LLC	
QUANTITY	SERIAL NO.	DESCRIPTION	ITEMIZED ADVANCE
1		Mkt floor stand 14x22, 2 poles	
1		25" warmer w/ fixed day cover, 25"x34 1/4"x36"	
2		60" cold section w/ day cover, 60"x34 1/4"x36"	
2		Trash unit, 26"x26"x42"	
2		Cherry juvenile high chair	
1		USA Coke menu kit	
5		Tuscany wall plant, grape & ivy leaves	
1		Island visual Tuscany clock	
1		8-panel non-illuminated menuboard	
1		Double-panel non-illuminated	
1		Comark KM-28 thermocouple	
1		S/S large drink station	
1		750 ice machine sanitizer	
1		Cash card new store welcome kit	
1		Sub 72" beverage center	
1		Zeon "OPEN" sign, 24"x12"	
1		Zeon "WE BAKE OUR OWN BREAD" sign	
1		6-piece sign set, 3 braille	
1		T-2 wall art, 50", 2 prints	
1		T-2 wall art, 50", 6 prints	
13		Table top, 20"x24"	
1		Table top, 30"x30", square	
13		Table base, 22"x22", black metal spider base	
1		Plymold Cantilever table top	
28		Quest chair, cushioned seat, aluminum	
		TOTAL ADVANCE	

PAGE 2 of 3

CREDITOR: Radiance Capital LLC

By: _____

Title: _____

Date: _____

DEBTOR: C.V.K. Subs. Inc. dba Subway, KNH Subway Holding, LLC & Subway 18252, LLC

By: President Member Member

Title: Jetendra K. Patel

Date: 8/3/06

COLLATERAL DESCRIPTION EXHIBIT

EQUIPMENT FINANCING AGREEMENT - CONTRACT No. _____

CREDITOR: Radiance Capital LLC		DEBTOR: C.V.K. Subs, Inc. dba Subway, KNH Subway Holding, LLC & Subway 18252, LLC	
QUANTITY	SERIAL NO.	DESCRIPTION	ITEMIZED ADVANCE
1		Subtotal Supreme System USA POS system w/ Intel 945GTPLK, Intel P4 3.0GHz 800fsb, 512mb DDR2 Kingston, 2 -WD 80GB SATA hd, Win XP Pro, LG CDRW, USR 56k modem, Aopen case, 3.5" floppy, Battery backup, Cash drawer, Mini black keyboard, Mini keyboard skin, USB card reader, APG cash drawer cable, ELO-1529L D62751 Intelli-touch capacitive monitor, PS2 mouse, 10' parallel cable, Thermal receipt printer DS	
1		Brother 2040	
1		Upgrade DVS 4 port 120pfs - 200B image hd, Linksys router	
4		Camera dome NA high quality dome camera w/ connectors & 110 power connection	
1		SubShop 2000 w/ Laplink gold	
		TOTAL ADVANCE	\$49,951.26

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CREDITOR: Radiance Capital LLC

By: _____
 Title: _____
 Date: _____

DEBTOR: C.V.K. Subs, Inc. dba Subway, KNH Subway Holding, LLC & Subway 18252, LLC

By: *Jetendra K. Patel* President of member of member
 Title: Jetendra K. Patel
 Date: 8/3/06

ACCEPTANCE CERTIFICATE

EQUIPMENT FINANCING AGREEMENT - CONTRACT No. _____

CREDITOR: Radiance Capital LLC	DEBTOR: C.V.K. Subs, Inc. dba Subway, KNH Subway Holding, LLC & Subway 18252, LLC
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ACCEPTANCE CERTIFICATE

This has reference to the Equipment Financing Agreement dated _____ ("Agreement") between Radiance Capital LLC as Creditor, and the undersigned, as Debtor. The terms used herein, which are defined in the Agreement, shall have the same meanings as are provided therefore in the Agreement.

Debtor hereby represents, warrants and confirms to Creditor that the Equipment described below has been duly delivered to Debtor at the premises referred to in the Agreement and that Debtor has duly inspected the Equipment and that Debtor hereby accepts the Equipment for all purposes of the Agreement as being in accordance with specifications, properly installed and/or assembled, in good working order, repair and appearance and without defect or inherent vice in condition, design, operation, or fitness for use, whether or not discoverable by Debtor as of the date, provided, however, that nothing contained herein or in the Agreement shall in any way diminish or otherwise affect any right Debtor or Creditor may have with respect to the Equipment against the seller or any manufacturer of the Equipment or any part thereof.

CREDITOR MAKES NO REPRESENTATION OR WARRANTY, EXPRESS OR IMPLIED, AS TO ANY MATTER WHATSOEVER, INCLUDING, BUT NOT LIMITED TO: THE CONDITION, DESIGN, OR QUALITY OF THE EQUIPMENT; THE FITNESS OF THE EQUIPMENT FOR USE OR FOR A PARTICULAR PURPOSE; THE MERCHANTABILITY OF THE EQUIPMENT; COMPLIANCE OF THE EQUIPMENT WITH THE REQUIREMENTS OF ANY LAWS, RULES, SPECIFICATIONS OR CONTRACTS PERTAINING THERETO; PATENT INFRINGEMENT; OR LATENT DEFECTS; THE QUALITY OF THE MATERIAL OR WORKMANSHIP OF THE EQUIPMENT OR THE CONFORMITY OF THE EQUIPMENT TO THE PROVISIONS AND SPECIFICATIONS OF ANY PURCHASE ORDER RELATING THERETO; THE OPERATION, USE, OR PERFORMANCE OF THE EQUIPMENT; OR ANY OTHER REPRESENTATION OR WARRANTY OF ANY KIND, EXPRESS OR IMPLIED, WITH RESPECT TO THE EQUIPMENT. NO DEFECT OR UNFITNESS OF THE EQUIPMENT SHALL RELIEVE DEBTOR OF THE OBLIGATION TO PAY RENT OR OF ANY OBLIGATION UNDER THIS AGREEMENT. THE DEBTOR ALSO ACKNOWLEDGES THAT THE CREDITOR HAS MADE NO REPRESENTATION OR WARRANTY OF ANY KIND, NATURE OR DESCRIPTION, EXPRESS OR IMPLIED WITH RESPECT TO THE OPERATION, USE OR PERFORMANCE OF THE EQUIPMENT.

CREDITOR HEREBY AFFIRMS AND AGREES THAT THEY ARE IN RECEIPT OF A COPY OF ALL MANUFACTURER AND/OR MERCHANT WARRANTIES.

CREDITOR SHALL HAVE NO LIABILITY TO DEBTOR OR ANY PERSON WHOMSOEVER FOR ANY CLAIM, LOSS, DAMAGE, OR EXPENSE (INCLUDING ATTORNEY FEES) OF ANY KIND OR NATURE, WHETHER SPECIAL, CONSEQUENTIAL, ECONOMIC OR OTHERWISE, CAUSED OR ALLEGED TO BE CAUSED DIRECTLY, INDIRECTLY, INCIDENTALLY OR CONSEQUENTIALLY BY THE EQUIPMENT OR ANY PART THEREOF OR PRODUCTS THEREFROM, BY ANY INADEQUACY OF THE EQUIPMENT OR DEFECT OR DEFICIENCY THEREIN, BY ANY INCIDENT WHATSOEVER ARISING IN STRICT LIABILITY OR OTHERWISE FROM CREDITOR'S OR DEBTOR'S NEGLIGENCE OR OTHERWISE, BY THE USE OR MAINTENANCE THEREOF, OR FOR REPAIR, SERVICING OR ADJUSTMENT THERETO, OR FOR ANY INTERRUPTION OF SERVICE OR LOSS OF USE OF THE EQUIPMENT, OR FOR ANY LOSS OF BUSINESS OR DAMAGE WHATSOEVER, AND HOWSOEVER CAUSED, OR ARISING OUT OF THIS AGREEMENT, DEBTOR SHALL INDEMNIFY AND HOLD HARMLESS FROM AND AGAINST ANY AND ALL CLAIMS, COSTS, EXPENSES, DAMAGES, LOSSES, LIABILITIES INCURRED OR SUFFERED BY THE CREDITOR, DEBTOR OR ANY OTHER PARTY IN CONNECTION WITH THE DELIVERY, OPERATION, USE OR PERFORMANCE OF THE EQUIPMENT, OR AS A RESULT OF ANY INCIDENTAL OR CONSEQUENTIAL DAMAGES (INCLUDING STRICT LIABILITY IN TORT). FURTHER, DEBTOR UNDERSTANDS AND AGREES THAT THERE SHALL BE NO ABATEMENT OF RENT DURING ANY PERIOD OF BREAKDOWN OR NONUSE OF THE EQUIPMENT.

DESCRIPTION OF EQUIPMENT:

As identified on SCHEDULE "A", Collateral Description and /or COLLATERAL DESCRIPTION EXHIBIT and /or as identified and/or described on SUPPLIER INVOICES

DATED: 8/3/06
DATED: 8/3/06

DEBTOR: C.V.K. Subs, Inc. dba Subway, KNH Subway Holding, LLC & Subway 18252, LLC
By: President of member of member
By: Jetendra K. Patel

SPECIAL PRE-DELIVERY ACCEPTANCE

By signing below, the Debtor hereby acknowledges and agrees that the Creditor is making advance payment to the vendor or seller on the equipment described above. The Debtor further acknowledges and agrees that by doing this the Debtor is accepting delivery of the equipment in advance of it being shipped. The Debtor is fully responsible for all terms and conditions of this Agreement.

DATED: 8/3/06

By: President of member of member

CREDITOR: Radiance Capital LLC	DEBTOR: C.V.K. Subs, Inc. dba Subway, KNH Subway Holding, LLC & Subway 18252, LLC
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EQUIPMENT FINANCE AGREEMENT VENDOR PAY LETTER

Radiance Capital LLC hereafter referred to as "the Creditor" and _____ hereafter referred to as "the Debtor agree and accept that:

The Debtor and the Creditor have entered into a certain Equipment Finance Agreement (the "EFA") under which the Creditor will finance the Debtor certain property described in the EFA (individually an "Item" and collectively the "Equipment"). The EFA contemplates that the Creditor will pay for the Equipment when it has all been delivered to the Debtor and is acceptable to the Debtor for purposes of the EFA.

Nevertheless, the Debtor has requested that the Creditor either pays the Items of Equipment and/or pays the deposits and/or progresses payments to the supplier(s). The Debtor has made this request even though either the remainder of the Equipment has not yet been delivered and accepted for purposes of the EFA and/or the Creditor will only be advancing a portion of the acquisition cost of Equipment which has not been delivered or so accepted. The Creditor is willing to do so under the following understandings:

1. The Debtor hereby accepts the Items of Equipment for which final payment is requested for all purposes of the EFA. This acceptance is made with all the understandings contemplated under the EFA and the certificate of acceptance applicable to the EFA.
2. The Debtor agrees that, notwithstanding that less than all the Equipment (or perhaps none if only progress payments or deposits are requested) has been accepted, the full loan payment liability contemplated under the EFA will commence (or in the case of a second or subsequent request has commenced). As stated in the EFA this liability is not cancelable, and except as contemplated in paragraph 4, the Debtor is irrevocably obligated to meet all terms and conditions of the Equipment Finance Agreement.
3. When all of the remainder of the Equipment, as appropriate, has been delivered and is acceptable for purposes of the EFA, the Debtor will advise the Creditor and provide the Creditor any further documentation the Creditor requests to acknowledge such Equipment's acceptance for all purposes of the EFA. Upon the happening of certain occurrences, as stated in the EFA, the Creditor has the option to refuse to pay for the remainder of the Equipment.
4. Prior to acceptance of all the Equipment for purposes of the EFA, the Debtor may request that the Creditor pay for additional Items or make further progress payments or deposits.
5. The remainder of the purchase price of the Equipment will be held by the Creditor pending delivery of all or the remainder of the Equipment. Remaining unpaid funds for undelivered equipment or progress payments or deposits as contemplated in the EFA and/or payment of further progress payments or deposits, for which these funds will be used in whole or in part; it being understood that if all the Equipment is not delivered and accepted under the EFA by the expiration of the commitment set forth therein, the Creditor has the option to terminate in the manner contemplated in the EFA any further obligation to fund the EFA for such undelivered Equipment. If the actual cost of the Equipment as finally determined (and after all the Equipment which will be delivered and covered by the EFA has been delivered and accepted) exceeds or is less than the amount on which the payments are based, the loan will be recalculated based on the actual cost to the Debtor of the Equipment, such revised payment will apply retroactively and any excess monies paid (after adjustment for the impact of sales or use tax) or underpayment of amount due will be respectively applied to the succeeding payments until exhausted or paid promptly to the Creditor if not paid promptly, the Creditor will have all collection rights under the EFA with respect to these amounts, including the right to collect interest, attorney's fees and other costs and expenses incurred. Any excess monies paid will be credited to progress payment and deposit obligations before application to the remaining loan payments. Nothing herein obligates the Creditor to pay more for the Equipment than contemplated in the EFA.

Payment instructions: (See Pay Proceeds Direction)
 Accepted and agreed to this 3 day of August, 2006

Debtor: C.V.K. Subs, Inc. dba Subway, KNH Subway Holding, LLC & Subway 18252, LLC
 By: President & Member & Member
 Title: Jetendra K. Patel

Creditor: Radiance Capital LLC
 By: _____
 Title: _____

EQUIPMENT FINANCING AGREEMENT - CONTRACT No.

CREDITOR: Radiance Capital LLC	DEBTOR: C.V.K. Subs, Inc. dba Subway, KNH Subway Holding, LLC & Subway 18252, LLC
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PAY PROCEEDS DIRECTION

You are hereby irrevocably instructed to disburse from the proceeds of the loan evidenced by the above-referenced instruments the respective amounts to the respective payees designated below.

AMOUNT	PAYEE NAME AND ADDRESS
\$21,812.13	Doctor's Associates, Inc.
	325 Bic Drive
	Milford, CT 06460
\$3,163.50	Subtotal POS Systems
	1867 Highway 359, RR#2
	Centreville, NS BOP 1J0
\$21,812.13	Doctor's Associates, Inc.
	325 Bic Drive, Milford, CT 06460
\$3,163.50	Subtotal POS Systems
	1867 Highway 359, RR#2
	Centreville, NS BOP 1J0

Disbursement by you in accordance with the foregoing instructions shall be and constitute payment and delivery to and receipt by us of any and all of such proceeds.

DEBTOR: C.V.K. Subs, Inc. dba Subway, KNH Subway Holding, LLC & Subway 18252, LLC
 By: *J. Patel*
 Title: President
 Date: 8/3/06