



JULES AND
ASSOCIATES, INC.
EQUIPMENT FINANCE SPECIALISTS

SENT VIA PDF

April 24, 2008

Adam M. Zack
Vice President
Jensen's Complete Shopping, Inc.
102 S. Sunrise Way
Palm Springs, CA 92262

RE: Closing Documents Lease No. 20070221, Schedule No. 1

Dear Lessee:

Thank you for giving Jules and Associates, Inc. the opportunity to be of service to you. Please review & execute the enclosed lease documents and courier them to my attention:

1. Master Equipment Lease Agreement
2. Addendum "A"
3. Lease Schedule & Exhibit "A"
4. Acknowledgement and Acceptance (FORTHCOMING)
5. Insurance Requirements
6. Certificate of Incumbency
7. Notice of Assignment & Highlights of Lease
8. Bill of Sale
9. Pay Proceeds Letter
10. Reconciled Invoice (FORTHCOMING)

Thank you in advance for returning the aforementioned via overnight courier. Please do not hesitate to contact me should you have any inquiries.

Again, thank you for the opportunity to provide the lease financing.

Kindest Regards,
Jules and Associates, Inc.

Razmik Ohanian
Documentation Administrator

LESSOR:

JULES AND ASSOCIATES, INC.
515 SOUTH FIGUEROA STREET
SUITE 1950
LOS ANGELES, CA 90071

MASTER EQUIPMENT LEASE AGREEMENT

MASTER EQUIPMENT LEASE AGREEMENT NO. 20070221

Master Equipment Lease Agreement ("Lease") dated April 24, 2008, between JULES AND ASSOCIATES, INC. ("Lessor") with a place of business located at 515 South Figueroa Street, Suite 1950, Los Angeles, California 90071 and Jensen's Complete Shopping, Inc., a CALIFORNIA Corporation with charter identification number C0452757 ("Lessee") having its chief executive office or principal place of business located at 102 S. Sunrise Way, Palm Springs, CA 92262.

1. LEASE AGREEMENT. Lessor hereby leases to Lessee and Lessee hereby leases from Lessor all of the personal property ("Equipment") described in Equipment Lease Schedule(s), which are or may from time to time be executed by Lessor and Lessee and attached hereto or incorporated herein by reference ("Schedules"), upon the terms and conditions set forth in this Lease, as supplemented by the terms and conditions set forth in the appropriate Schedule(s) identifying such items of Equipment. All terms and conditions of this Lease shall govern the rights and obligations of Lessor and Lessee except as specifically modified in writing. Whenever reference is made herein to the "Lease", it shall be deemed to include each of the various Schedules identifying all items of Equipment described in such Schedule. Each Schedule shall incorporate all of the terms and conditions of this Lease and shall contain such additional terms and conditions as Lessor and Lessee shall agree (as set forth therein), and each Schedule shall constitute a separate lease obligation of the Lessee with respect to the Equipment described in such Schedule. In the event the Equipment includes software (including all documentation, later versions, updates, modifications) (herein "Software"), the following shall apply: (1) Lessee shall possess and use the Software in accordance with the terms and conditions of any license agreement entered into with the owner/vendor of such Software (at Lessor's request, Lessee shall provide a complete copy of the License to Lessor); (2) as due consideration for Lessor's payment of the Software price and for providing the Software to Lessee at a lease rate (as opposed to a debt rate), Lessee agrees that Lessor is leasing (and not financing) the Software to Lessee; (3) except as otherwise specifically provided herein, the Software shall be deemed Equipment for all purposes under the Lease. Lessee's liability for Lessee's obligations under this Lease will survive the expiration or earlier termination of this Lease.

2. SELECTION OF EQUIPMENT; ACCEPTANCE. Lessee will select the type, quantity and supplier of each item of Equipment designated in the appropriate Schedule, and in reliance thereon such Equipment will then be ordered by Lessor from such supplier or Lessor will accept an assignment of any existing purchase order therefore. Lessor will have no liability for any delivery or failure by the supplier to fill the purchase order or to meet the conditions thereof. Lessee acknowledges that Lessor has not participated and will not participate in any way in Lessee's selection of the Equipment or of the supplier. Lessee agrees to inspect the Equipment and to execute an Acknowledgment and Acceptance of Equipment by Lessee notice, as provided by Lessor, after the Equipment has been delivered and after Lessee is satisfied that the Equipment is satisfactory in every respect. Lessee hereby authorizes Lessor to insert in this Lease serial numbers or other identifying data with respect to the Equipment.

3. DISCLAIMER OF WARRANTIES AND CLAIMS; LIMITATION OF REMEDIES. LESSOR, NOT BEING THE MANUFACTURER OF THE EQUIPMENT NOR THE MANUFACTURER'S AGENT, MAKES NO EXPRESS OR IMPLIED WARRANTY OF ANY KIND WHATSOEVER WITH RESPECT TO THE EQUIPMENT, INCLUDING, BUT NOT LIMITED TO, THE MERCHANTABILITY OF THE EQUIPMENT OR ITS FITNESS FOR ANY PARTICULAR PURPOSE; THE DESIGN OR CONDITION OF THE EQUIPMENT; THE QUALITY OR CAPACITY OF THE EQUIPMENT; THE WORKMANSHIP IN THE EQUIPMENT; COMPLIANCE OF THE EQUIPMENT WITH THE REQUIREMENT OF ANY LAW, RULE, SPECIFICATION OR CONTRACT PERTAINING THERETO; PATENT INFRINGEMENT; OR LATENT DEFECTS. LESSEE LEASES THE EQUIPMENT "AS IS" AND WITH ALL FAULTS. Lessee accordingly agrees not to assert any claim whatsoever against Lessor for loss of anticipatory profits or consequential damages. Lessor shall have no obligation to install, erect, test, service, or maintain the Equipment. Lessee shall look to the manufacturer and/or seller for any claims related to the Equipment.

If the Equipment is not properly installed, does not operate as represented or warranted by the supplier or manufacturer, or is unsatisfactory for any reason, regardless of cause or consequence, Lessee's only remedy, if any, shall be against the supplier or manufacturer of the Equipment and not against Lessor.

Lessor hereby acknowledges that any manufacturer's and/or seller's warranties are for the benefit of both Lessor and Lessee. NOTWITHSTANDING THE FOREGOING, LESSEE'S OBLIGATIONS TO PAY THE RENTALS AND OTHER SUMS DUE UNDER THIS LEASE SHALL BE AND ARE ABSOLUTE AND UNCONDITIONAL, AND SHALL BE PAID WITHOUT SET-OFF, ABATEMENT OR COUNTER-CLAIM OF ANY NATURE. To the extent permitted by the manufacturer or seller, and provided Lessee is not in default under this Lease, Lessor shall make available to Lessee all manufacturer and/or seller warranties with respect to Equipment.

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Lessee specifically acknowledges that the Equipment is leased to Lessee solely for commercial or business purposes and not for personal, family, household, or agricultural purposes.

The parties have specifically negotiated and agreed to the foregoing paragraph: Lessee initials: 

4. STATUTORY FINANCE LEASE. Lessee agrees and acknowledges that it is the intent of both parties to this Lease that it qualify as a statutory finance lease under Division 10 of the California Uniform Commercial Code (or Article 2A of the Uniform Commercial Code as may be in effect in any jurisdiction the laws of which may be determined by a court of competent jurisdiction to apply to this Lease, any Schedule or the Equipment, notwithstanding the terms of Paragraph 28 of this Lease). Lessee acknowledges and agrees that Lessee has selected both: (1) the Equipment; and (2) the supplier from whom Lessor is to purchase the Equipment. Lessee acknowledges that Lessor has not participated in any way in Lessee's selection of the Equipment or of the supplier, and Lessor has not selected, manufactured, or supplied the Equipment.

LESSEE IS ADVISED THAT IT MAY HAVE RIGHTS UNDER THE CONTRACT EVIDENCING THE LESSOR'S PURCHASE OF THE EQUIPMENT FROM THE SUPPLIER CHOSEN BY LESSEE AND THAT LESSEE SHOULD CONTACT THE SUPPLIER OF THE EQUIPMENT FOR A DESCRIPTION OF ANY SUCH RIGHTS. LESSEE HEREBY WAIVES ALL RIGHTS AND REMEDIES CONFERRED UPON A LESSEE UNDER DIVISION 10 OF THE CALIFORNIA COMMERCIAL CODE (AND ARTICLE 2A OF THE APPLICABLE UNIFORM COMMERCIAL CODE).

5. ASSIGNMENT BY LESSEE PROHIBITED. WITHOUT LESSOR'S PRIOR WRITTEN CONSENT, LESSEE SHALL NOT ASSIGN THIS LEASE OR SUBLEASE THE EQUIPMENT OR ANY INTEREST THEREIN, OR PLEDGE OR TRANSFER THIS LEASE, OR OTHERWISE DISPOSE OF THE EQUIPMENT COVERED HEREBY.

6. COMMENCEMENT; RENTAL PAYMENTS; INTERIM RENTALS. This Lease shall commence upon the written acceptance hereof by Lessor and shall end upon full performance and observance by Lessee of each and every term, condition and covenant set forth in this Lease, any Schedules hereto and any extensions hereof. The monthly rental payments shall be in advance and shall be in the amounts and frequency as set forth on the face of this Lease or any Schedules hereto. The first such rental payment shall be made on the first day of the calendar quarter following the date on which the Equipment is accepted by the Lessee. In addition to regular rentals, Lessee shall pay to Lessor interim rent, which shall be a pro-rata portion of the monthly rental charges based on a daily rental charge of one-thirtieth (1/30th) of the monthly rental calculated from the date on which the Equipment is accepted by the Lessee to the end of the calendar quarter, and shall be due and payable upon Lessee's receipt of invoice from Lessor. The rental period under the Lease shall terminate following the last day of the terms stated on the face hereof or in any Schedule hereto unless such Lease or Schedule has been extended or otherwise modified. A calendar quarter means a three-month period commencing on January 1, April 1, July 1, or October 1 of any calendar year. Lessor shall have no obligation to Lessee under this Lease if the Equipment, for whatever reason, is not delivered to Lessee within ninety (90) days after Lessee signs this Lease. Lessor shall have no obligation to Lessee under this Lease if Lessee fails to execute and deliver to Lessor an Acknowledgment and Acceptance of Equipment by Lessee acknowledging its acceptance of the Equipment within thirty (30) days after it is delivered to Lessee, with respect to this Lease or any Schedule hereto.

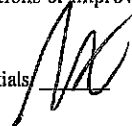
7. LIMITED PREARRANGED AMENDMENTS; AUTHORIZATION TO FILE FINANCING STATEMENTS; SPECIFIC POWER OF ATTORNEY. In the event it is necessary to amend the terms of this Lease or the terms of any Schedule to reflect a change in one or more of the following conditions:

- (1) Lessor's actual cost of procuring the Equipment; or
- (2) Lessor's actual cost of providing Equipment to Lessee; or
- (3) A change in the Lease payments as a result of (1) and/or (2) above; or
- (4) Description of the leased Equipment,

Lessee agrees that any such amendment shall be described in a letter from Lessor to Lessee, and unless within 15 days after the date of such letter Lessee objects thereto in writing delivered to Lessor, this Lease and any affected Schedules shall be deemed amended and such amendments shall be incorporated herein/therein as if originally set forth herein/therein. Lessee hereby authorizes Lessor or its assignee to file such Uniform Commercial Code financing statements or financing statement amendments in any jurisdiction as Lessor shall deem necessary or desirable, at any time and from time to time, to carry out the terms of this Lease or any Schedule, or otherwise to protect Lessor's interests in the Equipment, in each case naming Lessee, as debtor or lessee, and Lessor, as secured party or lessor, and without Lessee's signature. Lessee hereby further grants to Lessor a specific power of attorney, coupled with an interest, for Lessor to use as follows: (1) Lessor may sign and file on Lessee's behalf any document Lessor deems necessary to perfect or protect Lessor's interest in the Equipment or pursuant to the Uniform Commercial Code; and (2) Lessor may sign, endorse or negotiate for Lessor's benefit any instrument representing proceeds from any policy of insurance covering the Equipment.

8. LOCATION. Lessee shall keep the Equipment only at the location specified in each Schedule or, if none is specified, at Lessee's address as set forth above, and Lessee shall not remove the Equipment therefrom without Lessor's prior written consent. Lessor shall have the right to inspect the Equipment and observe its use during normal business hours, and Lessee will ensure Lessor's ability to enter into and upon the premises where the Equipment may be located for such purpose.

9. USE. Lessee shall use the Equipment in a careful manner, shall make all necessary repairs at Lessee's expense, and shall comply with all laws relating to its possession, use or maintenance, and shall not make any alterations, additions or improvements

X Lessee initials 

to the Equipment without Lessor's prior written consent. All additions, repairs or improvements made to the Equipment shall belong to Lessor.

10. OWNERSHIP; PERSONALTY. The Equipment is, and shall remain, the property of Lessor, and Lessee shall have no right, title or interest therein or thereto except as expressly set forth in this Lease. Should Lessee have an end of term purchase option and Lessee does not give proper notice as agreed upon by both parties, then, that purchase option shall be null and void and the terms and conditions as set forth in this Lease shall prevail after any extension period. The Equipment shall remain personal property even though installed in or attached to real property.

11. NO CHANGES TO LESSEE. Lessee represents and warrants to Lessor that Lessee's exact legal name (as set forth in its articles of incorporation or other formation documents), state of organization, corporate or charter identification number, and location of its chief executive office are accurately set forth in the preamble paragraph of this Lease. Lessee shall not change its legal name, its state of organization or location of chief executive office unless Lessee shall have given Lessor 30 days prior written notice and have executed and delivered to Lessor such other agreements, instruments and documents as Lessor shall reasonably require in connection therewith to preserve Lessor's rights and remedies with respect to all items of Equipment covered by this Lease and/or any Schedule.

12. SURRENDER. By this Lease, Lessee acquires no ownership rights in the Equipment and has no option to purchase same. Upon the expiration or termination of any Schedule or this Lease, or in the event of a default pursuant to Paragraph 20 hereof, Lessee, at its expense, shall return the Equipment in good repair, ordinary wear and tear resulting from proper use thereof alone excepted, by delivering it, packed and ready for shipment, to such place or carrier as Lessor may specify.

13. RENEWAL. At the expiration of the term set forth in each Schedule, Lessee shall return the Equipment subject to said Schedule in accordance with Paragraph 12 hereof. At Lessor's option, this Lease, with respect to each Schedule, may be continued on a month-to-month basis until 30 days after Lessee returns the Equipment subject to the Schedule to Lessor. In the event that the Lease, with respect to a Schedule, is so continued, Lessee shall pay to Lessor rentals in the same periodic amounts as indicated under "Rental" on the Schedule.

14. LOSS AND DAMAGE. Lessee shall bear the entire risk of loss, theft, damage or destruction of the Equipment from any cause whatsoever, and no loss, theft, damage or destruction of the Equipment shall relieve Lessee of the obligation to pay rent or to comply with any other obligation under this Lease.

In the event of damage to any item of Equipment, Lessee shall immediately place the same in good repair at Lessee's expense. If Lessor determines that any item of Equipment is lost, stolen, destroyed or damaged beyond repair, Lessee shall at Lessee's option do one of the following:

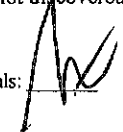
- (a) Replace the same with like Equipment in good repair, acceptable to Lessor; or
- (b) Pay Lessor in cash the following: (i) all amounts due by Lessee to Lessor with respect to all affected Schedules up to the date of the loss; (ii) the unpaid balance of the total rent for the remaining term of the affected Schedules attributable to said item, reduced to present value at a discount rate of 4% as of the date of the loss; and (iii) the Lessor's estimate as of the time this Lease was entered into of Lessor's residual interest in the Equipment, discounted to present value at a discount rate of 4% as of the date of the loss. Upon Lessor's receipt of payment as set forth above, Lessee shall be entitled to the Equipment, without any warranties. If insurance proceeds are used to fully comply with this subparagraph, the balance of any such proceeds shall go to Lessee to compensate for loss of use of the Equipment for the remaining term of the Lease.

15. INSURANCE; LIENS; TAXES. Lessee shall provide and maintain insurance against loss, theft, damage or destruction of the Equipment in an amount not less than the full replacement value of the Equipment, with loss payable to Lessor. Lessee shall also provide and maintain comprehensive general all-risk liability insurance, including but not limited to product liability coverage, insuring Lessor and Lessee with a severability of interest endorsement or its equivalent, against any and all loss or liability for damages either to persons or property or otherwise, which might result from or happen in connection with the condition, use or operation of the Equipment, with such limits and with an insurer as are satisfactory to Lessor. Each policy shall expressly provide that said insurance as to Lessor and its assigns shall not be invalidated by any act, omission or neglect of Lessee and cannot be canceled without 30 days written notice to Lessor. As to each policy, Lessee shall furnish to Lessor a certificate of insurance from the insurer, which certificate shall evidence the insurance coverage required by this Paragraph and shall designate Lessor as loss payee and additional insured. Lessor shall have no obligation to ascertain the existence or adequacy of insurance, or to provide any insurance coverage for the Equipment or for Lessee's benefit.

Lessee shall keep the Equipment free and clear of all levies, liens and encumbrances. Lessee shall pay all charges and taxes (local, state and federal) which may now or hereafter be imposed upon the ownership, leasing, rental, sale, purchase, possession or use of the Equipment excluding, however, all taxes on or measured by Lessor's net income.

If Lessee fails to procure or maintain said insurance or to pay said charges or taxes, Lessor shall have the right, but shall not be obligated, to effect such insurance, or pay such charges or taxes. In that event, Lessor shall notify Lessee of such payment and Lessee shall repay to Lessor the cost thereof within 15 days after such notice is mailed to Lessee.

16. INDEMNITY. Lessee does hereby assume liability for and shall indemnify, defend, protect, save and keep harmless Lessor and its successors and assigns against any and all losses, penalties, claims, actions, suits costs, expenses, damages or liabilities, including all attorney fees and court costs of whatsoever kind and nature, in contract or tort, arising out of or connected with the Equipment or this Lease, without limitation, any claim alleging latent and other defects, whether or not discovered by

X Lessee initials: 

Lessor or Lessee and any claim for patent, trademark or copyright infringement. Such indemnification shall survive the expiration, cancellation or termination of this Lease. Lessee waives any immunity Lessee may have under any industrial insurance act with regard to indemnification of Lessor. Lessee agrees to give Lessor notice of any claim or liability hereby indemnified against promptly following learning thereof.

17. ASSIGNMENT BY LESSOR. Any assignee of Lessor shall have all of the rights but none of the obligations of Lessor under this Lease. Lessee shall recognize and hereby consents to any assignment of this Lease by Lessor, and Lessee shall not assert against the assignee any defense, counterclaim or set-off that Lessee may have against Lessor. Subject to the foregoing, this Lease inures to the benefit of and is binding upon the heirs, devisees, personal representatives, survivors, successors in interest and assigns of the parties hereto.

18. SERVICE CHARGES; INTEREST. If Lessee shall fail to make any payment required by this Lease within 10 days of the due date thereof, Lessee shall pay to Lessor a service charge of 8% of the amount due, provided, however, that not more than one such service charge shall be made on any delinquent payment regardless of the length of the delinquency. In addition to the foregoing service charge, Lessee shall pay to Lessor a \$100 default fee with respect to any payment which becomes thirty (30) days past due. In addition, Lessee shall pay to Lessor any actual additional expenses incurred by Lessor in collection efforts, including but not limited to long-distance telephone charges and travel expenses. Further, Lessee shall pay to Lessor interest on any delinquent payment or amount due under this Lease from the due date thereof until paid, at 18% per annum; provided, however, in no event shall the interest and other charges hereunder exceed the highest rate permissible under any law which a court of competent jurisdiction shall, in a final determination, deem applicable hereto. In the event that such a court determines that Lessor has received interest and other charges hereunder in excess of the highest rate applicable hereto, such excess shall be deemed received on account of, and shall automatically be applied to reduce, the amounts due hereunder, other than interest, in the inverse order of maturity, and the provisions hereof shall be deemed amended to provide for the highest permissible rate. If there are no amounts outstanding under this Lease, Lessor shall refund to Lessee such excess.

19. TIME OF ESSENCE. Time is of the essence of this Lease, and this provision shall not be impliedly waived by the acceptance on occasion of late or defective performance.

20. DEFAULT. Lessee shall be in default of this Lease if:

(a) Lessee shall fail to make any payment due under the terms of this Lease for a period of 10 days from the due date thereof; or

(b) Lessee shall fail to observe, keep or perform any other provision of this Lease, and such failure shall continue for a period of 10 days; or

(c) Lessee has made any misleading or false statement or representation hereunder or under any Schedule, or in connection with, the application for or performance of this Lease; or

(d) The Equipment or any part thereof shall be subject to any lien, levy, seizure, assignment, transfer, bulk transfer, encumbrance, application, attachment, execution, sublease, or sale without prior written consent of Lessor, or if Lessee shall abandon the Equipment or permit any other entity or person to use the Equipment without prior written consent of Lessor; or

(e) Lessee dies or ceases to exist or ceases business activities; or

(f) Lessee defaults on any other agreement it has with Lessor; or

(g) Lessee or any guarantor of this Lease defaults on any obligation to Lessor, or any of the above-listed events of default occur with respect to Lessee or any guarantor, or Lessee or any such guarantor files or has filed against it a petition under the bankruptcy laws; or

(h) Lessee undergoes a sale, buyout, change of control, or change in ownership of any type, form or manner which, as judged solely by Lessor, results in deterioration in Lessee's credit worthiness.

21. REMEDIES. If Lessee is in default, Lessor, with or without notice to Lessee, shall have the right to exercise any one or more of the following remedies, concurrently or separately and without any election of remedies being deemed to have been made:

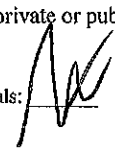
(a) Lessor may enter upon Lessee's premises and without any court order or other process of law may repossess and remove the Equipment, or render the Equipment unusable without removal, either with or without notice to Lessee. Lessee hereby waives any trespass or right of action for damages by reason of such entry, removal or disabling. Any such repossession shall not constitute a termination of this Lease;

(b) Lessor may require Lessee, at its expense, to return the Equipment in good repair, ordinary wear and tear resulting from proper use thereof alone excepted, by delivering it, packed and ready for shipment, to such place or carrier as Lessor may specify;

(c) Lessor may cancel or terminate this Lease and may retain any and all prior payments paid by Lessee;

(d) Lessor may declare all sums due and to become due under this Lease immediately due and payable, including as to any or all items of Equipment, without notice or demand to Lessee;

(e) Lessor may re-lease the Equipment to any third party, without notice to Lessee, upon such terms and conditions as Lessor alone shall determine, or may sell the Equipment without warranties and without notice to Lessee, at private or public sale



as Lessor shall determine, at which sale Lessor may be the purchaser. In the event that Lessor shall sell the Equipment pursuant to the foregoing, Lessor may specifically disclaim any warranties of title or the like;

(f) Lessor may sue for and recover from Lessee the sum of all unpaid rents and other payments due under this Lease then accrued, plus all accelerated future payments due under this Lease, reduced to their present value using a discount rate of 4%, as of the date of default, plus Lessor's estimate at the time this Lease was entered into of Lessor's residual interest in the Equipment, reduced to present value at a discount rate of 4%, as of the date of default, less the net proceeds of disposition, if any, of the Equipment;

(g) To pursue any other remedy available at law, by statute or in equity.

No right or remedy conferred upon or reserved to Lessor is exclusive of any other right or remedy herein, or by law or by equity provided or permitted, but each shall be cumulative of every other right or remedy given herein or now or hereafter existing by law or equity or by statute or otherwise, and may be enforced concurrently therewith or from time to time. No single or partial exercise by Lessor of any right or remedy hereunder shall preclude any other or further exercise of any other right or remedy.

22. MULTIPLE LESSEES. Lessee and each of them are jointly and severally responsible and liable to Lessor under this Lease. Lessor may, with the consent of any one of the Lessees hereunder, modify, extend or change any of the terms hereof without consent or knowledge of the others, without in any way releasing, waiving or impairing any right granted to Lessor against the others.

23. EXPENSE OF ENFORCEMENT. In the event of any legal action with respect to this Lease, the prevailing party in any such action shall be entitled to reasonable attorney fees, including attorney fees incurred at the trial level, including action in bankruptcy court, on appeal or review, or incurred without action, suits or proceedings, together with all costs and expenses incurred in pursuit thereof.

24. LESSEE'S WARRANTIES AND MISCELLANEOUS. Lessee certifies and warrants that the financial data and other information which Lessee submits to Lessor in connection with this lease is, or will be, as appropriate, a true and complete statement of the matters therein contained. Lessee further certifies and warrants that (a) this lease has been duly authorized, executed and delivered by Lessee and constitutes the legal, valid and binding obligation, contract and agreement of Lessee enforceable against Lessee in accordance with its respective terms except as enforcement may be affected by bankruptcy and similar laws affecting creditors' rights generally and (b) this lease and each and every showing provided by or on behalf of Lessee in connection herewith may be relied upon by Lessor in accordance with the terms thereof notwithstanding the failure of Lessee or other applicable party to ensure proper attestation thereto, whether by absence of a seal or acknowledgment or otherwise. The person executing this lease on behalf of Lessee warrants that he or she has been fully authorized to do so.

(1) LESSEE HEREBY ACKNOWLEDGES THAT THIS LEASE IS NONCANCELABLE FOR THE ORIGINAL RENTAL TERM SET FORTH IN EACH SCHEDULE.

(2) LESSEE UNDERSTANDS AND ACKNOWLEDGES THAT NO BROKER OR SUPPLIER NOR ANY SALESMAN, BROKER OR AGENT OF ANY BROKER OR SUPPLIER IS AN AGENT OF LESSOR. NO BROKER OR SUPPLIER, NOR ANY SALESMAN, BROKER OR AGENT OF ANY BROKER OR SUPPLIER IS AUTHORIZED TO WAIVE OR ALTER ANY TERM OR CONDITION OF THIS LEASE, AND NO REPRESENTATION AS TO THE EQUIPMENT OR ANY OTHER MATTER BY A BROKER OR SUPPLIER OR ANY SALESMAN, BROKER OR AGENT OF ANY BROKER OR SUPPLIER SHALL IN ANY WAY AFFECT LESSEE'S DUTY TO PAY THE RENTALS AND TO PERFORM LESSEE'S OBLIGATIONS SET FORTH IN THIS LEASE. LESSEE AUTHORIZES LESSOR TO INSERT ANY APPLICABLE DATES ON THE LEASE OR ATTACHMENTS TO THE LEASE.

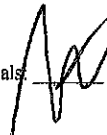
(3) LESSEE AGREES THAT LESSOR MAY USE LESSEE'S NAME IN ADVERTISING AND PROMOTIONAL MATERIALS AND GENERAL TERMS OF THIS MASTER EQUIPMENT LEASE AND SCHEDULES.

(4) LESSEE SHALL FURNISH LESSOR WITH (a) A FISCAL YEAR END FINANCIAL STATEMENT INCLUDING BALANCE SHEET AND INCOME STATEMENT WITHIN ONE HUNDRED AND TWENTY (120) DAYS OF THE CLOSE OF EACH FISCAL YEAR AND (b) SUCH OTHER FINANCIAL DATA OR INFORMATION RELATIVE TO THIS LEASE AND THE EQUIPMENT AS LESSOR MAY FROM TIME TO TIME REQUEST.

(5) AS A PRECAUTIONARY MATTER, IN THE EVENT THAT ANY COURT OF COMPETENT JURISDICTION SHALL DETERMINE THAT THIS LEASE AND/OR ANY SCHEDULE DOES NOT SO QUALIFY AS A TRUE LEASE, THEN LESSEE HEREBY GRANTS TO LESSOR A SECURITY INTEREST IN ALL EQUIPMENT LEASED HEREUNDER AND THE PROCEEDS THEREOF (INCLUDING EQUIPMENT, AND INSURANCE PROCEEDS) TO SECURE LESSEE'S OBLIGATIONS OWING TO LESSOR HEREUNDER.

25. SEVERABILITY. This Lease is intended to constitute a valid and enforceable legal instrument. In the event any provision hereof is declared invalid, such provision will be deemed severable from the remaining provisions of this Lease, all of which will remain in full force and effect.

26. ENTIRE AGREEMENT; WAIVER. This Lease and the Schedules executed by Lessor and Lessee constitute the entire agreement between Lessor and Lessee with respect to the Equipment and the subject matter of this Lease. Lessee certifies and warrants that this Lease has been duly authorized, executed and delivered by Lessee and constitutes the legal, valid and binding



obligation and that the person executing this Lease on behalf of the Lessee warrants that he or she has been authorized to do so. No provision of this Lease shall be modified unless in writing signed by an authorized representative of Lessor and Lessee. Waiver by Lessor of any provision hereof in one instance shall not constitute a waiver of any other instance. NO ORAL OR WRITTEN AGREEMENT, GUARANTY, PROMISE, CONDITION, REPRESENTATION OR WARRANTY SHALL BE BINDING UNLESS MADE A PART OF THIS LEASE BY DULY EXECUTED ADDENDUM.

X Lessee initials: *AM*

27. **EFFECTIVENESS.** This Lease shall not be effective until signed by Lessor at its principal place of business listed above.

28. **CHOICE OF LAW AND VENUE; JURY TRIAL WAIVER.**

(1) THE VALIDITY OF THIS LEASE AND THE SCHEDULES, THE CONSTRUCTION, INTERPRETATION, AND ENFORCEMENT HEREOF AND THEREOF, AND THE RIGHTS OF THE PARTIES HERETO AND THERETO WITH RESPECT TO ALL MATTERS ARISING HEREUNDER OR THEREUNDER OR RELATED HERETO OR THERETO SHALL BE DETERMINED UNDER, GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH THE INTERNAL LAWS OF THE STATE OF CALIFORNIA, WITHOUT REGARD FOR PRINCIPLES OF CONFLICTS OF LAWS.

(2) THE PARTIES AGREE THAT ALL ACTIONS OR PROCEEDINGS ARISING IN CONNECTION WITH THIS LEASE AND THE SCHEDULES SHALL BE TRIED AND LITIGATED ONLY IN THE STATE AND FEDERAL COURTS LOCATED IN THE COUNTY OF LOS ANGELES, STATE OF CALIFORNIA OR IN ANY OTHER STATE OR FEDERAL COURT IN ANY STATE IN WHICH LESSOR MAY ELECT TO BRING SUCH ACTION THAT HAS JURISDICTION OVER THE PARTIES AND THE SUBJECT MATTER, PROVIDED, HOWEVER, THAT ANY SUIT SEEKING ENFORCEMENT AGAINST ANY EQUIPMENT OR OTHER PROPERTY MAY BE BROUGHT, AT LESSOR'S OPTION, IN THE COURTS OF ANY JURISDICTION WHERE SUCH EQUIPMENT OR OTHER PROPERTY MAY BE FOUND. LESSEE AND LESSOR WAIVE, TO THE EXTENT PERMITTED UNDER APPLICABLE LAW, ANY RIGHT EACH MAY HAVE TO OBJECT TO VENUE TO THE EXTENT ANY PROCEEDING IS BROUGHT IN ACCORDANCE WITH THIS SECTION 28.

(3) LESSEE AND LESSOR HEREBY WAIVE THEIR RESPECTIVE RIGHTS TO A JURY TRIAL OF ANY CLAIM OR CAUSE OF ACTION BASED UPON OR ARISING OUT OF THIS LEASE OR ANY OF THE SCHEDULES OR ANY OF THE TRANSACTIONS CONTEMPLATED HEREIN OR THEREIN, INCLUDING CONTRACT CLAIMS, TORT CLAIMS, BREACH OF DUTY CLAIMS, AND ALL OTHER COMMON LAW OR STATUTORY CLAIMS. LESSEE AND LESSOR REPRESENT THAT EACH HAS REVIEWED THIS WAIVER AND EACH KNOWINGLY AND VOLUNTARILY WAIVES ITS JURY TRIAL RIGHTS FOLLOWING CONSULTATION WITH LEGAL COUNSEL. IN THE EVENT OF LITIGATION, A COPY OF THIS LEASE MAY BE FILED AS A WRITTEN CONSENT TO A TRIAL BY THE COURT.

X Lessee initials: *AM*

LESSEE: ~~Jensen's Complete Shopping, Inc.~~

LESSOR: JULES AND ASSOCIATES, INC.

X By *Adam M. Zack* Date: 04/24/08
Adam M. Zack, Vice President

By _____ Date: _____
Name: Scott C. Monroe
Title: Senior Vice President

ADDENDUM "A"

TO

MASTER EQUIPMENT LEASE AGREEMENT NO. 20070221, SCHEDULE 1

REFERENCE is made to the above-referenced Master Equipment Lease Agreement ("Lease") dated the 24th day of April, 2008, specific to Schedule 1, by and between Jensen's Complete Shopping, Inc. as Lessee, and Jules and Associates, Inc. as Lessor.

Notwithstanding the terms and conditions contained in the Master Equipment Lease Agreement and to the limited extent hereof, this superseding anything to the contrary, the parties hereto agree as follows:

"AFTER THE FINAL REGULAR RENTAL PAYMENT HAS BEEN MADE SPECIFIC TO THE RESPECTIVE SCHEDULE, PLUS ALL ACCRUED BUT UNPAID LATE CHARGES, INTEREST, TAXES, PENALTIES AND/OR ALL OR ANY OTHER SUMS DUE AND OWING UNDER THE LEASE AGREEMENT, AND NO EVENT OF DEFAULT, AS THE SAME IS MORE FULLY DESCRIBED IN THE LEASE AGREEMENT, HAS OCCURRED OR IS CONTINUING, AND PROVIDED LESSEE NOTIFIES LESSOR (BY CERTIFIED MAIL) AT LEAST ONE HUNDRED AND EIGHTY (180) DAYS PRIOR TO THE FINAL REGULAR RENTAL PAYMENT (SPECIFIC TO THE RESPECTIVE SCHEDULE) OF LESSEE'S INTENT OF OPTION CHOICE, LESSEE MAY EXERCISE ONE OF THE FOLLOWING OPTIONS: 1) PURCHASE ALL OF THE EQUIPMENT FOR ONE (1%) PERCENT OF THE ORIGINAL EQUIPMENT COST; 2) RETURN ALL OF THE EQUIPMENT; 3) EXTEND THE LEASE FOR AN ADDITIONAL SIX MONTH PERIOD AT THE RATE DELINEATED ON THE RESPECTIVE SCHEDULE. SHOULD LESSEE NOT GIVE PROPER NOTICE AS INDICATED ABOVE, THE LEASE SHALL BE AUTOMATICALLY EXTENDED FOR AN ADDITIONAL THREE MONTH PERIOD AT THE RATE DELINEATED ON THE RESPECTIVE SCHEDULE."

In all other respects, the terms and conditions of the Master Equipment Lease Agreement, as originally set forth, shall remain in full force and effect.

IN WITNESS WHEREOF, the parties hereto, by their authorized signatories, have executed this Addendum "A" at the date set forth below their respective signatures.

LESSEE:
Jensen's Complete Shopping, Inc.

LESSOR:
Jules and Associates, Inc.

X BY 
ADAM M. ZACK

BY _____
SCOTT C. MONROE

TITLE VICE PRESIDENT

TITLE SENIOR VICE PRESIDENT

DATE APRIL 24, 2008

DATE _____

EXHIBIT "A"
JULES AND ASSOCIATES, INC.
MASTER EQUIPMENT LEASE AGREEMENT NO: 20070221
SCHEDULE NO. 1

| Vendor Name | Invoice No. | Qty | Description | Serial Number | Address, City, St, Zip |
|-----------------------------|------------------------|-----|---|---------------|--------------------------------------|
| Integrated Sign Associates | 08-3985 | 1 | One (1) set of internally illuminated fabricated aluminum letters with logo and One (1) set of non-illuminated foam letters with logo. One (1) single faced non illuminated menu board display. | | 73607 Hwy 111, Palm Desert, CA 92260 |
| Boelter contract and design | 710286-2 | 1 | Furnish Kitchen Equipment | | 73607 Hwy 111, Palm Desert, CA 92260 |
| RVDC INC | 3445, 3452, 3451, 3457 | 1 | New Grid Ceiling, Two Rest Rooms, Two 6 Ton HVAC Units along with various repairs and installation. | | 73607 Hwy 111, Palm Desert, CA 92260 |
| FireFly Technologies | 949 | 1 | Firefly Technologies Phoenix Point of Sale Software | | 73607 Hwy 111, Palm Desert, CA 92260 |

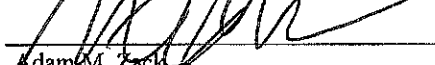
* As more fully described on above referenced invoice numbers.

Along with all additions, substitutions, attachments, replacements, and accessions thereof, plus the proceeds of all the foregoing including amounts payable under any insurance policy.

This Exhibit "A" is attached to and a part of Jules and Associates, Inc. Master Equipment Lease Agreement No. 20070221, Schedule No. 1 and constitutes a true and accurate description of the equipment.

LESSEE: Jensen's Complete Shopping, Inc.

ACKNOWLEDGED & ACCEPTED BY:

X BY: 
Adam M. Zack

TITLE: Vice President _____

INSURANCE REQUIREMENTS

MASTER EQUIPMENT LEASE AGREEMENT NO. 20070221
SCHEDULE NO. 1

TO: Hamilton Brewart
AGENT'S NAME: Al Mata
ADDRESS: 1282 W. Arrow Hwy
CITY: Upland

STATE: CA ZIP: 91785
AREA CODE/PHONE NO: (909) 981-5210
FAX NO:
EMAIL:

FROM: JULES AND ASSOCIATES, INC.
515 SO. FIGUEROA STREET, SUITE 1950
LOS ANGELES, CALIFORNIA 90071

Gentlemen:

We have entered into a lease agreement with JULES AND ASSOCIATES, INC. for the following equipment, with a value of \$230,879.34.

"SEE EXHIBIT "A" ATTACHED HERETO AND MADE A PART HEREOF"

This equipment is located at: 73607 Hwy 111, Palm Desert, CA 92260

This is a net lease and we are responsible for the insurance cost. Please see that we have immediate coverage and notify:

at once in the form of a copy of the insurance policy or a Certificate of Insurance. If the latter is sent, please include therein the standard 10 day notice of cancellation clause.

PHYSICAL DAMAGE: Insurance is to be provided for fire, theft, extended coverage, vandalism and malicious mischief for not less than full replacement value of the equipment. _____ is to be named as Loss Payee as its interests may appear.

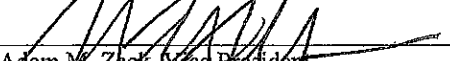
COMMERCIAL GENERAL LIABILITY INSURANCE IS REQUIRED FOR BODILY INJURY AND PROPERTY DAMAGE: Coverage should be written with minimum limits of \$1,000,000.00/\$1,000,000.00 for BODILY INJURY and \$500,000.00 for property damage. _____ is to be named as Additional Insured.

TITLED VEHICLE LIMITS: The minimum limits for each vehicle lease shall be:

| | |
|--|----------------|
| Bodily injury liability per individual | \$1,000,000.00 |
| Bodily injury liability per accident | \$1,000,000.00 |
| Property Damage liability | \$1,000,000.00 |
| Fire, Theft and Comprehensive | Full |


If you have any questions, please do not hesitate to call JULES AND ASSOCIATES, INC. at (213) 362-5600.

Thank you, Jensen's Complete Shopping, Inc., Lessee

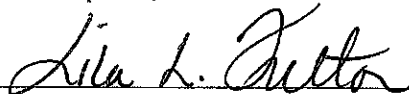
X BY: 
Adam M. Zaek, Vice President

CERTIFICATE OF INCUMBENCY AND AUTHORITY

I, Lila L. Fulton, do hereby certify that I am the qualified and acting secretary of Jensen's Complete Shopping, Inc., a CALIFORNIA corporation; that the person (s) whose name(s), title(s), and signature(s), appearing below is/are authorized to execute, on behalf of this corporation, such documents and instruments, in connection with leased property from Jules and Associates, Inc. or its assigns; and that the execution and delivery thereof is not prohibited, or in any manner restricted, by the terms of said corporation's Certificate of Incorporation, its By-Laws, or any loan agreement, indenture or contract to which said corporation is a party or under which it is bound.

| Name | Title | Signature |
|--------------|----------------|---|
| Adam M. Zack | Vice President | X  |

IN WITNESS WHEREOF, I have set my hand and affixed the seal of said corporation on April 24, 2008.

X 
Name: Lila L. Fulton
Title: Secretary

(CORPORATE SEAL)

PAY PROCEEDS LETTER

MASTER EQUIPMENT LEASE AGREEMENT NO. 20070221
SCHEDULE NO. 1

Jules and Associates, Inc.
515 S. Figueroa St., Suite 1950
Los Angeles, CA 90071

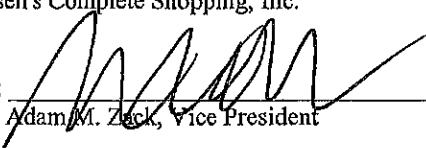
You are hereby authorized to pay the proceeds as evidenced by those certain invoices to the following parties in the amount(s) designated below.

| | |
|------------------------------------|----------------------------|
| Integrated Sign Associates | \$2,582.00 |
| Boelter contract and design | \$4,120.94 |
| RVDC INC | \$65,267.00 |
| Jensen's Complete Shopping, Inc. | \$158,889.40 |
| <u>Total Funding Amount</u> | <u>\$230,879.34</u> |

Sincerely,
Jensen's Complete Shopping, Inc.

X

BY:


Adam M. Zuck, Vice President

DATED: 04/24/08

BILL OF SALE

KNOW ALL MEN BY THESE PRESENTS, That, Jensen's Complete Shopping, Inc. hereinafter called the seller, in consideration of the sum of Two Hundred Thirty Thousand Eight Hundred Seventy-Nine And 34/100 Dollars (\$230,879.34) to the seller paid, the receipt whereof hereby is acknowledged, hereby does grant, bargain, sell, transfer and deliver unto Jules and Associates, Inc. its successors and assigns; hereinafter called the buyer, the following described personal property described below together with all parts and accessories attached hereto, now located at: "SEE EXHIBIT "A" ATTACHED HERETO AND MADE A PART HEREOF", to wit:

"SEE EXHIBIT "A" ATTACHED HERETO AND MADE A PART HEREOF"

TO HAVE AND TO HOLD the same unto the said buyer and buyer's heirs, executors, administrators, successors and assigns forever.

And the seller hereby covenants and agrees to and with the said buyer and to and with buyer's successors in interest and assigns that seller is the owner of the above described personal property; that the same is free from all encumbrances

_____ ; that seller has a good right to sell the same; and that seller will and seller's heirs, executors, administrators and successors shall warrant and forever defend this sale against the lawful claims and demands of all persons whomsoever.

In construing this Bill of Sale and where the context so requires, the singular includes the plural and all grammatical changes shall be made so that this instrument shall apply equally to individuals and to corporations.

IN WITNESS WHEREOF, the seller has hereunto executed this document; if the undersigned seller is a corporation, it has caused its name to be signed and its seal affixed by an officer or other person duly authorized to do so by order of its board of directors.

Dated: April 24, 2008

Jensen's Complete Shopping, Inc.

X [Signature]

Adam M. Zack, Vice President

STATE OF _____ }

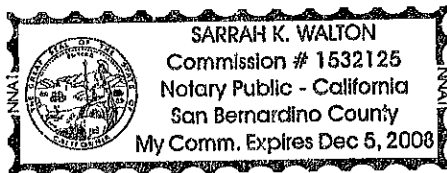
County of _____ ss.

I, Adam M. Zack, being first duly sworn, depose and say: That I am the Vice President of Jensen's Complete Shopping, Inc. the seller of the property described in the foregoing bill of sale; that seller is the sole owner of said property; that the same has been paid for in full and that as of this date said personal property and each and every part thereof is free and clear of all liens, encumbrances and security interests of any kind or nature _____

Jensen's Complete Shopping, Inc.

X [Signature]

Adam M. Zack, Vice President



Subscribed and sworn to before me Apr. 30, 2008

[Signature]

Notary Public for California

My commission expires Dec 5 2008

Jensen's

MAKE EVERY DAY AN OCCASION.™

2465 E. PALM CANYON DRIVE, BLDG. 7 • PALM SPRINGS, CALIFORNIA 92264 • (760) 325-8282 • FAX (760) 322-4703

April 14, 2011

Jules & Associates
515 South Figueroa St.
Suite 1950
Los Angeles, CA 90071

Lease # 20070221

Dear Jules & Associates,

Please accept this letter as our notice to exercise the purchase option on the above referenced lease and all related schedules.

Sincerely,

JENSEN'S FINEST FOODS



Adam Zack
Vice President

Only The Best.....
Jensen's
FINEST FOODS

102 S. SUNRISE WAY • PALM SPRINGS, CALIFORNIA 92262 • (760) 325-8282 • FAX (760) 322-4703

November 26, 2004

Ms. Martha Khatchatoorianz
Jules and Associates, Inc.
515 S. Figueroa St.
Suite 1950
Los Angeles, CA 90071

Hi Martha,

In case I have not already given notice, please accept this letter as written notice that when any of our lease terms come to an end that we have chosen to pay them off and that they will not automatically extend.

If you need notice in another fashion besides this, please let me know.

Thank you.

Very truly yours,

JENSEN'S FINEST FOODS



Adam M. Zack
Vice President

*Mailed
11/26/04
US mail*