



AGENDA REPORT

Meeting Date: July 3, 2012
Item Number: F-2
To: Honorable Parking Authority Members
From: Brenda Lavender, Real Estate & Property Manager
Subject: RETAIL LEASE AND MEMORANDUM OF LEASE BY AND BETWEEN THE PARKING AUTHORITY OF THE CITY OF BEVERLY HILLS AND RESTAURANT BUSINESS STRATEGIES, LLC.
Attachments: 1. Retail Lease
2. Memorandum of Lease

RECOMMENDATION

It is recommended that the Parking Authority approve the Retail Lease and Memorandum of Lease by and between The Parking Authority of the City of Beverly Hills and Restaurant Business Strategies (RBS). A copy of the lease is on file with the City Clerk. Restaurant Business Strategies is the restaurant entity for Frem Investment and Frem Investments currently leases offices space within the Gardens Building at 240 N. Beverly Drive, on the Third floor. The new retail and vitrine spaces are located on the ground floor of the building.

INTRODUCTION

RBS is leasing the last retail space – 306 square feet and one of the vitrine spaces – 45 square feet. RBS will use the 306 square foot retail space for a crepe and ice cream shop, and the vitrine space for marketing and sales of products related to the crepe and ice cream shop.

DISCUSSION

The monthly rent for the retail space is \$7.50 per square foot; and \$15 per square foot for the vitrine space. The Tenant will be responsible for improving both spaces, and there is no broker commission on this agreement. Landlord's approval of the space design is required and staff will work with RBS to ensure all City requirements are met.

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FISCAL IMPACT

The fiscal impact is annual net revenue of \$5,940 based on annual rent of \$35,640 less ten (10) months of free rent (\$29,700). There are no tenant improvement or broker commission costs on this deal.



Scott G. Miller, Director of
Administrative Services, CFO

Approved By

Attachment 1

RETAIL LEASE

by and between

**THE PARKING AUTHORITY
OF THE CITY OF BEVERLY HILLS,**
a parking authority established pursuant to
the Parking Law of 1949 of the State of California,

Landlord

and

RESTAURANT BUSINESS STRATEGIES, LLC,
a California limited liability company
Tenant

**240 N. Beverly Drive
Beverly Hills, California**

DATE: July 3, 2012

RETAIL LEASE

THIS RETAIL LEASE (this "Lease") is dated as of July 3, 2012 (the "Effective Date"), and is entered into by and between the PARKING AUTHORITY OF THE CITY OF BEVERLY HILLS, a parking authority established pursuant to the Parking Law of 1949 of the State of California ("Landlord"), and RESTAURANT BUSINESS STRATEGIES, LLC, a California limited liability company ("Tenant").

1. **DEFINED TERMS; BASIC LEASE TERMS.**

(a) Address of Tenant prior to the Commencement Date:

240 N. Beverly Dr., Suite 300
Beverly Hills, CA 90210
Attn: Gabriel Frem

(b) Address of Landlord:

The Parking Authority of the City of Beverly Hills
455 North Rexford Drive
Beverly Hills, California 90210
Attn: Executive Director, and Real Estate & Property Manager

With a copy to:

The Parking Authority of the City of Beverly Hills
455 North Rexford Drive
Beverly Hills, California 90210
Attention: Authority Counsel

(c) Premises: Those certain premises ("Premises") described on Exhibit A, consisting of a portion of the building located at 240 N. Beverly Drive, Beverly Hills, California (the "Building") known as Suites 150 and Vitrine F. Tenant represents and warrants to Landlord that Tenant has inspected and measured the Premises and has reviewed the "as-built" plans for the Building and Premises and Landlord and Tenant stipulate and agree that there shall be no adjustment of any rent or the Security Deposit based on any measurement or remeasurement of the Premises or the Building or any portion thereof.

(d) Term: From Commencement Date (as defined in Section 3(a) below) to January 31, 2021.

(e) Monthly Rent (commencing on the Commencement Date):

Retail Space

Months	Monthly Rent
0-10	\$0.00
11-24	\$2,295.00

Months	Monthly Rent
25-36	\$2,363.85
37-48	\$2,434.77
49-60	\$2,507.81
61-72	\$2,583.04
73-84	\$2,660.53
85-96	\$2,740.35
97-end of Term	\$2,822.56

Vitrine Space

Months	Monthly Rent
0-10	\$0.00
11-24	\$675.00
25-36	\$695.25
37-48	\$716.11
49-60	\$737.59
61-72	\$759.72
73-84	\$782.51
85-96	\$805.99
97-end of term	\$830.16

(f) Security Deposit: \$35,640.00.

(g) Permitted Uses: The Retail Space shall be used as a crepe and ice cream store only (which may include the sale of (i) gelato, soft ice cream, drinks, smoothies and shakes; and (ii) fresh fruits, compotes, nuts, syrups, chocolates, whipped cream, candies, jam, and other items as toppings for ice cream or as fillings or toppings for crepes). Subject to applicable law (including, without limitation) Tenant's obtaining any required permits), the Vitrine Space shall be used (i) to advertise Tenant's business in the Retail Space; (ii) to sell any product offered for sale in the Retail Space (provided the sale of such product in the Retail Space is permitted by this Lease). The Retail Space and the Vitrine Space shall not be used for any other purposes.

(h) Parking: Commencing on the Commencement Date, Tenant shall have the right, but not the obligation, to rent from time to time one (1) parking pass for an unreserved parking space not marked "visitor" in the parking structure located directly under and serving the Building ("Parking Structure"), at the prevailing rate charged by Landlord for parking passes for such parking spaces in the Parking Structure, which shall be subject to increase annually as described in Section 29 below. Tenant understands and acknowledges that the Parking Structure shall, at Landlord's sole and absolute option be available and open to the general public for parking, but additional terms relating to parking are described in Section 29 below.

(i) Project: The land described on Exhibit A-1 and all improvements and landscaping thereon (including the colonnade area and service alley/area), excluding the Parking Structure.

This Section 1 represents a summary of the basic terms of this Lease and includes definitions of capitalized terms used in this Lease. In the event of any conflict between the terms contained in this Section 1 and any other provision of this Lease, the terms of the said other provision shall govern.

2. PREMISES LEASED; OPTIONS TO RENT ADDITIONAL VITRINE SPACE AND SWAP VITRINE SPACE; COMMON AREAS.

(a) Lease of Premises. Landlord hereby leases the Premises to Tenant, and Tenant hereby leases the Premises from Landlord, subject to and upon the terms and conditions set forth in the Lease. Subject to Landlord's reasonable regulations, restrictions and guidelines and applicable Laws, and provided in all cases that Tenant's use in no way affects the structural integrity of the Building or adversely affects Building utility systems existing Tenants or Common Areas, Tenant may (i) use the areas behind the walls of the Premises, including the right, subject to Landlord's reasonable approval with respect to location and specifications and Landlord's reasonable rules and regulations, to core drill, to install and service wire, conduit and cable that serve Tenant's equipment in the Premises in accordance with, and subject to, the other terms and provisions of this Lease and Landlord's rights hereunder with respect to such areas and (ii) have use of the Building's shafts and conduits and the Building risers on a non-exclusive basis.

(b) Initial Tenant Improvements. The Premises shall be improved by Tenant with the "Tenant Improvements" described in Exhibit B-1 attached hereto and incorporated herein by this reference, in accordance with the terms set forth in Exhibit B-1, including compliance with all applicable Laws. Tenant confirms that it has inspected the Premises and that the Premises and the as-built plans for the Premises and Tenant accepts Premises in their current "AS-IS" condition, without representation or warranty, express or implied.

(c) Option to Rent One Additional Available Vitrine Space. Provided this Lease has not been terminated by Tenant as to the Retail Space and Tenant is not in default with respect to the Vitrine Space or the Retail Space, then if an additional vitrine space in the Building is vacated and is not then subject to any letters of intent between Landlord and any third party, Landlord shall notify Tenant of such availability in writing. If Tenant gives Landlord written notice to Landlord within ten (10) business days after Landlord gives Tenant such availability notice, then Tenant shall be deemed to have leased such additional vitrine space, under this Lease on the same terms as Vitrine F (but separately applicable to the additional vitrine space, and with no "free rent period") as of the date on which Landlord tenders keys for such vitrine space to Tenant.

(d) Tenant's Right to Swap Vitrine F for Vitrine A or B. Provided this Lease has not been terminated as to the Vitrine Space, if Landlord is confident that Vitrine "A" or Vitrine "B" (each, a "New Vitrine Space") or both will become available to lease from Landlord within the following ninety (90) days, or if Landlord does not have such confidence, but a New Vitrine Space (or both New Vitrine Spaces) becomes available for lease by Landlord, then Landlord shall notify Tenant in writing and, provided Tenant is not then in default as to the Vitrine Space or the Retail Space, Tenant shall have the right to swap the Vitrine Space (*i.e.*, Vitrine F) for the New Vitrine Space by written notice to Landlord given within ten (10) business

days after Landlord's notice (and the terms of the Lease as to Vitrine F shall then apply to the New Vitrine Space and this Lease shall terminate as to Vitrine F), or if Tenant is leasing two vitrine spaces as of the date of Landlord's availability notice and Landlord's availability notice indicates that both Vitrine A and Vitrine B are available, then Tenant may by such written notice swap both of Tenant's Vitrine Spaces for both Vitrine A and Vitrine B.

(e) Common Areas. Tenant shall have the nonexclusive right, in common with other tenants of the Building (and other members of the general public if permitted by Landlord in its sole and absolute discretion) subject to the Rules and Regulations referred to in Section 35(a), to use the following areas to the extent they are intended for the common use and enjoyment of all tenants in the Building (collectively "Common Areas"): common lobbies, ground and multi-tenant floor restrooms, elevators, stairways, hallways, corridors, pedestrian access ways, loading docks, platforms, trash enclosures and the common pipes, conduits, wires and appurtenant equipment servicing the Building. Landlord shall maintain and operate the Common Areas in a good and operable condition. Except when and where Tenant's right of access is specifically excluded as the result of (i) an emergency, (ii) a requirement of applicable Laws, (iii) a specific provision set forth in this Lease, or (iv) any reason beyond the control of Landlord, Tenant shall have the right of access to and use of the Premises, the Building, and the Parking Structure through the use of Building and Parking Structure access cards twenty-four (24) hours per day, seven (7) days per week during the Term.

(f) Landlord's Rights. Landlord reserves the right from time to time to, so long as Landlord provides Tenant with prior written notice (provided that such notice shall not be required in the event of an emergency and in the case of activities under clause (iv) below, written notice will be required only if the activities will adversely affect Tenant's access to or use of the Premises or Parking Structure): (i) close temporarily any area adjacent to or near the Premises for maintenance purposes (including the catwalks); (ii) use portions of the Premises (subject to the notice requirements of Section 16) and Common Areas in order to make necessary repairs or replacements to the Common Areas, the Building, or any portion thereof; (iii) install, use, maintain, repair and replace pipes, ducts, conduits, wires and appurtenant meters and equipment above the ceiling surfaces, below the floor surfaces, within the walls and in the central core areas, and to relocate any pipes, ducts, conduits, wires and appurtenant meters and equipment included in the Premises which are located in the Premises (subject to the notice requirements of Section 16) or located elsewhere outside the Premises; and (iv) do and perform such other acts and make such other changes in, to or with respect to the Building or any other adjacent or nearby area owned by Landlord as Landlord deems to be appropriate in the exercise of its good faith business judgment, so long as such changes do not change the nature of the Building to something other than a first class mixed-use project or materially, adversely effect Tenant's use of the Premises for the Permitted Use, or Tenant's ingress to or egress from the Building, the Premises or the Parking Structure. Except during emergencies, Landlord shall use good faith efforts to minimize interference with Tenant's access to and use of the Premises, Building and Parking Structure in connection with the exercise by Landlord of its rights under this Section 2(e) and to reasonably schedule any such work with Tenant if the work would materially and adversely affect Tenant's use of or access to the Premises or Parking Structure.

3. TERM; TENANT TERMINATION OPTIONS; EXTENSION TERMS.

(a) The term of this Lease ("Term") shall commence on the date that is ninety (90) days after the date on which Landlord tenders keys for the Retail space and Vitrine Space to Gabriel Frem at Suite 300 in the Building ("Commencement Date") and shall continue for the period referenced in Section 1(d) above (the "Term"), subject to earlier termination in accordance with the terms of this Lease.

(b) Provided Tenant gives written notice to Landlord, while Tenant is constructing its Tenant Improvements, of a defect in the Premises or Building that adversely affects Tenant's ability to complete the Tenant Improvements (or which would materially delay the completion of the Tenant Improvements) or adversely affect Tenant's access to or use of the Premises for its intended purposes or (ii) a failure of the Premises or Building to comply with applicable law that adversely affects Tenant's ability to complete the Tenant Improvements or which would materially delay the completion of the Tenant Improvements or adversely affect Tenant's access to or use of the Premises for its intended purposes, then provided such defect or noncompliance could not have been disclosed by Tenant or its architect, space planner or contractor in the course of a reasonably diligent inspection of the Premises prior to the date of this Lease, then Landlord shall, at Landlord's cost and expense, correct the noncompliance or defect and Tenant shall cooperate in good faith with Landlord in connection therewith.

(c) Within six (6) months following the Commencement Date, Landlord shall deliver to Tenant a Notice of Lease Term Dates in the form as set forth in Exhibit E, attached hereto, as a confirmation only of the information set forth therein, which Tenant shall execute and return to Landlord within fifteen (15) business days of receipt thereof (provided that if said notice is not factually correct, then Tenant shall make such changes as are necessary to make the notice factually correct and shall thereafter execute and return such notice to Landlord within such fifteen (15) business day period). In the event Landlord shall fail to send Tenant the Notice of Lease Term Dates within six (6) months following the Commencement Date, Tenant may send to Landlord notice of the occurrence of the Commencement Date substantially in the form of the Notice of Lease Term Dates, which Notice of Lease Term Dates Landlord shall acknowledge by executing a copy of the Notice of Lease Term Dates and returning it to Tenant (provided that if said Notice of Lease Term Dates is not factually correct, Landlord shall make such reasonable changes to the Notice of Lease Term Dates as are necessary to make such Notice of Lease Term Dates factually correct). Once the Notice of Lease Term Dates is executed and delivered by Landlord and Tenant, the same shall be binding upon Landlord and Tenant.

(d) Provided Tenant is not then in default as to the Vitrine Space or the Retail Space, Tenant may terminate this Lease with respect to either the initial Vitrine Space and the Retail Space, or both, at any time after December 31, 2015 by giving Landlord at least one (1) calendar year's prior written notice of the termination and concurrently with such notice, paying to Landlord the unamortized portion of the so-called "free rent" periods (meaning the period between delivery of space to Tenant and the date Tenant commences paying rent) for such space that shall remain unamortized as of the termination date (which shall be calculated on a straight line basis by amortizing the applicable free rent periods – one for each space – over the term of the Lease as to the applicable space) based on the Monthly Rent for the first month for which rent is payable for such space.

(e) In the event Tenant notifies Landlord in writing at least two hundred and forty (240) days prior to the expiration of the Term that Tenant desires to extend the Term of this Lease, then Landlord will cause its staff to exclusively negotiate with Tenant in good faith with respect to the terms of a Lease extension until the date ("Negotiation Outside Date") which is one hundred twenty (120) days prior to the expiration of the Term. Landlord will not negotiate with any third party for the lease of the Premises until the Negotiation Outside Date has passed. If Tenant has timely delivered notice that the Tenant desires to extend the term of the Lease and the terms of the Lease extension are not resolved between Landlord's staff and Tenant by the Negotiation Outside Date, then Tenant shall continue to lease the Premises under the then applicable rates, for successive periods of six (6) months, until (i) Tenant has provided Landlord with one hundred and eighty (180) days written notice to terminate, or (ii) Landlord has provided Tenant with a mutually executed letter of intent signed by both Landlord and any third party, which discloses the net economic terms offered to Landlord by such third party, on a lease term of five (5) years or longer, and Tenant has failed to notify Landlord in writing, within five (5) business days of receiving such third party letter of intent, of Tenant's intent to accept such letter of intent's net economic benefits plus five percent (5%). Should Tenant timely provide such written notice of its intent to match such letter of intent's net economic benefits plus five percent (5%), then Landlord shall renew Tenant's lease for a period of five (5) years at the same economic conditions of such third party's letter of intent plus five percent (5%) but otherwise upon the same terms and conditions of the existing lease. Landlord further agrees that Landlord shall not have the right to use the Premises for its own purposes (*i.e.*, as City offices) until a subsequent lease for all or a portion of the Premises executed by Landlord and a third party has expired or been terminated.

4. **DELIVERY OF POSSESSION.** Landlord shall tender possession of the Premises to Tenant upon execution and delivery of this Lease.

5. **RENT.**

(a) Tenant agrees to pay Landlord the Monthly Rent designated in Section 1(e) (and Monthly Rent for any Extension Terms) in equal monthly installments in advance, on or before the first day of each and every calendar month during the Term. In the event the Term of this Lease commences on a day other than the first day of a calendar month or ends on a day other than the last day of a calendar month, then the rent (as hereinafter defined) for such periods shall be prorated on a daily basis in the proportion that the number of days this Lease is in effect during such period bears to the actual number of days in such month, and such rent shall be paid at the commencement of such period. In addition to the Monthly Rent, commencing on the Commencement Date, Tenant agrees to pay all other amounts required to be paid hereunder as and when they are due as hereinafter provided in this Lease. All charges to be paid by Tenant under this Lease shall constitute rent and are collectively referred to herein as "Rent". Rent shall be paid to Landlord, without any prior notice or demand therefor, except as otherwise expressly provided herein, and without any abatement, deduction or offset (except as otherwise expressly provided herein) in lawful money of the United States of America, which shall be legal tender at the time of payment, at 455 N. Rexford Drive, Cashier's Office, Beverly Hills, California 90210, or to such other person or at such other place as Landlord may from time to time designate in writing.

(b) Tenant acknowledges that the late payment by Tenant to Landlord of any sums due under this Lease will cause Landlord to incur costs not contemplated by this Lease, the exact amount of such costs being extremely difficult and impracticable to fix. Such costs include, without limitation, processing and accounting charges, and cash-flow/budgeting costs and adverse effects. Therefore, if Tenant fails to pay any Rent or other monies due hereunder within ten (10) days after it is due, then Tenant shall pay to Landlord, as Additional Rent, the sum of five percent (5%) of the overdue amount as a late charge. All past-due installments of Rent and other monies which may be owed from one party to the other hereunder shall also bear interest, the "Interest Rate" (as hereinafter defined), from the date due until paid. For purposes of this Lease, the "Interest Rate" shall mean the greater of (i) ten percent (10%) per annum, or (ii) two percent (2%) per annum plus the then prevailing per annum "prime rate" as most recently published in the Wall Street Journal (or the then "prime" rate as established by a comparable alternate source reasonably designated by Landlord in the event the Wall Street Journal ceases to publish a prevailing "prime" rate); provided, however, that in no event shall the Interest Rate exceed the maximum rate permitted by applicable Law. Landlord's acceptance of any late charge or interest and Tenant's acceptance of any interest shall not constitute a waiver of such default with respect to the overdue amount or prevent Landlord or Tenant from exercising any of the other rights and remedies available to them under this Lease, at law or in equity.

6. SECURITY DEPOSIT.

(a) Upon Tenant's execution and delivery of this Lease, Tenant shall deposit with Landlord the Security Deposit designated in Section 1(f) in cash. 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 Term hereof. If an Event of Default by Tenant occurs, 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 beyond applicable notice and cure periods, or for the payment of any other amount which Landlord may spend or become obligated to spend by reason of Tenant's default beyond applicable notice and cure periods or to compensate Landlord for any loss or damage which Landlord may suffer by reason of Tenant's default beyond applicable notice and cure periods. If Landlord applies any portion of the Security Deposit, Tenant shall, within ten (10) business days after written demand therefor, deposit cash with Landlord in an amount sufficient to restore the Security Deposit to the required amount. Landlord shall not be required to keep Security Deposit separate from its general funds, and Tenant shall not be entitled to interest on such Security Deposit. TENANT WAIVES ANY RIGHTS IT MAY HAVE UNDER SECTION 1950.7 OF THE CALIFORNIA CIVIL CODE WITH RESPECT TO THE SECURITY DEPOSIT. Within sixty (60) days following the expiration of the Term or earlier termination of this Lease and Tenant's vacation of the Premises, the Security Deposit or any unapplied balance thereof shall be returned to Tenant. If Landlord sells its interest in the Building during the Term hereof and deposits with the purchaser thereof the then unapplied funds deposited by Tenant as aforesaid, Landlord shall be discharged from any further liability with respect to such Security Deposit accruing after the date Landlord delivers such Security Deposit or balance to the purchaser.

7. POSSESSORY INTEREST TAXES. TENANT ACKNOWLEDGES AND AGREES THAT FOR SO LONG AS THE BUILDING IS OWNED BY THE CITY OR ANY

OTHER PUBLIC ENTITY OR GOVERNMENT, INCLUDING WITHOUT LIMITATION A MUNICIPAL CORPORATION, THIS LEASE AND TENANT'S INTEREST HEREUNDER MAY CONSTITUTE A POSSESSORY INTEREST SUBJECT TO PROPERTY TAXATION AND AS A RESULT TENANT MAY BE SUBJECT TO THE PAYMENT OF POSSESSORY INTEREST TAXES LEVIED ON THAT INTEREST. TENANT SHALL PAY SUCH TAXES WHEN DUE, TO THE LEVYING AUTHORITY.

8. COMMON AREA EXPENSE/OPERATING EXPENSE CHARGES.

[INTENTIONALLY OMITTED]

9. USE; RESTRICTIONS ON DELIVERIES; HAZARDOUS MATERIALS.

(a) Tenant shall use the Premises for the use set forth in Section 1(h) above subject to the limitations hereinafter set forth. Tenant shall use and occupy the Premises in compliance with all applicable federal, state and local laws, codes, rules, ordinances, statutes and other requirements (collectively, "Laws") (which Laws shall include, without limitation, the Americans with Disabilities Act, applicable fire-life safety codes of the City of Beverly Hills, and governmental requirements imposed in connection with the development or occupancy of the Building, including, without limitation, participation in any mandatory transportation management programs and compliance with any applicable air quality/trip reduction requirements), and shall, upon written notice from Landlord, discontinue any use of the Premises which is declared by any governmental authority having jurisdiction to be a violation of applicable Laws. Tenant shall make any and all alterations or improvements to the Premises required to comply with applicable Laws (including new Laws and changes in Laws), except that Tenant shall not be required to make structural or capital alterations or improvements to the Premises required to comply with applicable Laws unless such compliance is necessitated by Tenant's alterations to the Premises, and all such alterations and improvements to be made by Landlord shall be made by Landlord at its sole cost. Tenant shall comply with all rules, orders, regulations and requirements of any insurance authority having jurisdiction over the Building or any present or future insurer relating to the Premises or the Building. Tenant shall promptly, within thirty (30) days after demand, reimburse Landlord for any additional premium charged for any existing insurance policy or endorsement required by reason of Tenant's failure to use the Premises for the Permitted Use and to comply with the provisions of this Section. Tenant shall not knowingly do or permit anything to be done in or about the Premises which will in any manner obstruct or interfere with the rights of other tenants of Landlord, or injure them, or use or allow the Premises to be used for any unlawful purpose, nor shall Tenant cause, maintain or permit any nuisance in, on or about the Premises. Tenant shall not commit or suffer to be committed any waste in or upon the Premises. Tenant shall not place a load upon the Premises exceeding the average pounds of live load per square foot of floor area without Landlord's prior written consent (in Landlord's sole and absolute discretion), and Landlord reserves the right to reasonably prescribe the weight and positions of all safes, files and heavy equipment which Tenant desires to place in the Premises so as to distribute properly the weight thereof.

(b) All deliveries (exclusive of United Parcel Service, U.S. Postal Service, Federal Express or other similar overnight or express courier services and food deliveries), loading, unloading and services to the Premises shall be conducted using the designated loading

area, and shall not be permitted by any other route or means. Tenant shall use diligent and commercially reasonable efforts (which may require changing delivery service providers) to ensure that its delivery service(s) do not block, interfere with or restrict the use of any public street, right of way or alley providing access to the Building or Parking Structure.

(c) Except for supplies typically used in retail businesses conducting the uses permitted by this Lease, for use in the manner for which they were designed and in accordance with applicable Laws, in such amounts as may be normal for the business operations conducted by Tenant in the Premises, neither Tenant nor any subtenant nor any of their respective employees, agents, representatives, contractors, licensees or invitees, shall use, handle, store or dispose of any Hazardous Materials in, on, under or about the Premises or Building. In the event of a breach of the covenant contained in the immediately preceding sentence, or in the event Hazardous Materials are released or otherwise caused to be located in, on, under or about the Premises or Building by Tenant, any of its subtenants, or any of their respective employees, agents, representatives, contractors, licensees or invitees, Tenant shall be solely responsible for and shall indemnify, defend and hold Landlord harmless from and against any and all claims, judgments, damages, penalties, fines, costs, liabilities and losses (including, without limitation, diminution in valuation of the Premises or Building, and sums paid in settlement of claims and for reasonable attorneys' fees, consultant fees and expert fees) which arise during or after the Term to the extent as a result of any contamination directly or indirectly arising from the activities which are the basis for such breach. This indemnification of Landlord by Tenant includes, without limitation, costs incurred in connection with any investigation of site conditions or any clean-up, remedial, removal or restoration work. Tenant shall promptly take all actions, at its sole cost and expense, as are necessary to return the Premises and/or Building to the condition existing prior to the introduction of any such Hazardous Materials, provided Landlord's approval of such actions shall first be obtained and Tenant shall fully cooperate in connection with any such clean-up, restoration or other work, at Tenant's sole cost and expense. Furthermore, Tenant shall immediately notify Landlord of any inquiry, test, investigation or enforcement proceeding by or against Tenant or the Premises concerning the presence of any Hazardous Materials. Tenant acknowledges that Landlord, at Landlord's election, shall have the sole right, at Tenant's expense, to negotiate, defend, approve and appeal any action taken or order issued by any governmental authority with regard to any Hazardous Materials contamination which Tenant is obligated hereunder to remediate. The covenants of Tenant under this Section shall survive the expiration of the Term or earlier termination of this Lease. Tenant shall have no obligation to investigate or remediate any Hazardous Materials located in or as part of the Building or in any areas located outside the Premises that were not placed thereon or therein, by Tenant or any of Tenant's agents, contractors, employees, licensees or invitees. Landlord hereby represents and warrants to Tenant that, to Landlord's actual knowledge, Landlord has not received any notices from any governmental authorities identifying the presence of any Hazardous Material in, under or about the Building. Landlord further covenants that during the Term, Landlord shall not cause any Hazardous Materials to be introduced in, on or under the Building by Landlord, its agents, employees or contractors in violation of applicable Laws in effect at the time of such introduction. In addition, Operating Expenses shall not include the cost of remediation of any Hazardous Materials. For purposes hereof, "costs of remediation" shall mean the costs associated with the investigation, testing, monitoring, containment, removal, remediation, cleanup and/or abatement of any release of any such Hazardous Materials described in the immediately preceding sentence as necessary to comply with any applicable Laws.

As used in this Lease, "Hazardous Materials" shall mean asbestos, petroleum fuel, natural gas or any fraction thereof, and any hazardous or toxic substance, material or waste which is or becomes regulated by any local governmental authority, the State of California or the United States Government, including, but not limited to, any material or substance defined as a "hazardous waste," "extremely hazardous waste," "restricted hazardous waste," "hazardous substance," "hazardous material" or "toxic pollutant" under state or federal laws, statutes or regulations, including, without limitation, the California Health and Safety Code and/or under the Comprehensive Environmental Response, Compensation and Liability Act, 42. U.S.C. §9601, et seq.

(d) Tenant shall continuously operate its businesses in the Premises, except on holidays (or during such greater hours and other days as Tenant may desire), and subject to interruptions by Landlord in connection with Landlord's exercise or performance of its obligations under this Lease, and other interruptions beyond the control of Tenant (excluding the financial condition of Tenant).

(e) Tenant acknowledges that Landlord is affiliated with the City of Beverly Hills ("City") and that Landlord and City have a significant interest in promoting retail sales in the City in order to maximize sales tax revenues and otherwise benefit Landlord, the City and the retail businesses in the City. During the winter shopping/holiday season ("Winter Shopping Season") established or identified by the Beverly Hills Chamber of Commerce (the "Chamber"), Tenant shall: (i) remain open during any extended hours recommended, established or identified for the Winter Shopping Season by the Chamber; and (ii) reasonably decorate the Premises for the Winter Shopping Season at Tenant's cost.

10. **TAXES ON TENANT'S PERSONAL PROPERTY.** Tenant shall be liable for and shall pay, before delinquency, all taxes levied against any personal property and/or trade fixtures placed by Tenant in or about the Premises. If any such taxes on Tenant's personal property or trade fixtures are levied against Landlord or Landlord's property or if the assessed value of the Premises or the Building is increased by Tenant's construction of any Alterations, the inclusion therein of a value placed upon such personal property or trade fixtures, Tenant shall pay the amount thereof as invoiced to Tenant by Landlord within thirty (30) days following Landlord's delivery of such invoice together with reasonable evidence of such allocation.

11. **CONDITION OF PREMISES.** Tenant acknowledges that (i) except for any express representations, or warranties included elsewhere in this Lease or the Exhibits to this Lease, neither Landlord nor any employee, representative or agent of Landlord has made any representation or warranty (express or implied) with respect to the Premises or any other portion of the Building or the Parking Structure, and (ii) except for Landlord's express maintenance and repair obligations set forth elsewhere in this Lease, the obligation to correct latent defects to the extent they materially and adversely affect the ability of Tenant to use the Premises for their intended purposes, Landlord shall have no obligation to improve or alter the Premises or the Building or the Parking Structure for the benefit of Tenant.

12. **INITIAL TENANT IMPROVEMENTS.** Tenant shall perform initial “tenant improvements” (“Tenant Improvements”), as provided in Exhibit B-1 attached hereto. The Tenant Improvements shall conform to the plans and specifications that, pursuant to the provisions of this Lease and Exhibit B-1, shall have been approved by Landlord prior to commencement thereof. The construction of the initial Tenant Improvements shall be governed by Exhibit B-1 to this Lease.

13. **ALTERATIONS.**

(a) Tenant shall not make or allow to be made any alterations, additions or other improvements (collectively, any “Alterations”) of, in or to the Premises during the Term without obtaining Landlord’s prior written consent (which consent shall not be unreasonably withheld or conditioned and shall be granted or denied within thirty (30) days); except, however, that Tenant may make interior, non-structural Alterations to the Premises costing less than Thirty-Five Thousand Dollars (\$35,000.00) per calendar year on a cumulative basis over the Term to date for all works of improvement which do not: (i) require the demolition of any portion of the Building (excluding Tenant Improvements), (ii) affect the roof of the Building, any structural portion of the Building or the mechanical or utility systems of the Premises or (iii) affect the exterior appearance of the Building, without Landlord’s prior consent provided that Tenant gives Landlord at least thirty (30) days’ prior written notice describing the Alterations in detail and including comprehensive plans and specifications, as applicable. Tenant shall also have the right without prior notice at any time to install phone, computer and telecommunications lines and cabling that are located entirely within the Premises. Any request for consent to Alterations requiring consent shall be accompanied by two (2) complete sets of plans and specifications for the proposed Alterations suitable for submission to Landlord’s architect for evaluation and a statement of the identity of the contractor who will perform such Alterations. If Landlord’s consent is required for any Alterations, Tenant shall pay all reasonable out-of-pocket costs incurred by Landlord in the evaluation, as applicable, of the plans and specifications, including, but not limited to, Landlord’s general contractor’s, architects’ and engineers’ fees. In addition, as a condition to Landlord’s granting of its consent to any Alterations, Landlord shall have the right to approve the architect, contractors, subcontractors designing or performing such Alterations, such approval not to be unreasonably withheld or conditioned and shall be granted or denied within ten (10) business days (provided that in any event Building standard subcontractors shall be used for work affecting structural portions, or base building mechanical and utility systems so long as such subcontractors are competitively priced and reasonably available), and Landlord shall have the right to require that Tenant furnish assurances satisfactory to Landlord that all contractors and subcontractors who will perform such work have in force workers’ compensation insurance as required by Law and such other employer’s and comprehensive general liability insurance in accordance with the standards set forth in Section 20(a) (but with a liability limit of not less than Two Million Dollars (\$2,000,000.00) for contractors and One Million Dollars (\$1,000,000.00) for subcontractors), and such other insurance as Landlord reasonably deems necessary to supplement the insurance coverage provided for in Section 20(a). All Alterations to be performed by Tenant in the Premises, including the delivery, storage and removal of materials, shall be reasonably scheduled through Landlord, and shall be performed in accordance with any reasonable and non-discriminatory conditions or regulations imposed by Landlord. All Alterations to be performed by Tenant requiring the consent of Landlord, or affecting in any way the common areas of the

Building, the premises of other tenants or other tenants of the Building shall be subject to Landlord's reasonable supervision and inspection. All Alterations (whether or not Landlord's consent is required therefor) shall be completed in a good and workmanlike manner and in accordance with all applicable Laws. All Alterations requiring Landlord's consent shall be completed in accordance with the approved plans and specifications therefor. Promptly following the completion of any Alterations where the preparation of "as-built" plans would be customary for the particular Alterations performed, Tenant shall deliver to Landlord both a "hard" copy and a copy on CAD diskette of the "as-built" plans and specifications (including all working drawings) for such Alterations. Promptly following the completion of any Alterations for which any governmental permit, approval or sign-off is required under applicable Laws, Tenant shall deliver to Landlord a copy of signed-off permits, inspection cards or other documentation evidencing governmental approval of completion of the work. Promptly following the completion of any Alterations requiring Landlord's consent, Tenant shall cause to be recorded in the Office of the County Recorder of the County of Los Angeles a Notice of Completion in accordance with Section 3093 of the California Civil Code or any successor statute with respect to the work, and deliver a copy thereof to Landlord. In the event Tenant fails to so record the Notice of Completion as required pursuant to this Section 13(a), then such failure shall not, in and of itself, constitute a default hereunder but Tenant shall indemnify, defend, protect and hold harmless Landlord and the Landlord Parties from any and all loss, cost, damage, expense and liability (including, without limitation, court costs and reasonable attorneys' fees) in connection with such failure by Tenant to so record the Notice of Completion as required hereunder. Any supervision by Landlord of such Alterations shall in no event constitute Landlord's approval of the work so performed, nor shall Landlord be responsible for or have any liability with respect to such supervision or work.

(b) The initial Tenant Improvements made by Tenant pursuant to this Lease shall not be removed by Tenant from the Premises; provided, however, that Landlord may elect to require that Tenant remove later Alterations at the expiration or earlier termination of the Term by written notice to Tenant at the time Landlord consents to the plans for the Alterations (or in the event no such consent is required, then within fifteen (15) days after Landlord's receipt of notice from Tenant of such Alterations); provided, however, Tenant shall have no obligation to remove any of the initial Tenant Improvements except that if Tenant elects to install a bathroom in the Premises, unless otherwise agreed to by Landlord in writing, Tenant shall remove all bathroom fixtures, sub out all plumbing and cause such room to have a consistent flooring at the end of the Term. If Landlord requires Tenant to remove any Alterations as provided above, then, Tenant, at its sole cost and expense, shall remove them on or before the expiration of the Term or promptly after any earlier termination of this Lease and repair any damage to the Premises caused by such removal and Landlord shall have the right to reasonably approve the manner, plans, specifications and workmanship of all such removal and repair, however, such approval shall not be unreasonably withheld or conditioned.

(c) Notwithstanding the foregoing Section 13(b) or any other provision of this Lease, all articles of personal property and all business and trade fixtures (which are susceptible of removal without material damage to the Premises and which are not permanently affixed to the Premises), machinery, equipment, furniture and removable partitions that were not paid for with the Tenant Improvement Allowance and that were owned by Tenant or installed by Tenant at its expense in the Premises shall be and remain the sole property of Tenant and may be

removed by Tenant at any time during the Term of this Lease and shall be removed by Tenant prior to the expiration of the Term or earlier termination of this Lease, provided that Tenant shall at its sole expense repair any damage caused by such removal. If Tenant shall fail to remove all of its property from the Premises upon the expiration of the Term or earlier termination of this Lease for any cause whatsoever, Landlord may, at its option, either treat such property as being conveyed to Landlord in which case the same shall automatically and without further action be deemed to be the sole property of Landlord, or remove the same in any manner that Landlord shall choose, and store or dispose of said property without liability to Tenant for loss thereof, and Tenant agrees to pay to Landlord upon demand any and all expenses incurred in such removal, storage or disposal, including court costs, reasonable attorneys' fees and storage charges, for any length of time that the same shall be in Landlord's possession. In the alternative, Landlord may, at its option, sell said property, or any of the same, in such manner as Landlord determines to be appropriate in Landlord's good faith business judgment, for such prices as Landlord may obtain and apply the proceeds of such sale to any amounts due under this Lease from Tenant to Landlord and to the expense incident to the removal and sale of such property. Tenant waives the benefit of any statutory provisions governing the treatment by a landlord of a tenant's personal property left in leased premises following the expiration of the Lease, in the event Tenant fails to remove all of its property from the Premises upon the expiration of the Term or earlier termination of this Lease, the parties hereby agreeing that the provisions of this Lease constitute the express agreement of the parties with respect thereto and are intended to govern such situation.

14. MAINTENANCE AND REPAIRS.

(a) By Tenant. Except as provided in Section 14(b), Tenant shall keep, maintain and preserve the interior non-structural portions of the Premises and the Tenant Improvements and Alterations thereon in a good condition and repair, and shall, as and when needed, at Tenant's sole cost and expense, make all repairs to the interior non-structural portions of the Premises and all personal property, trade fixtures and equipment within the Premises. Subject to the provisions of Section 13(c) above, upon the expiration of the Term or sooner termination of this Lease, Tenant shall surrender the Premises to Landlord in the same condition as when received, as subsequently improved by the Tenant Improvements, except permitted Alterations and Tenant Improvements which Tenant is not required to remove under Section 13(b), and except ordinary and reasonable wear and tear and casualty. Except as otherwise provided in this Lease, there shall be no abatement of Rent and no liability of Landlord by reason of any injury to or interference with Tenant's business arising from any maintenance, repairs, alterations or improvements made or required to be made by Tenant. Tenant waives the right to make repairs at Landlord's expense under any law, statute or ordinance now or hereafter in effect (including, without limitation, Sections 1941 and 1942 of the California Civil Code) Tenant shall have the right to insure the Tenant Improvements; Landlord shall have no obligation to insure the Tenant Improvements.

(b) By Landlord. Landlord shall keep, maintain and preserve in good condition and repair, in a manner substantially consistent with the maintenance and operations standards employed by landlords of Comparable Buildings, the structural portions of the Building, including the foundation, decks/balconies, floor/ceiling slabs, roof, curtain wall, exterior glass and mullions, columns, beams, shafts (including elevator shafts), stairs, parking

areas, stairwells (excluding internal stairwells), elevator cabs, pavement, sidewalks, curbs, entrances, landscaping, art work, sculptures, men's and women's public washrooms, Building mechanical, electrical and telephone closets, and all common and public areas (collectively, "Building Structure") and the base building mechanical, electrical, life safety, plumbing, sprinkler systems and HVAC systems and other building systems and equipment which were not constructed by, and are not for the exclusive use of, Tenant or Tenant Parties (collectively, the "Building Systems"). Notwithstanding anything in this Lease to the contrary, except to the extent covered by Landlord's insurance and the waiver of subrogation from Landlord's insurer, Tenant shall be required to repair the Building Structure and/or the Building Systems to the extent required because of (i) Tenant's use of the Premises for other than normal and customary business office operations, or (ii) the negligence or willful misconduct of Tenant or any Tenant Party.

15. **LIENS.** Tenant shall not permit any mechanics', materialmen's or other liens to be filed against the building nor against Tenant's leasehold interest in the premises on account of any work performed by or on behalf of Tenant or its employees, agents, invitees or contractors. Landlord shall have the right at all reasonable times to post and keep posted on the premises any notices which it deems necessary for protection from such liens. If any such liens are filed and are not discharged by Tenant (by bonding or otherwise) within thirty (30) days following receipt of notice thereof from Landlord, Landlord may, without waiving its rights and remedies based on such breach by Tenant and without releasing Tenant from any of its obligations, cause such liens to be released by any means it shall deem proper, including payment in satisfaction of the claim giving rise to such liens. Tenant shall pay to Landlord at once, as additional rent, upon notice by Landlord, any sums paid by Landlord to remove such liens.

16. **ENTRY BY LANDLORD.** Landlord and its employees, agents, representatives, consultants and/or contractors, upon prior written notice to Tenant, but in no event less than one (1) business day (except in an emergency, in which event no notice is required), delivered to Tenant at the Premises or communicated to Tenant by e-mail to adrienne.lopez@omcinc.net, shall have the right from time to time to enter the Premises to inspect the same, to supply any service to be provided by Landlord to Tenant hereunder, and/or to alter, improve or repair the Building or in order to show the Premises to prospective purchasers or encumbrancers or to prospective tenants, or to post "for lease" or other similar signs after any event of default by Tenant or during the last six (6) months of the Term. Landlord may make all such entries without being deemed guilty of any eviction of Tenant and, except as otherwise provided herein, without abatement of rent, and may, in order to carry out such purposes, erect scaffolding and other necessary structures where required by the character of the work to be performed. Landlord shall use good faith efforts to minimize any interference with the operation of Tenant's business from the Premises resulting from any such entry and to perform such entry in as expeditious a manner as possible (except in the event of an emergency). Landlord shall use commercially reasonable efforts to schedule entries into the Premises under this Section 16 with Tenant so that Tenant, at Tenant's option, may provide a representative to accompany Landlord. Except as otherwise expressly provided herein, Tenant hereby waives any claim for damages for any injury or inconvenience to or interference with Tenant's business, any loss of occupancy or quiet enjoyment of the Premises, and any other loss in, upon and about the Premises or the Building as a result of any permitted entry. Landlord shall at all times have and retain a key with which to unlock all doors to and in the Premises, excluding Tenant's vaults, safes and reasonable special

Security Areas designated in advance by Tenant (which may not consist of all or substantially all of the Premises). In the event of an emergency, Landlord shall have the right to use any and all means which Landlord may deem proper to open said doors in order to obtain entry to the Premises; provided, however, that Landlord shall, subject to Section 18 of this Lease and to the extent that such damage is not covered by insurance required to be carried by Tenant under this Lease or caused by any governmental agencies, repair any damage to the Premises caused by any such emergency entry into the Premises by Landlord. Notwithstanding anything to the contrary set forth in this Section 16, Tenant may designate certain limited areas of the premises as "Secured Areas" should Tenant require such areas for the purpose of securing certain valuable property or confidential information (but in no event may anything in such area obstruct windows or be visible from outside the Building). In connection with the foregoing, Landlord shall not enter such Secured Areas except in the event of an emergency. Landlord need not clean any area designated by Tenant as a Secured Area and shall only maintain or repair such Secured Areas to the extent (i) such repair or maintenance is required in order to maintain and repair the Building Structure and/or the Building Systems; (ii) as required by applicable laws, or (iii) in response to specific requests by Tenant and in accordance with a schedule reasonably designated by Tenant, subject to Landlord's reasonable approval. any entry to the Premises obtained by Landlord by any of said means, or otherwise, shall not be construed or deemed to be a forcible or unlawful entry into the Premises, or an eviction of Tenant from the Premises or any portion thereof. It is understood and agreed that no provision of this Lease shall be construed as obligating Landlord to perform any alterations, improvements or decorations, except as otherwise expressly agreed in writing by Landlord.

17. HVAC; UTILITIES AND SERVICES.

(a) Tenant shall be responsible for installing a separate HVAC unit for the Retail Space and Vitrine Space at Tenant's cost subject to Exhibit B-1.

(b) Subject to any limitations imposed by Law and events beyond Landlord's control, Landlord shall provide city water twenty-four (24) hours per day, seven (7) days per week, for drinking, office pantry, lavatory and toilet purposes in the Common Areas, from the Building outlets designed for that purpose. Landlord shall provide adequate plumbing fixtures in the public restrooms in compliance with applicable law.

(c) Subject to events beyond Landlord's control, unless Tenant elects by thirty (30) days written notice to Landlord to provide janitorial services to the Premises, Landlord shall provide janitorial services to the Premises five (5) days per week (including restroom supplies) and window washing services in a manner consistent with Exhibit F attached hereto, excluding for Tenant's balcony area. If Tenant elects to provide janitorial services to the Premises at any time during the Term, one time during the remaining Term, Tenant may elect to again have Landlord provide the janitorial services to the Premises upon written notice to Landlord delivered by April 1 for the period commencing on July 1 thereafter.

(d) Landlord shall in no case be liable for personal injury or property damage for any error with regard to the admission to or exclusion from the Building of any person. Tenant may, at its own expense, install its own security system and/or its own security personnel ("Tenant's Security System") that is entirely within the Premises; provided, however, that Tenant

shall coordinate the installation and operation of Tenant's Security System with Landlord to assure that Tenant's Security System is compatible with Landlord's security system and the Building Systems. Tenant shall be solely responsible, at Tenant's sole cost and expense, for the installation, monitoring, operation and removal of Tenant's Security System. Tenant's Security System shall be installed by Tenant in accordance with terms of Section 13 (and the requirement that Landlord approve the plans and specifications therefor) or Exhibit B-1, as applicable.

Access to the elevators and after-hours Building access shall both be accomplished by the use of access cards provided by Landlord to Tenant and Tenant shall pay to Landlord, as additional rent, the actual cost to Landlord for all access cards, except that the first access card, excluding replacements thereof, will be provided by Landlord to Tenant free of charge. Subject to events beyond Landlord's control, elevators shall be in operation twenty-four (24) hours per day, seven (7) days per week.

(e) Subject to events beyond Landlord's control, Landlord shall provide electrical current twenty-four (24) hours per day, seven (7) days per week, through the electrical wiring and facilities for connection to Tenant's lighting fixtures and incidental use equipment in accordance with the requirements set forth in Exhibit "B". Tenant acknowledges that Landlord contracts for electricity and does not create or supply electricity directly. Tenant shall bear the cost of replacement of lamps, starters and ballasts for non-Building standard lighting fixtures within the Premises; replacements of lamps, starters and ballasts for standard lighting fixtures shall be included in Operating Expenses. Tenant agrees not to connect any apparatus or device with wires, conduits or pipes, or other means by which utilities are supplied, for the purpose of using amounts of such services in excess of the capacity within the Premises in accordance with the requirements of Exhibit "B".

(f) Except as otherwise provided herein, regardless of the entity which supplies any of the utility services, Landlord shall not be liable for any failure or interruption of any utility or service. Except as otherwise provided herein, no failure or interruption of any utility or service shall entitle Tenant to terminate this Lease or discontinue making payments of Rent payable by Tenant under this Lease; provided, however, that Landlord shall use commercially reasonable efforts to restore such service to the extent the restoration of the same is not the obligation of Tenant, the utility company or other third party.

(g) Landlord shall provide Tenant with appropriate contact information that Tenant may contact in the event of an emergency at the Premises or Building twenty-four (24) hours per day, seven (7) days per week (whether or not during Building Hours).

(h) Subject to Tenant's compliance with all applicable Laws, Tenant shall be permitted, at its sole cost and expense, to contract with any telecommunications and/or internet provider(s) of its choice to provide telecommunications and/or internet service to the Premises.

(i) Landlord acknowledges that, subject to the terms and conditions of this Lease regarding Tenant Improvements, Tenant may install its own supplementary HVAC system in the Premises.

18. **INDEMNIFICATION.** Subject to Section 20(b), Tenant shall indemnify, defend and hold Landlord harmless from and against, any and all claims, damages, judgments, suits, causes of action, losses, liabilities, penalties, fines, expenses and costs, including, without limitation, reasonable attorneys' fees and expense, (collectively, "Claims"), to the extent arising or resulting from: (i) any acts or omissions of Tenant, its subtenants and/or assignees and their respective agents, employees, representatives, licensees, contractors and/or invitees (collectively, the "Tenant Parties") in, the Premises; and (ii) any default by Tenant of any obligations on Tenant's part to be performed under the terms of this Lease, provided that the terms of the foregoing indemnity shall not apply to the negligence or willful misconduct of Landlord or the Landlord Parties in connection with the Landlord Parties' activities in the Building (except for damage to the Tenant Improvements, Alterations, and/or Tenant's personal property, fixtures, furniture and equipment in the Premises, to the extent Tenant is required to obtain the requisite insurance coverage pursuant to this Lease for any such Tenant Improvements, Alterations or personal property, fixtures, furniture or equipment). Pursuant to this Section 18, Tenant's agreement to indemnify, defend, protect and hold Landlord harmless, is not intended to and shall not relieve any insurance carrier of its obligations under policies required to be carried by Tenant pursuant to this Lease to the extent such policies cover the results of such acts, omissions or willful misconduct. The provisions of this section shall survive the expiration of the term or earlier termination of this Lease. Landlord agrees that Landlord shall not attach any items to the balconies adjacent to the Premises, including without limitation, signage.

19. **DAMAGE TO TENANT'S PROPERTY; WAIVER.** Notwithstanding finding anything to the contrary in this Lease, Landlord and its agents and employees shall not be liable for (a) loss or damage to any property by theft or otherwise, or (b) any injury or damage to person or property resulting from fire, explosion, falling plaster, steam, gas, electricity, water or rain which may leak from any part of the Building or from pipes, appliances or plumbing work therein or from the roof, street, sub-surface or from any other place or resulting from dampness or any other cause whatsoever, except to the extent (i) resulting from the negligence or willful misconduct of Landlord or its contractors, agents, servants or employees or breach of this Lease by Landlord, and (ii) not covered by the insurance maintained by Tenant (or which would not have been so covered if Tenant had maintained the insurance required to be maintained by Tenant pursuant to this Lease); provided, that Landlord acknowledges that Landlord may be liable to Tenant's insurance carrier to the extent the waiver of subrogation by such carrier does not extend to personal injury claims or is not enforceable as to personal injury claims. Landlord or its agents shall not be liable for interference with light, air or other similar intangibles provided Landlord agrees not to place any signs (other than "for rent" signs permitted under this Lease) or super-graphics over Tenant's windows. Tenant shall give prompt notice to Landlord in case of fire or accidents in the Premises or the Building.

20. **INSURANCE.**

(a) Tenant shall, during the Term hereof, at its sole cost and expense, keep in full force and effect the following insurance:

(i) With the exception of flood or earthquake coverage, Special Form property insurance (including a vandalism and malicious mischief endorsement and sprinkler leakage coverage) upon all of the Tenant Improvements and Alterations, if any, and all of

Tenant's personal property, trade fixtures, furniture and equipment in the Premises, in an amount not less than one hundred percent (100%) of the full replacement cost thereof.

(ii) Tenants' property insurance shall include business interruption coverage for interruptions to Tenant's operations of at least twelve (12) months.

(iii) Commercial general liability insurance coverage, including personal injury, bodily injury, broad form property damage, automobile, Premises operations hazard, contractual liability (covering the indemnity contained in Section 18 to the extent such contractual liability coverage is available), and products and completed operations liability, with a combined single limit of not less than Three Million Dollars (\$3,000,000.00). Such insurance shall name Tenant as named insured thereunder and shall name Landlord as additional insured thereunder, shall contain a cross liability endorsement, and shall be primary and non-contributing with respect to any insurance maintained by Landlord. Such liability insurance shall insure Tenant and each additional insured for (1) the actions of Tenant and/or any of Tenant's employees, agents, representatives, contractors and/or invitees, (2) Alterations to, and occurrences in, the Premises, and (3) the use or operation of the Premises. Landlord shall have the right, from time to time, to require an increase in such liability insurance limit if consistent with, practices for comparable premises within Comparable Buildings.

(iv) Workers' Compensation Insurance coverage in form and amounts as required by applicable Law. Employer's Liability Insurance shall be maintained on the Effective Date, in an amount not less than \$1,000,000 per occurrence and in the aggregate.

(v) Any other form or forms of insurance as Landlord may reasonably require in good faith from time to time.

The minimum limits of insurance set forth in this Section are not intended to limit the liability of Tenant under this Lease. All policies of insurance maintained by Tenant under this Section, shall be taken out with insurance companies holding a General Policyholders Rating of "A-" and a Financial Rating of "VIII" or better, as set forth in the most current issue of Best's Insurance Reports. As soon as practicable after the placing of the required insurance, but prior to the date Tenant takes possession of all or any part of the Premises, Tenant shall deliver to Landlord certificates evidencing the existence of the amounts and forms of coverage required hereunder. No such policy shall be cancelable or reducible in coverage below the amounts required hereunder except after at least thirty (30) days' prior written notice to Landlord. Tenant shall, within thirty (30) days prior to the expiration of such policies, furnish Landlord with certificates of renewals or binders thereof; provided that if Tenant fails to furnish the same, Landlord may obtain such insurance and Tenant shall reimburse Landlord for the cost thereof within thirty (30) days after written demand. Tenant may satisfy its insurance obligations under this Lease by blanket, umbrella and/or, as to liability coverage in excess of One Million Dollars (\$1,000,000), excess liability coverage, so long as the coverage afforded under the applicable policy is not reduced or diminished below the amount(s) required by this Lease as a result thereof.

(b) All policies of property damage insurance required to be maintained by Landlord or Tenant hereunder shall include a clause or endorsement denying the insurer any

rights of subrogation, and Landlord and Tenant hereby waives any rights of recovery against the other for injury or loss due to risks covered by policies of property damage insurance to the extent insurance proceeds cover the injury or loss.

(c) Landlord shall, at all times from and after the delivery of the Premises to Tenant, maintain in effect a policy or policies of insurance covering the Premises and the Building to provide protection against any and all perils generally included within the "Special Form" classification, together with insurance against sprinkler damage, vandalism and malicious mischief, and, if available or if deemed necessary by Landlord, with a boiler and machinery endorsement. Unless Landlord elects to self-insure (in which event Landlord shall be deemed to have self-insured with reasonable deductibles and with a full waiver of subrogation), Landlord shall also maintain commercial general liability insurance for personal injury, bodily injury, property damage, automobile, Building operations hazard and contractual liability in the amount of at least \$5,000,000.00. Landlord's insurance may be brought within the coverage of any blanket policy or policies of insurance carried and maintained by Landlord or may increase from time to time if Landlord shall deem same necessary for adequate protection, so long as the coverage afforded under the applicable policy is not reduced or diminished as a result thereof No insurable interest is conferred upon Tenant under any policies of insurance carried by Landlord, and Tenant shall not be entitled to share or receive proceeds of any insurance policy carried by Landlord.

21. DAMAGE OR DESTRUCTION.

(a) If the Premises or the Building shall be damaged or destroyed by fire or other casualty so as to render all or a portion of the Premises untenable, and the damage or destruction was not caused by the gross negligence or willful misconduct of Tenant or its contractors, employees, officers, members or agents or such Rent is covered (or that would be covered) by one (1) year of rental loss insurance, then, for so long as Tenant is not occupying the untenable portion of the Premises and the portion remains untenable, Tenant shall be entitled to an abatement of Tenant's obligation for payment of Rent on a proportionate basis including, in the event that Tenant performs any necessary repairs (including during a commercially reasonable period of build-out time for tenant improvements and a weekend to move in).

(b) In the event of the total destruction or Material Damage to the Premises and/or Building (i.e., "Material Damage" meaning that the extent of the damage is such that it will take more than one (1) year to restore the Premises and Building) and the destruction or damage was not caused by the gross negligence or willful misconduct of Landlord or Landlord's agents or employees, cost twenty percent (20%) or more of the replacement cost of the Building repair the damage and to restore the Premises), then Landlord shall have the right to elect to terminate this Lease by written notice to Tenant delivered within sixty (60) days following the occurrence of the casualty; provided, however, in the event Landlord rebuilds the Building within three (3) years of the damage or destruction for a substantially similar use, Tenant shall have the first right to lease space in the Building substantially similar to the Premises at the rates that would have been applicable had this Lease not terminated. The proceeds from any insurance paid by reason of damage to or destruction insured by Landlord, shall belong to and be paid to Landlord. Except for abatement of Rent, Tenant shall not be entitled to any compensation or

damages from Landlord or Landlord's insurance provider for loss in the use of the whole or any part of the Premises and/or any inconvenience or annoyance by such damage, repair, reconstruction or restoration. Unless Landlord or Tenant elects to terminate this Lease as herein provided, Landlord shall use reasonable diligence to repair any casualty to the Premises, Common Areas and Building (to restore such areas substantially to their condition prior to the casualty) to the extent of insurance proceeds available for such purpose plus any funds delivered by Landlord to Tenant for such purpose, subject to delays and adjustment of insurance proceeds, and excluding any damage to the Tenant Improvements, Alterations, furniture, furnishings, equipment, trade fixtures or other personal property that does not belong to Landlord, all of which shall be repaired or replaced forthwith by Tenant at its own expense.

(c) In the event of Material Damage to the Premises and/or Building, Landlord shall deliver written notice to Tenant within sixty (60) days following such casualty damage or occurrence setting forth Landlord's good faith estimate of the time required for completion of repair and/or restoration of the Building and, subject to Section 21(b) above, whether Landlord plans to repair and restore the Building (regardless of the availability of insurance process) with an explanation of how the repair and restoration will differ from repair and restoration necessary to repair and restore the Building to its condition prior to the damages, if applicable), and if such estimated time exceeds one (1) year from the occurrence of the casualty (as extended by up to 120 days delays beyond Landlord's control) or, subject to Section 21(b) above, if Landlord does not intend to fully repair and restore the Building, then Tenant may terminate this Lease by written notice to Landlord within thirty (30) days following Tenant's receipt of such notice. Furthermore, if neither Landlord nor Tenant has terminated this Lease, and the repairs are not actually completed within one (1) year following the occurrence of the casualty (as extended by up to one hundred and twenty (120) days of delays beyond Landlord's control), Tenant shall have the right to terminate this Lease prior to the completion of such repairs by notice to Landlord. At any time, from time to time, after the date occurring sixty (60) days after the date of the damage, Tenant may request that Landlord provide Tenant with a certificate from the architect or contractor described above setting forth such architect's or contractor's reasonable opinion of the date of completion of the repairs and Landlord shall respond to such request within fifteen (15) business days.

(d) In the event of any damage or destruction of all or any part of the Premises, Tenant agrees to immediately notify Landlord thereof

(e) Notwithstanding anything to the contrary contained herein, if the Building is wholly destroyed, or is partially damaged within the final twenty-four (24) months of the then-remaining Term of this Lease (as the same may theretofore have been extended pursuant to this Lease), and if as a result of partial damage Tenant is, or reasonably will be, denied access or use of a material portion of the Premises for the conduct of its business operations for a period of ninety (90) consecutive days (or such shorter period as is then remaining in the Term), then provided the damage was not caused by Tenant or Tenant's agents, employees or contractors, Tenant or any of the Tenant Parties, Tenant may, by giving written notice no later than sixty (60) days after the occurrence of such damage or destruction, elect to terminate this Lease.

(f) Landlord and Tenant hereby waive the provisions of any statutes (including, without limitation, Sections 1932(2) and 1933(4) of the California Civil Code) or

court decisions which provide a party to a lease with a right to abatement of rent or termination of the Lease when leased property is damaged or destroyed and agree that such event shall be exclusively governed by the terms of this Lease.

22. EMINENT DOMAIN.

(a) If any material portion of the Premises shall be taken for any public or quasi-public purpose by any lawful power or authority by exercise of the right of appropriation, condemnation or eminent domain, or sold to prevent such taking to such an extent as to render untenable the entirety of the Premises or such a material portion of the Premises that Tenant's operation from the remainder of the Premises is not reasonably practicable, either party shall have the right to terminate this Lease effective as of the date possession is required to be surrendered to said authority by written notice to the other party by the effective date of such taking. Except in the event of a condemnation by Landlord, Tenant shall not assert any claim against Landlord or the taking authority for any compensation because of such taking, other than a claim for any separate award attributable to the value of any personal property or trade fixtures of Tenant that were not paid for with the Tenant Improvement Allowance, which are taken or costs of Tenant's relocation and moving expenses, and Tenant hereby assigns to Landlord all of Tenant's interest in, and Landlord shall be entitled to receive, the entire amount of any other award without deduction for any estate or interest of Tenant under this Lease. If Landlord or a related entity claiming by or through Landlord is the condemning party, Tenant shall be entitled to make any and all claims available to Tenant for losses suffered as a result of such condemnation, including, without limitation, a claim for one hundred percent (100%) of the value of the leasehold estate. If neither Tenant nor Landlord so elects to terminate, Landlord shall, to the extent of proceeds received, commence to restore the Premises to substantially their same condition prior to such partial taking, and a proportionate abatement of Rent shall be made for the time during which Tenant is deprived of use on account of such taking and restoration (including, in the event that Tenant performs any repairs, abatement during a commercially reasonable period of build-out time and a weekend to move-in).

(b) In the event of a taking of the Premises or any part thereof for temporary use, (i) this Lease shall be and remain unaffected thereby and Rent shall not abate, and (ii) Tenant shall be entitled to receive for itself such portion or portions of any award made for such use with respect to the period of the taking which is within the Term, provided that if such taking shall remain in force at the expiration of the Term or earlier termination of this Lease, Tenant shall then pay to Landlord a sum equal to the reasonable cost of performing Tenant's obligations under Section 13(c) with respect to surrender of the Premises and upon such payment shall be excused from such obligations.

(c) Landlord and Tenant hereby waive the provisions of any statutes (including, without limitation, Section 1265.130 of the California Code of Civil Procedure) or court decisions which provide a party to a lease with a right to abatement of rent or termination of the Lease when leased property is condemned or taken and agree that such event shall be exclusively governed by the terms of this Lease.

23. **ASSIGNMENT AND SUBLETTING.**

(a) Except in connection with an assignment or sublease permitted under Section 23(c) below, Tenant shall not voluntarily assign its interest in this Lease (an "assignment") or sublease or permit occupancy by third parties of all or any part of the Premises (a "sublease"), without first obtaining Landlord's prior written consent, which may be withheld in the Landlord's sole and absolute discretion and shall be granted or denied within thirty (30) days, but if not granted within such thirty (30) day period, consent shall be deemed withheld. Tenant shall not under any circumstances mortgage, pledge or otherwise encumber this Lease or the Premises. Except as otherwise expressly provided herein, any assignment, sublease or encumbrance without Landlord's prior written consent shall be voidable at Landlord's election. Except as otherwise set forth herein, any transfer of fifty percent (50%) or more of Tenant's ownership interests in one or more transfers shall constitute a voluntary assignment and shall be subject to the provisions of this Section 23.

(b) Tenant hereby stipulates and agrees that all of the following conditions are reasonable conditions to Landlord's consent to any subletting or assignment:

(i) the proposed subtenant or assignee does not intend to occupy the entire Premises (in the case of an assignment) or the portion sublet (in the case of a sublease);

(ii) Landlord disapproves of the subtenant's or assignee's creditworthiness in light of the responsibilities to be undertaken pursuant to the transfer, or the character of the business to be conducted at the Premises is not consistent with the quality of the Building as reflected by the then-existing tenants of the Building;

(iii) The proposed subtenant or assignee is a governmental agency or unit; or

(iv) Landlord has sufficient space available for lease on the third floor of the Building (or on any other floor if the existing restaurant that no longer leases such space and such space is available for office use) at market rates to accommodate the proposed subtenant or assignee in the Building.

(c) Notwithstanding anything contained to the contrary in this Section 23, Tenant may, without Landlord's prior written consent and without payment of Excess Consideration, assign this Lease or sublease all or any portion of the Premises to an Affiliate (hereinafter defined) of Tenant or to any entity which is buying the business, stock, membership interests or assets of Tenant, and may sublease to any entity which is supplying services to Tenant or to which Tenant is supplying services and which is occupying a portion of the Premises in connection with a particular project for a limited period of time provided the following conditions are met:

(i) At the time of the proposed transfer, Tenant is not in default of any of Tenant's obligations under this Lease beyond applicable notice and cure periods;

(ii) Tenant shall have given Landlord written notice of the transfer (with an explanation of the transfer) prior to the date of such transfer; and

(iii) With respect to an assignment, the Permitted Transferee furnishes Landlord promptly following the effective date of such transfer a written instrument satisfactory to Landlord agreeing to assume and be bound by all the conditions, obligations and agreements contained in this Lease upon the transfer.

(d) For purposes of this Section, the term "Affiliate" shall mean (i) an assignment to a transferee of all or substantially all of the interests in or assets or stock of Tenant whose net worth after the assignment (as shown by reasonable evidence delivered to Landlord) is equal to or greater than the net worth of Tenant immediately prior to the assignment, (ii) an assignment of the Premises to a transferee which is the resulting entity of a merger, consolidation or other reorganization of Tenant with another entity and whose net worth after the assignment (as shown by reasonable evidence delivered to Landlord) is equal to or greater than the net worth of Tenant immediately prior to the assignment, (iii) an assignment or subletting of all or a portion of the Premises to an affiliate of Tenant (an entity which is controlled by, controls, or is under common control with, Tenant) or (iv) an assignment or subletting of all or a portion of the Premises to any entity in which Gabriel Frem possesses management control (each, an "Affiliate"). "Control," as used in this Section 23(d), shall mean the ownership, directly or indirectly, of at least fifty percent (50%) of the voting securities of, or possession of the right to vote, in the ordinary direction of its affairs, of at least fifty percent (50%) of the voting interest in, any person or entity.

(e) No consent to an assignment or sublease shall constitute a waiver of any of the provisions of this Section 23 as to any other or further assignment or sublease. In the event Landlord's consent is required, Tenant shall notify Landlord in writing of Tenant's intent to assign this Lease or sublease the Premises, the name of the proposed assignee or subtenant, information concerning the financial responsibility of the proposed assignee or subtenant and the economic and other material terms of the proposed assignment or subletting, and Landlord shall, in its reasonable discretion, within thirty (30) days after receipt of such written notice and the financial responsibility information and such other information as may be reasonably requested by Landlord concerning the proposed assignee or subtenant, elect one of the following: (i) consent to such proposed assignment or sublease; or (ii) refuse such consent.

(f) Any assignee of Tenant's interest in this Lease (whether or not under an assignment requiring Landlord's consent) hereby agrees that (and at Landlord's option, if Landlord's consent is required for such assignment pursuant to this Lease, it shall be a condition to such assignment that Landlord receive an instrument executed by such assignee and expressly enforceable by Landlord agreeing that) such assignee assumes and agrees to be bound by all of the terms and provisions of this Lease and to perform all of the obligations of Tenant hereunder. Any subtenant of all or any portion of the Premises hereby agrees that (and, at Landlord's option, it shall be a condition to such sublease that Landlord receive an instrument executed by such subtenant agreeing that) such sublease is subject and subordinate to this Lease and to all mortgages or deeds of trust; that Landlord may enforce the provisions of the sublease, including (following the occurrence of any default by Tenant under this Lease which is not cured within any applicable period for cure pursuant to Section 24 below) collection of rent; that in the event of termination of this Lease for any reason, including, without limitation, a voluntary surrender by Tenant, or in the event of any re-entry of repossession of the Premises by Landlord, Landlord may, at its option, either (i) terminate the sublease, or (ii) take over all of the right, title and

interest of Tenant, as sublandlord, under such sublease, in which case such subtenant will attorn to Landlord, but that nevertheless Landlord will not (1) be liable for any previous act or omission of Tenant under such sublease, (2) be subject to any defense or offset previously accrued in favor of the subtenant against Tenant, or (3) be bound by any previous modification of any sublease made without Landlord's written consent, or by any previous prepayment by subtenant of more than one month's rent.

(g) In connection with any request for Landlord's consent to an assignment or sublease as required under the provisions of this Section, Tenant shall pay a processing fee to Landlord equal to \$1,000 as increased on each anniversary of the Commencement Date by a percentage equal to the percentage increase in the United States Department of Labor, Bureau of Labor Statistics' consumer Price Index for All Urban Consumers for the Los Angeles-Anaheim-Riverside statistical area (CPI U) (1982 84=100) the ("CPI") for the immediately preceding year, which shall be calculated by multiplying the then-current processing fee amount by a fraction, the numerator of which shall be the CPI most recently published prior to the beginning of such immediately preceding year and the denominator of which shall be the CPI most recently published prior to the end of such immediately preceding year. Should the Bureau of Labor Statistics discontinue the publication of the Index, or publish the same less frequently or alter the same in some other manner, then the most nearly comparable index or procedure as reasonably determined by Landlord shall be substituted therefor.

(h) Additionally, in the event any assignment or sublease requiring Landlord's consent is approved, Landlord shall receive as additional rent hereunder fifty percent (50%) of Tenant's "Excess Consideration" derived from such assignment or sublease. In the event of a sublease or assignment, "Excess Consideration" shall mean all rent, additional rent or other consideration actually received by Tenant from such subtenant and/or actually paid by such subtenant 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 sum of Tenant's reasonable (and reasonably documented) out-of-pocket costs incurred in connection with such sublease or assignment for: (i) changes, alterations and improvements to the Premises necessary for the transfer, (ii) brokerage commissions in connection with the transfer, (iii) reasonable improvement allowances or other bona fide cash allowances of a type and amount that are reasonable and are paid by Tenant to the transferee in connection with such transfer; (iv) attorneys' fees incurred by Tenant, including attorneys' fees and/or processing fees paid to Landlord (collectively, "Subleasing Costs"). "Excess Consideration" shall also include, but not be limited to, key money, bonus money or other consideration 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 assignee or for assets, fixtures, inventory, equipment, or furniture transferred by Tenant to transferee in connection with such transfer. The determination of the amount of Landlord's applicable share of the Excess Consideration shall be made on a monthly basis as rent or other consideration is received by Tenant under the transfer. Notwithstanding anything contained herein to the contrary, under no circumstance shall Landlord be paid any Excess Consideration until Tenant has recovered all Subleasing Costs for such transferred space. If part of the Excess Consideration shall be payable by the assignee 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.

(i) Notwithstanding any permitted assignment or subletting (whether or not the same requires Landlord's consent pursuant to this Section), Tenant shall at all times remain directly, primarily and fully responsible and liable for all payments owed by Tenant under this Lease and for compliance with all obligations under the terms and conditions of this Lease. Landlord's waiver or consent to any assignment or subletting shall not relieve Tenant or any assignee or sublessee from any obligation under this Lease whether or not accrued and Tenant shall at all times remain directly, primarily and fully responsible and liable for all payments owed by Tenant under this Lease and for compliance with all obligations of Tenant under the terms and conditions of this Lease.

24. DEFAULT BY TENANT.

(a) The occurrence of any one or more of the following events shall constitute an "Event of Default" hereunder by Tenant:

(i) The failure by Tenant to make any payment of Rent as and when due where such failure shall continue for a period of five (5) days after written notice thereof from Landlord to Tenant; provided however, that any such notice shall be in lieu of, and not in addition to, any notice required under California Code of Civil Procedure §1161 or any similar successor statute.

(ii) The failure by Tenant to observe or perform any of the express or implied covenants or provisions of this Lease to be observed or performed by Tenant, other than as specified in any other subsection of this Section 24(a), where such failure shall continue for a period of thirty (30) days after written notice thereof from Landlord to Tenant; PROVIDED, HOWEVER, that any such notice shall be in lieu of, and not in addition to, any notice required under California Code of Civil Procedure §1161 or any similar successor statute; PROVIDED, FURTHER, that if the nature of Tenant's default is such that more than thirty (30) days are reasonably required for its cure, then Tenant shall not be deemed to be in default if Tenant shall provide written notice to Landlord immediately, of the estimated cure period and promptly commence such cure within such thirty (30) day period and thereafter continuously and diligently prosecute such cure to completion.

(iii) The making by Tenant of any general assignment for the benefit of creditors; 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); 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, where possession is not restored to Tenant within sixty (60) days; the attachment, execution or other judicial seizure of substantially all of Tenant's assets located at the Premises or of Tenant's interest in this Lease where such seizure is not discharged within sixty (60) days; or if this Lease shall, by operation of law or otherwise, pass to any person or persons other than Tenant.

(iv) Any subletting or assignment in violation of Section 23 that is not cured within ten (10) business days after written notice from Landlord;

(b) In the event of any such Event of Default by Tenant, in addition to any other remedies available to Landlord at law or in equity, Landlord shall have the immediate option to terminate this Lease and all rights of Tenant hereunder. In the event that Landlord shall elect to so terminate this Lease, then Landlord may recover from Tenant: (i) the worth at the time of award of any unpaid Rent which had been earned at the time of such termination; plus (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 Tenant proves could have been reasonably avoided; plus (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; plus (iv) any other amount necessary to compensate Landlord for all the detriment proximately caused by Tenant's failure to perform Tenant's obligations under this Lease or which in the ordinary course of timings would be likely to result therefrom (specifically including but not limited to, brokerage commissions and advertising expenses incurred, expenses of remodeling the Premises or any portion thereof, whether for the same or a different tenant or use, and any reasonable concessions made to obtain a new tenant); 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 law.

(c) As used in Sections 24(b)(i) and (ii) above, the "worth at the time of award" is computed by allowing interest at the Interest Rate. As used in Section 24(b)(iii) 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 one percent (1%).

(d) In the event of any such default by Tenant, Landlord may also elect 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 the right to sublet or assign, subject only to reasonable limitations), in which case Landlord shall not unreasonably withhold its consent to assignment or subletting.

(e) TENANT HEREBY WAIVES, FOR ITSELF AND ALL PERSONS CLAIMING BY AND UNDER TENANT, ALL RIGHTS AND PRIVILEGES WHICH IT MIGHT HAVE UNDER ANY PRESENT OR FUTURE LAW TO REDEEM THE PREMISES OR TO CONTINUE THIS LEASE AFTER BEING DISPOSSESSED OR EJECTED FROM THE PREMISES.

(f) If Tenant fails to perform any covenant or condition to be performed by Tenant, Landlord shall have the right (but not the obligation) to perform such covenant or condition (i) immediately, in the event of an emergency situation of imminent risk of personal injury or material property damage, or (ii) following Tenant's failure to cure such failure to perform within the period provided for cure after Tenant's receipt of written notice from Landlord. All reasonable costs incurred by Landlord in so performing shall immediately be reimbursed to Landlord by Tenant, together with interest at the Interest Rate computed from the due date. Any performance by Landlord of Tenant's obligations shall not waive or cure such default. All costs and expenses (including reasonable attorneys' fees) incurred by Landlord in collecting Rent or enforcing the obligations of Tenant under the Lease pursuant to this Section shall be paid by Tenant to Landlord within thirty (30) days following written demand.

(g) All rights, options and remedies of Landlord contained in this Lease shall be construed and held to be cumulative to the extent permitted by law, 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 remedies or any other remedy or relief which may be provided by Law, whether or not stated in this Lease. All rights, options and remedies of Tenant contained in this Lease shall be construed and held to be cumulative to the extent permitted by law, and no one of them shall be exclusive of the other, and Tenant shall have the right to pursue any one or all of such remedies or any other remedy or relief which may be provided by law, whether or not stated in this Lease.

25. DEFAULT BY LANDLORD; LIMITATION OF LIABILITY.

(a) Landlord shall not be in default hereunder unless Landlord fails to perform the obligations required of Landlord within thirty (30) days after written notice by Tenant to Landlord specifying wherein 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 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. Unless such default materially interferes with Tenant's use of the Premises and/or its parking for more than sixty (60) days during any twelve (12) month period (in which case Tenant may, at anytime during which such material interference is continuing, terminate this Lease, immediately surrender possession of the Premises and the parking to Landlord and have no further obligation to Landlord hereunder except for obligations and liabilities arising prior to termination), Tenant shall not have the right to terminate this Lease as a result of Landlord's default and Tenant's remedies shall be limited to damages, an injunction and/or other equitable relief. Landlord's liability under this Lease shall, in any event, be limited to its interest in the Building. Upon any such default by Landlord under this Lease, Tenant may, except as otherwise specifically provided in this Lease to the contrary, exercise any of its rights provided at law or in equity.

(b) In the event that Tenant is prevented from using, and does not use, the Premises or any portion thereof, as a result of (i) any repair, maintenance or alteration performed by Landlord (including repairs, maintenance and alterations required or permitted by Landlord hereunder), or which Landlord failed to perform, after the Commencement Date and required by this Lease, which substantially interferes with Tenant's use of or ingress to or egress from the Building or Premises; or (ii) any failure to provide services or utilities or ingress to and egress from the Building or Premises as required by this Lease (each an "Abatement Event"), then Tenant shall give Landlord notice of such Abatement Event, and if such Abatement Event continues for five (5) business days after Landlord's receipt of any such notice (the "Eligibility Period"), then to the extent covered by the one (1) year of rental loss insurance maintained by Landlord (or that would be covered by such rental loss insurance had Landlord maintained it), then the Monthly Rent and Tenant's Share of Operating Expenses and Tax Expenses, if applicable, shall be abated or reduced, as the case may be, after expiration of the Eligibility Period for such time that Tenant continues to be so prevented from using, and does not use, the Premises, or a material portion thereof, in the proportion that the rentable area of the material portion of the Premises that Tenant is prevented from using, and does not use ("Unusable Area"), bears to the total rentable area of the Premises. In the event that, as a result of such a cause, Tenant is prevented from using, and does not use, the Unusable Area for a period of time in

excess of the Eligibility Period and the remaining portion of the Premises is not sufficient to allow Tenant to effectively conduct its business therein, and if Tenant does not conduct its business from such remaining portion, then for such time after expiration of the Eligibility Period during which Tenant is so prevented from effectively conducting its business therein, the Monthly Rent and Tenant's Share of Operating Expenses and Tax Expenses, if applicable, for the entire Premises shall be abated for such time as Tenant continues to be so prevented from using, and does not use, the Premises. If Tenant's right to abatement occurs because of an eminent domain taking, condemnation and/or because of damage or destruction to the Premises and/or the Building, Tenant's abatement period shall continue until Tenant has been given sufficient time, and sufficient ingress to, and egress from the Premises, to rebuild such portion it is required to rebuild, to install its property, furniture, fixtures, and equipment to the extent the same shall have been removed as a result of such damage or destruction or temporary taking and to move in over a weekend and the Eligibility Period shall not be applicable. If Tenant's right to abatement occurs during Tenant's initial free-rent period after the Commencement Date, then such free-rent period shall be extended for the number of days that the abatement period "overlapped" said free-rent period.

26. **NONDISTURBANCE, ATTORNMENT AND SUBORDINATION.** Landlord shall also obtain a commercially reasonable subordination, non-disturbance and attornment agreement ("SNDA") from any other future Lienholder as a condition precedent to Tenant's agreement to subordinate this Lease to the lien of any such Lienholder. Upon request of Landlord, Tenant shall, within ten (10) business days execute, acknowledge and return the SNDA to Landlord for the benefit of any Lienholder. For purposes of this Lease, a "Lienholder" shall mean any mortgagee under a mortgage, beneficiary under a deed of trust, and any lessor under a master lease or ground lease, encumbering all or a portion of the Building.

27. **ESTOPPEL CERTIFICATES.** Within thirty (30) days following any written request by either party to the other, the party receiving the request shall execute and deliver to the other a statement, in a form reasonably satisfactory to the parties, certifying: (i) the Commencement Date; (ii) that this Lease is unmodified and in full force and effect (or, if there have been modifications hereto, that this Lease is in full force and effect, as modified, and stating the date and nature of such modifications); (iii) the date to which the sums payable under this Lease have been paid; (iv) that, to such party's actual knowledge (which may, in the case of the Landlord, be the knowledge of the City Manager), there are no current defaults under this Lease by either Landlord or Tenant except as specified in such statement; and (v) such other matters reasonably requested. any statement delivered pursuant to this Section may be relied upon by any existing or prospective mortgagee, beneficiary, encumbrancer, transferee or purchaser of the interest of Landlord in the Building or this Lease or by any purchaser, lender or assignee of the interest of Tenant under this Lease or by any subtenant of Tenant.

28. **DEFINITION OF LANDLORD.** The term "Landlord" as used in this Lease, so far as covenants or obligations on the part of Landlord are concerned, shall be limited to mean and include only the owner or owners, at the time in question, of the fee title to the Building. In the event of any transfer or assignment of such title, Landlord herein named (and in case of any subsequent transfers or conveyances, the then-grantor) shall be automatically freed and relieved from and after the date of such transfer, assignment or conveyance of all liability respecting the

performance of any covenants or obligations on the part of Landlord contained in this Lease thereafter arising under this Lease.

29. PARKING.

(a) Landlord shall have the right, in Landlord's sole and absolute discretion, to modify or increase the charges for use of the Parking Structure (*i.e.*, for monthly parking passes) annually in a manner consistent with other parking structures owned by Landlord. Except for employees, officers, council members and contractors of Landlord, other tenants in the Building shall not be charged parking rates less than those charged to Tenant.

(b) Notwithstanding anything to the contrary contained in this Lease, Tenant understands and acknowledges that the Parking Structure is currently intended to be utilized, and shall at all times (in Landlord's sole and absolute discretion) be available and used as a public parking facility subject to Landlord's obligations under this Section 29. In the event that there is insufficient parking available to provide Tenant with its unreserved parking spaces, Tenant shall notify Landlord in writing describing the dates and times when sufficient space were not available and the number of spaces not available. Landlord will then cause its director of parking operations to meet with Tenant within ten (10) business days thereafter (as extended due to vacation or illness of such director of parking operations) to discuss the parking operations and Landlord shall promptly employ means acceptable to Landlord, in good faith, that attempts to provide the unreserved spaces to Tenant thereafter. If insufficient spaces are available to provide the unreserved parking spaces, the parking attendant may be given the keys to the applicable vehicle so that the attendant may find parking.

(c) It is understood that rules and regulations with respect to parking may be reasonably established and amended by Landlord from time to time. Landlord shall not enforce the rules and regulations against Tenant in a discriminatory manner without rational basis or adopt rules and regulations that discriminate against Tenant without rational basis. The use by Tenant's visitors, invitees and customers of the Parking Structure shall be on the terms and conditions set forth herein as well as in the established parking rules and regulations. Landlord shall not be responsible to Tenant for the violation or non-performance by any other person or entity of any of the established parking rules and regulations.

(d) Notwithstanding their status as members of the public, Tenant hereby agrees that Tenant and Tenant's partners, owners, supervisors, managers, contractors, employees and agents shall have no right to park in the Parking Structure except as expressly provided in this Lease. Tenant shall not permit or allow any vehicles that belong to or are controlled by Tenant or Tenant's owners, supervisors, managers, employees or agents to be loaded or unloaded in the Parking Structure. Tenant shall reasonably cooperate with Landlord in implementing policies and procedures to prevent unauthorized parking by Tenant's owners, supervisors, managers, employees, contractors and agents and to identify any of Tenant's owners, supervisors, managers, employees and agents that may be parking vehicles in the Parking Structure contrary to the terms herein. If Tenant permits or allows any of the activities prohibited herein or prohibited by the applicable parking rules and regulations then, in addition to such other rights and remedies that it may have, Landlord shall have the right, without notice, to remove or tow away the vehicle involved and charge the cost to Tenant, which cost shall be

immediately payable upon demand by Landlord and/or to rescind the parking rights of the offender.

30. **SIGNAGE.** At Landlord's sole cost and expense, Tenant shall be entitled to Building standard signage on the Building directory. Tenant may also install retail signage in compliance with applicable law, at Tenant's cost, upon Tenant's occupancy of the Premises after completion of the Tenant Improvements.

31. **NOTICES.** Except as expressly provided otherwise in Section 16, all notices, demands, consents and approvals which may or are required to be given by either party to the other hereunder shall be in writing and shall be either served personally, or sent by overnight courier, or sent by registered or certified mail, return receipt requested with postage prepaid, as follows: if to Tenant, addressed at the address(es) designated in Section 1(a), or if to Landlord, at the address(es) designated in Section 1(b) or to such other place as the party to be notified may from time to time designate by at least fifteen (15) days' notice to the other party. Such notices, demands, consents and approvals shall be deemed sufficiently served or given for all purposes hereunder, unless otherwise specified in this Lease, either (a) if personally served, upon such service, (b) if sent by reputable overnight courier providing proof of delivery, the following business day, or (c) if mailed, on the date of receipt (or refusal to accept) shown on the return receipt.

32. **HOLDING OVER.** If Tenant holds over in the Premises after the expiration of the Term or earlier termination of this Lease, or if Tenant holds over after any holdover period permitted by the preceding sentence, then Tenant shall become a tenant at sufferance only, subject to the provisions of this Lease, except that Rent during such holding over shall equal one hundred fifty percent (150%) of the Monthly Rent in effect immediately prior to such expiration or termination. Acceptance by Landlord of Monthly Rent after such expiration or earlier termination shall not result in a renewal or extension of this Lease. If Tenant fails to surrender the Premises upon the expiration of the Term or earlier termination of this Lease despite demand to do so by Landlord (except for any holdover allowed pursuant to the first sentence of this Section 32), Tenant shall indemnify, defend and hold harmless Landlord from and against any and all claims, demands, losses, liabilities, costs and/or expenses (including, without limitation, reasonable attorneys' fees and expenses) arising as a result thereof, including, without limitation, any claim made by any succeeding tenant founded on or resulting from such failure to surrender.

33. **QUIET ENJOYMENT.** Landlord covenants and agrees with Tenant that upon Tenant paying the Rent required under this Lease and paying all other charges and performing all of the covenants and provisions on Tenant's part to be observed and performed under this Lease within all applicable notice and cure periods, Tenant shall and may peaceably and quietly have, hold and enjoy the Premises in accordance with and subject to the terms of this Lease and existing matters of record.

34. **BROKERS; LEASING COMMISSIONS.** Landlord and Tenant each represent and warrant that it has had no dealings with any real estate broker, or agent in connection with the negotiation of this Lease, and that it knows of no real estate broker or agent who is or might be entitled to a commission or fee in connection with this Lease. In the event of any claim for broker's or finder's fees or commissions in connection with this Lease, Landlord shall

indemnify, hold harmless and defend Tenant from and against any and all liability, claims, demands, damages and costs (including, without limitation, reasonable attorneys' fees and other litigation expenses) on account of such claim if it shall be based upon any statement, representation or agreement claimed to have been made by Landlord, and Tenant shall indemnify, hold harmless and defend Landlord from and against any and all liability, claims, demands, damages and costs (including, without limitation, reasonable attorneys' fees and other litigation expenses) on account of such claim if it shall be based upon any statement, representation or agreement claimed to have been made by Tenant.

35. MISCELLANEOUS.

(a) Tenant shall faithfully observe and comply with the Rules and Regulations attached hereto as Exhibit C, and all non-discriminatory modifications thereof and additions thereto from time to time delivered in writing to Tenant, which Rules and Regulations shall not be unreasonably or discriminatorily modified or enforced in a manner which shall materially interfere with the conduct of Tenant's Permitted Use from the Premises or Tenant's use of or access to the Premises or the Parking Structure. Landlord shall not be responsible to Tenant for the violation or non-performance by any other person or entity or of any of said Rules and Regulations, however, Landlord shall use commercially reasonable efforts (without having to spend money, including no obligation to proceed to legal remedies for such failure) to enforce such non-performance against the other occupants and tenants of the Building, to the extent such non-performance against the other occupancy and tenants of the Building has a material adverse effect on Tenant's use of or access to the Premises or Parking Structure.

(b) This Lease shall be governed by the laws of the State of California.

(c) Except as otherwise provided in this Lease, all of the covenants, conditions and provisions of this Lease shall be binding upon and shall inure to the benefit of the parties hereto and their respective heirs, personal representatives, successors and assigns.

(d) In the event either party shall institute any action or proceeding against the other party relating to this Lease, the party not prevailing in such action or proceeding shall reimburse the prevailing party for its disbursements incurred in connection therewith and for its reasonable attorneys' fees and costs. In addition to the foregoing award of attorneys' fees and costs to the prevailing party, the prevailing party shall be entitled to its attorneys' fees and costs incurred in any post judgment proceedings to collect or enforce the judgment. This provision is separate and several and shall survive the merger of this Lease into any judgment.

(e) The waiver by either party of any breach of any term, covenant or condition herein contained shall not be deemed to be a waiver of any subsequent breach of the same or any term, covenant or condition herein contained, nor shall any custom or practice which may become established between the parties in the administration of the terms hereof be deemed a waiver of or in any way affect the right of either party to insist upon the performance by the other party in strict accordance with the terms of this Lease. The acceptance of Rent hereunder 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 acceptance by Landlord of a lesser sum than that owed and due pursuant to this Lease shall be deemed to be other than on account of the earliest installment of such Rent or other amount due, nor shall any endorsement or statement on any check or any letter accompanying any check 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 installment or other amount or pursue any other remedy provided in this Lease.

(f) Submission of this document for examination or signature by Tenant does not constitute a reservation of or option for lease, and it is not effective as a lease or otherwise until execution by and delivery to both Landlord and Tenant.

(g) Time is of the essence with respect to the performance of every provision of this Lease in which time of performance is a factor.

(h) If any term or provision of this Lease, or the application thereof to any persons or circumstances, shall to any extent be invalid or unenforceable, the remainder of this Lease, 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 Lease shall be valid and shall be enforceable to the extent permitted by law.

(i) Tenant and Landlord shall execute and acknowledge a short form memorandum of this Lease for recording purposes in the form attached hereto as Exhibit D. Upon the expiration or earlier termination of this Lease for any reason, Tenant shall within five (5) business days following written request by Landlord, deliver to Landlord an executed, acknowledged and recordable quitclaim deed conveying to Landlord any and all interest Tenant may have under this Lease.

(j) In consideration of the benefits accruing hereunder, and notwithstanding anything contained in this Lease to the contrary, Tenant and all successors and assigns covenant and agree that, in the event of any actual or alleged failure, breach or default hereunder by Landlord or in the event of any other action against Landlord with respect to this Lease, their sole and exclusive remedy shall be against Landlord's interest in the Building, including prospective rent (not rent received in the past), insurance, condemnation and sale proceeds. Tenant and all such successors and assigns agree that the obligations of Landlord under this Lease do not constitute personal obligations of the directors or officers of Landlord, and Tenant shall not seek recourse against them or any of their personal assets for satisfaction of any liability with respect to this Lease. NOTWITHSTANDING ANY CONTRARY PROVISION CONTAINED IN THIS LEASE, LANDLORD SHALL NOT BE LIABLE UNDER ANY CIRCUMSTANCES FOR ANY INDIRECT OR CONSEQUENTIAL DAMAGES OR ANY INJURY OR DAMAGE TO, OR INTERFERENCE WITH TENANT'S BUSINESS, INCLUDING, BUT NOT LIMITED TO, LOSS OF PROFITS, LOSS OF RENTS OR OTHER REVENUES, LOSS OF BUSINESS OPPORTUNITY, LOSS OF GOODWILL.

(k) If in connection with obtaining financing for the Building or modifying any such financing, any lender shall request modifications of this Lease as a condition to Landlord obtaining such financing, Tenant will not unreasonably withhold or delay its consent

thereto, provided that such modifications do not increase the obligations of Tenant hereunder (including monetarily) or otherwise materially and adversely affect Tenant's rights hereunder.

(l) This Lease may be executed in any number of counterparts, each of which shall be deemed to be an original, but any number of which, taken together, shall constitute one and the same instrument.

(m) This Lease contains all of the agreements of the parties hereto with respect to any matter covered or mentioned in this Lease, and no prior agreement or understanding pertaining to any such matter shall be effective for any purpose. No provisions of this Lease may be amended or added to except by an agreement in writing signed by the parties hereto or their respective successors-in-interest.

(n) Nothing contained herein shall be deemed to limit, restrict, amend or modify, or to constitute a waiver or release of, any ordinances, notices, orders, rules, regulations or requirements (now or hereafter enacted or adopted and/or as amended from time to time) of the City of Beverly Hills, or any of its departments, commissions, agencies and boards and the officers thereof, including any general plan or any zoning ordinances, or any of the duties, obligations, rights or remedies of the City of Beverly Hills or the general police powers, regulatory powers, rights, privileges and discretion of the City of Beverly Hills. For purposes of this Lease, and notwithstanding anything in this Lease which may be construed to the contrary, Landlord is acting in its capacity as an owner of property and not as a governmental agency.

(o) The City Manager of Landlord shall have the authority to give, in writing, all consents and approvals on behalf of the Landlord under this Lease.

(p) Time is of the essence with respect to the performance of every provision of this Lease in which time of performance is a factor. Whenever in this Lease a payment is required to be made by one party to the other, but a specific date for payment is not set forth or a specific number of days within which payment is to be made is not set forth, or the words "immediately," "promptly," and/or "on demand," or their equivalent, are used to specify when such payment is due, then such payment shall be due thirty (30) days after the date that the party which is entitled to such payment sends notice to the other party demanding such payment

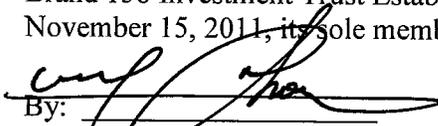
(q) Any prevention, delay or stoppage due to strikes, lockouts, labor disputes, acts of God, acts of war, terrorist acts, inability to obtain services, labor, or materials or reasonable substitutes therefor, governmental actions, civil commotions, fire or other casualty, and other causes beyond the reasonable control of the party obligated to perform, except with respect to the obligations imposed upon Tenant with regard to Rent and other charges to be paid by Tenant or Landlord pursuant to this Lease (collectively, a "Force Majeure"), notwithstanding anything to the contrary contained in this Lease, shall excuse the performance of such party for a period equal to any such prevention, delay or stoppage and, therefore, if this Lease specifies a time period for performance of an obligation of either party, that time period shall be extended by the period of any delay in such party's performance caused by a Force Majeure.

IN WITNESS WHEREOF, the parties have executed this Lease as of the date first above written.

TENANT:

RESTAURANT BUSINESS STRATEGIES, LLC,
a California limited investment company

By: Brand 158 Investment Trust Established
November 15, 2011, its sole member

By: 
Jack Chammas,
sole trustee

LANDLORD:

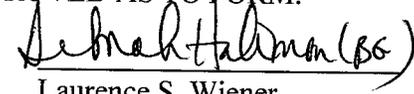
ATTEST:

(Seal)
Byron Pope
Secretary to Board of Directors

THE PARKING AUTHORITY OF CITY OF
BEVERLY HILLS,
a parking authority established pursuant to the
Parking Law of 1949 of the State of California

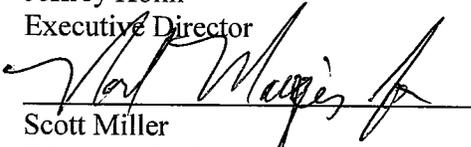
By: _____
William W. Brien, M.D.,
Chairman of the Board of Directors

APPROVED AS TO FORM:

By: 
Laurence S. Wiener
Authority Counsel

APPROVED AS TO CONTENT:

By: _____
Jeffrey Kolin
Executive Director

By: 
Scott Miller
Director of Administrative Services/CFO

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

ACKNOWLEDGMENT

State of California
County of Los Angeles

On June 13, 2012 before me, Nestor G. Menjivar Notary Public
(insert name and title of the officer)

personally appeared Jack H. Chamma
who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) 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 N. Menjivar (Seal)

Though the information below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent removal and reattachment of this form to another document.

Description of Attached Document Retail lease
Title or Type of Document: _____

Document Date: _____ Number of Pages: _____

Signer(s) Other Than Named Above: _____

Capacity(ies) Claimed by Signer(s)

Signer's Name: _____

- Individual
- Corporate Officer — Title(s): _____
- Partner — Limited General
- Attorney in Fact
- Trustee
- Guardian or Conservator
- Other: _____

RIGHT THUMBPRINT OF SIGNER
Top of thumb here

Signer Is Representing: _____

Signer's Name: _____

- Individual
- Corporate Officer — Title(s): _____
- Partner — Limited General
- Attorney in Fact
- Trustee
- Guardian or Conservator
- Other: _____

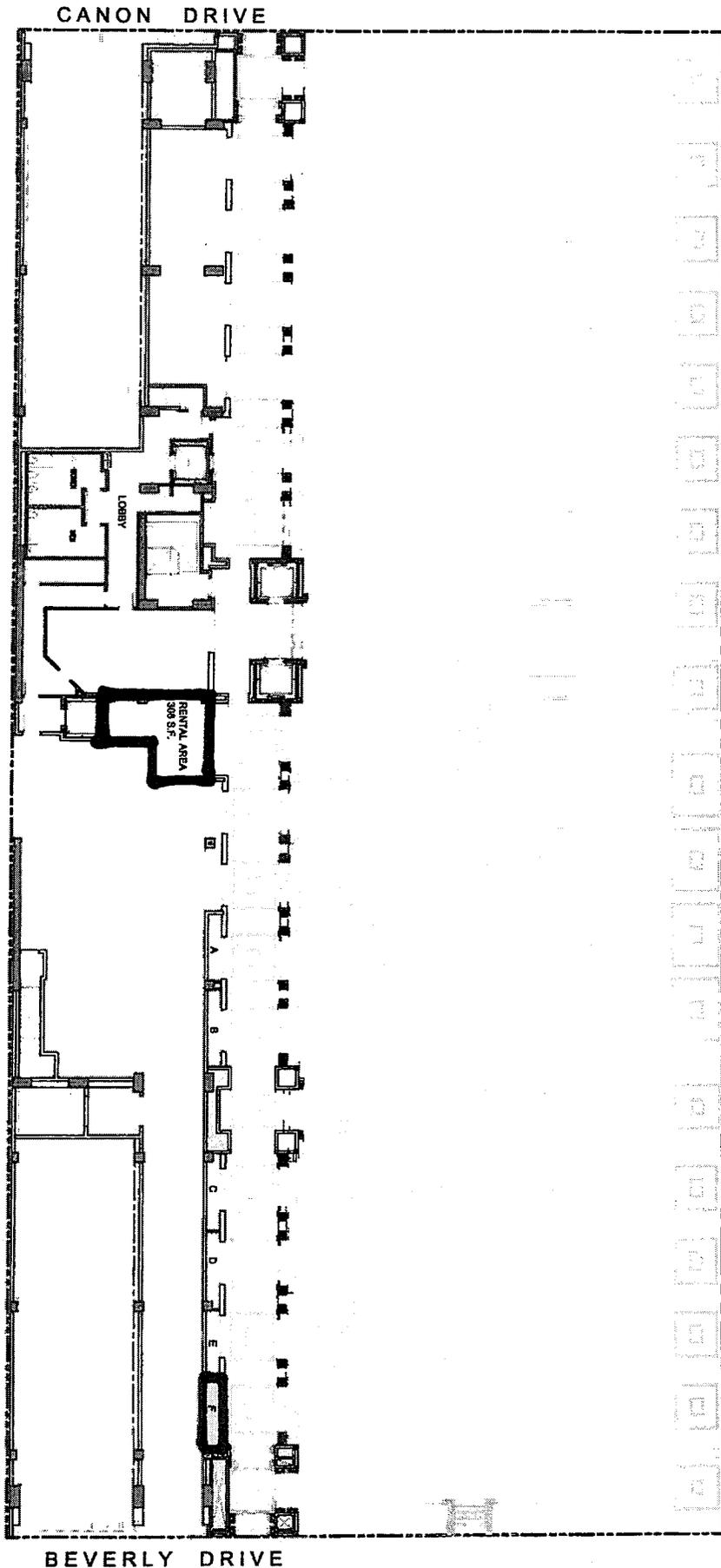
RIGHT THUMBPRINT OF SIGNER
Top of thumb here

Signer Is Representing: _____

EXHIBIT A

DIAGRAM OF PREMISES

(Attached.)



CANON DRIVE

BEVERLY DRIVE

- VITRINE SPACES:**
- VITRINE A - 45 S.F.
 - VITRINE B - 45 S.F.
 - VITRINE C - 45 S.F.
 - VITRINE D - 45 S.F.
 - VITRINE E - 45 S.F.
 - VITRINE F - 45 S.F.

**BEVERLY HILLS GARDENS BUILDING
FIRST FLOOR PLAN**

scale: 1/16" = 1'-0"



EXHIBIT A-1

LEGAL DESCRIPTION AND DEPICTION OF PROJECT LAND

Lots 6, 7, 8, 22, 23, and 24, in Block 11 of Beverly, in the City of Beverly Hills, County of Los Angeles, State of California, as per the map recorded in book 11, page 94 of Maps, in the Official Records of said County.

EXHIBIT B-1

TENANT IMPROVEMENTS

A. GENERAL

The preparation of all design and working drawings and specifications relating to completion of the Premises for occupancy by Tenant and the letting of contracts relating to the Tenant Improvements and the supervision and completion of the Tenant Improvements, and payment therefor shall be the responsibility of Tenant.

All Landlord approvals under this Lease and its exhibits must be obtained in writing from the City Manager of Landlord or his or her designee who is designated in writing by the City Manager. No approval by Landlord under the Lease and its exhibits shall relieve Tenant of the obligation to obtain any other required governmental permits or approvals (including such permits or approvals from the City of Beverly Hills). Tenant must obtain such permits or approvals for its work from the applicable building department of the City of Beverly Hills and other authorities having jurisdiction therefor. Tenant must submit evidence of these approvals to Landlord before commencing the Tenant Improvement work. Tenant shall be responsible for payment of all fees and charges incurred in obtaining said permits and approvals for the Tenant Improvements and for obtaining a certificate of occupancy for the Premises prior to commencing business in the Premises.

Tenant shall ensure that all the provisions and conditions contained or imposed in this Exhibit B-1 are observed and performed by all designers, contractors and trades engaged by Tenant.

B. PLANS AND SPECIFICATIONS FOR THE TENANT IMPROVEMENTS

So that the Tenant Improvements may proceed without delay and in an efficient manner, the following provisions shall apply:

1. Target Dates; Early Entry by Tenant.

(a) All designers or engineers employed by Tenant shall be familiar with the plans for the Building made available to Tenant to the extent necessary to complete the required architectural, mechanical and electrical working drawings and specifications.

(b) Landlord shall continue to give Tenant and its architects, engineers and designers access to the Premises, prior to delivery of the Premises to Tenant for construction, for the purpose of inspecting, reviewing and measuring conditions within the Premises.

2. Submission of Preliminary Plans and Specifications. Tenant will provide Landlord with three (3) printed sets of preliminary plans and specifications which shall demonstrate design intent and shall be subject to the approval of Landlord prior to Tenant's preparation of detailed working drawings and design specifications, which approval shall not be unreasonably withheld or conditioned. Landlord shall within five (5)

business days after receipt of the preliminary plans and specifications, approve them, approve them with conditions (which shall be stated in a reasonably clear manner) or disapprove them and return them to Tenant with requested revisions. If Landlord disapproves the preliminary plans and specifications, Tenant shall resubmit the preliminary plans and specifications to Landlord and Landlord shall approve or disapprove the resubmitted preliminary plans and specifications based upon the criteria set forth in this Section within five (5) business days after Landlord receives such resubmitted preliminary plans and specifications. Such procedure shall be repeated until the preliminary plans and specifications are approved. The preliminary plans and specifications shall be accompanied by sample boards of finishes or an artistic rendering.

3. Approval of Preliminary Plans and Specifications. Landlord shall notify Tenant either of its approval thereof or of any changes reasonably required by it. Landlord shall not require any improvements described in the preliminary plans, or any portion of them, to be removed by Tenant prior to the expiration (or promptly after any earlier termination) of this Lease. If changes are required, Tenant shall submit amended plans and specifications to Landlord for approval and Landlord shall grant or deny approval to the amended plans and specifications within five (5) business days from receipt.

4. Submission of Final Plans and Specifications. Within ninety (90) days after Landlord's approval of Tenant's preliminary plans and specifications (or conditional approval), Tenant shall submit three (3) printed sets of final plans and specifications, finish material samples and such other information as may be reasonably necessary for the Tenant Improvements to be approved by Landlord. Tenant's final plans shall include a schedule and other documentation reasonably acceptable to Landlord identifying all trade fixtures and equipment (along with the costs thereof) that Tenant proposes to be reimbursed from the Tenant Improvement Allowance. Landlord's approval of Tenant's final plans shall not be unreasonably withheld or conditioned.

5. Approval of Final Plans and Specifications; Later Changes. Landlord within ten (10) business days following receipt of the final plans and specifications shall notify Tenant of its approval of Tenant's final plans and specifications, approval with conditions (which shall be stated in a reasonably clear matter) or disapprove the final plans and specifications and return them to Tenant with requested revisions. If Landlord disapproves the final plans and specifications, Tenant may resubmit the final plans and specifications to Landlord at any time, and Landlord shall approve or disapprove the resubmitted final plans and specifications based upon the criteria set forth in this Section within five (5) business days after Landlord receives such resubmitted final plans and specifications. Such procedure shall be repeated until the final plans and specifications are approved.

6. Change Orders. In the event Tenant desires to materially change the approved final plans and specifications, Tenant shall deliver notice of the same to Landlord setting forth in detail the changes Tenant desires to make to the approved final plans and specifications. Landlord shall within five (5) business days after receipt of such notice of a change order approve the change or disapprove the change together with notice specifying the reasons for disapproval; provided that such five (5) business day period shall be extended to

ten (10) business days if Landlord, in good faith, hires a consultant to review the applicable change order.

7. **Working Drawings and Specifications.** Each set of working drawings and specifications shall be of uniform size to a minimum scale of 1/8" to each foot and shall include, but not be limited to, the following:

- (1) floor plans;
- (2) reflected ceiling plans;
- (3) specifications, identification and colors of materials for all plans and work;
- (4) interior elevations and finish schedule; and
- (5) engineered plans and specifications for all electrical, mechanical, and plumbing work, including details and performance information relating to all fixtures, equipment and any under-floor services, including conduit runs to be recessed or buried in the floor.

C. **GENERAL REQUIREMENTS**

1. **Architect, General Contractor and Subcontractor Approval.**

Landlord shall have the right to approve, which approval shall not be unreasonably withheld or conditioned and shall be granted or denied within five (5) business days, the architect (if other than Wolcott) and all contractors and subcontractors designing or performing construction of the Tenant Improvements and who will be working in the Building. All contractors and subcontractors who will perform such work must have in force workers' compensation insurance in the amount required by law and such other employer's and comprehensive general liability insurance in accordance with the standards set forth in Section 18(a) of the Lease (but with a liability limit of not less than Two Million Dollars (\$2,000,000.00) for contractors and One Million Dollars (\$1,000,000.00) for subcontractors), and such other insurance as Landlord reasonably deems necessary to supplement the insurance coverage provided for in Section 20(a) of the Lease.

2. **Workmanship, Materials and Design and Construction Guidelines Compliance.** All of the Tenant Improvements required by Tenant to complete the Premises for occupancy:

- a) shall be carried out with good workmanship and with first class materials, which shall all be of a high quality and shall be conforming to the commercially reasonable standards of practice, and shall conform with applicable Laws.
- b) shall be constructed or performed in compliance with the Design and Construction Guidelines attached hereto.

3. Proof of Insurance. Before commencing Tenant Improvements, Tenant shall furnish written proof to Landlord that the insurance required under Section C1 above by Landlord has been obtained and is in force. Landlord shall be named as an additional insured in such insurance.

4. Access and Rules. Tenant and its contractors shall access the Premises through the service alley of the Building and the freight elevator, only, in order to execute Tenant Improvements, subject to compliance with non-discriminatory rules, regulations and stipulations which Landlord may make from time to time. These rules, regulations and stipulations may include, but shall not be limited to, matters relating to:

- a) the handling and storage of material and equipment;
- b) hours of work and coordination of activity so long as Tenant is provided reasonable access twenty-four (24) hours per day, seven (7) days per week for construction that does not cause noise to emanate from the Premises and from 11:00 p.m. until 12:00 p.m. (i.e., noon) for construction that causes noise to emanate from the Premises;
- c) use of the facilities and utilities;
- d) scheduling of work;
- e) deliveries; and
- f) clean-up of work and the disposition of refuse.

5. Refuse Removal. Tenant shall at all times keep the Premises and all other areas clear of all waste materials and refuse caused by itself, its suppliers, contractors or by their work. Tenant shall remove all waste materials and refuse directly from the Premises and shall deposit them in places or in receptacles provided by Tenant at Tenant's sole cost and expense specifically for the disposal of waste materials and refuse in connection with the Tenant Improvements (which receptacles shall be located at a place reasonably designated by Landlord). In no event shall Tenant's construction debris be placed in with the rubbish and trash of other tenants. Landlord requires Tenant to clean up on a daily basis, and shall be entitled to clean up at Tenant's expense if Tenant fails to comply with Landlord's reasonable requirements in this respect.

At the completion of Tenant Improvements, Tenant shall remove all waste material and refuse from the Premises and deposit them in places or in receptacles designated by Landlord and shall remove all tools, equipment and materials from the Project. The final clean-up shall include the cleaning of all lighting fixtures, millwork units, storefronts and space which may be affected by the work.

6. Damage by Tenant. Subject to the waiver of subrogation contained in the Lease, any damage caused by Tenant's contractor or subcontractors constructing the Tenant Improvements to the Project, including the Building structure or the Building Systems, or to any property of Landlord or of other tenants shall be repaired by Tenant to the reasonable satisfaction of Landlord.

7. **Failure to Perform Work.** If Tenant's contractor performs any work which does not substantially conform with the approved plans and specifications, then Landlord, after thirty (30) business days' prior written notice to Tenant and Tenant's contractor, may without prejudice to any right or remedy Landlord may have, complete the work, remedy the defaults or make good any such deficiencies and Tenant shall reimburse Landlord for such costs, as additional Rent, within thirty (30) days after written demand.

8. **Security.** Except to the extent resulting from Landlord's gross negligence or willful misconduct, Tenant shall be entirely responsible for the security of the Premises during construction and Landlord shall not be liable for any loss or damage suffered by Tenant.

9. **Fire Protection.** Tenant shall maintain and keep on the Premises at all times during construction and the term of the Lease, a suitable portable fire extinguisher for Class A, B and C fires and shall comply with any additional requirements and regulations imposed by the fire marshal and all other appropriate governmental agencies.

10. **Performance of Construction.** Tenant shall diligently complete the Tenant Improvements.

11. **Preparation of "As-built" Plans.** Within sixty (60) days after the completion of the Tenant Improvements, Tenant shall deliver to Landlord both a "hard" copy and a copy on CAD diskette of the "as-built" plans and specifications (including all working drawings) for the Tenant Improvements.

D. **PUBLIC WORK; PREVAILING WAGE REQUIREMENT**

[INTENTIONALLY OMITTED]

E. **TENANT IMPROVEMENT ALLOWANCE**

[INTENTIONALLY OMITTED]

F. **NON-COMPLIANCE**

1. **Non-Compliance.** If Tenant or Landlord does not comply with the provisions of the Lease or any other agreement relative to the construction or occupation of the Premises, including this Exhibit, the non-defaulting party, in addition to and not in lieu of any other rights or remedies, may (subject to applicable notice and cure provisions) declare and treat such noncompliance as a default or breach of covenant under this Lease and exercise any right available under the provisions of this Lease, including the right of termination.

2. **Termination; Retention or Demolition of Tenant Improvements.** In any event of termination pursuant to the above provision by Landlord, Landlord may further elect either to:

a) retain for its own use without payment therefor all or any of the Tenant Improvements which has been commenced, installed or completed to the date of such termination; or

b) forthwith demolish or remove all or any work and restore the Premises to the condition in which the same were prior to the commencement, installation or completion of all or such of the Tenant Improvements and recover the cost of so doing from Tenant.

EXHIBIT C

RULES AND REGULATIONS

1. Except as may be specifically provided in the Lease to which these Rules and Regulations are attached, no sign, placard, picture, advertisement, name or notice shall be installed or displayed on any part of the outside or inside of the Building (except within the Premises) without the prior written consent of Landlord. Tenant shall not place anything against or near exterior windows or doors which may appear unsightly from outside the Premises or which are visible from the exterior of the Premises (other than approved window coverings). Landlord shall have the right to remove, at Tenant's expense and without notice, any sign installed or displayed in violation of this rule.

2. Tenant shall not obstruct any sidewalks, halls, passages, exits, entrances, elevators, escalators or stairways of the Building. Landlord shall in all cases retain the right to control and prevent access thereto of all persons whose presence in the judgment of Landlord would be prejudicial to the safety and interest of the Building. Without Landlord's written consent, neither Tenant nor any employee or invitee of Tenant shall go upon the roof of the Building or enter any other areas restricted by Landlord.

3. At Landlord's request, as a part of the Tenant Improvements, Tenant shall install new locks in, and re-key (or at its own option use electronic locks with access codes provided access is available by keyed lock as well), the Premises, and in such event, Tenant shall deliver a copy of a key (and, when applicable, access code) to all such locks to Landlord upon installation thereof. In addition, upon the termination of its tenancy, Tenant shall deliver to Landlord all keys in Tenant's possession to all doors and locks in the Premises.

4. All contractors and technicians rendering any service to Tenant after completion of the Tenant Improvements shall be referred to Landlord for approval (which approval shall not be unreasonably withheld, conditioned or delayed) prior to performing any such service. This applies to all work performed in the Building, including but not limited to, installation of telephone and telegraph equipment and electrical devices and installations affecting floors, walls, woodwork, windows, ceilings and any other physical portion of the Building. None of Tenant's contractors or subcontractors shall be entitled to (1) display identification or other signage at the Building, (2) use the passenger elevators or (3) park anywhere in the Parking Structure except in the area reasonably designated by Landlord.

5. Without limiting Landlord's approval rights of Tenant Improvements, Landlord also shall have the right after completion of Tenant Improvements to prescribe the weight, size and position of all equipment, materials, furniture or other property brought into the Building. Heavy objects shall, if considered necessary by Landlord in good faith, stand on such platforms as determined by Landlord in good faith to be necessary to properly distribute the weight, which platforms shall be provided at Tenant's expense. The persons employed to move such equipment in or out of the Building must be approved by Landlord which approval shall not be unreasonably withheld, delayed or conditioned. Landlord will not be responsible for loss of, or damage to, any such equipment or other property from any cause, and all damage done to the

Building by maintaining or moving such equipment or other property shall be repaired at the expense of Tenant.

6. Tenant shall not use or keep in the Premises any kerosene, gasoline or inflammable or combustible fluid or material other than those limited quantities necessary for office cleaning or office supplies. Tenant shall not use or permit to be used in the Premises any foul or noxious gas or substance, or permit or allow the Premises to be occupied or used in a manner which allows noise, odors or vibrations to emanate from the Premises, nor shall Tenant bring into or keep in or about the Premises any birds or animals other than licensed "seeing-eye" dogs.

7. Tenant shall not use any method of heating or air conditioning other than that installed by Landlord or approved by Landlord as part of the Tenant Improvements.

8. Tenant shall cooperate with Landlord to assure the most effective operation of the Building's heating and air conditioning and to comply with any governmental energy-saving rules, laws or regulations, provided such cooperation will not materially and adversely affect Tenant's operation of its own HVAC in the Premises. Tenant shall keep corridor doors closed.

9. Landlord reserves the right, exercisable upon thirty (30) days' prior written notice to Tenant, to change the name and/or street address of the Building.

10. Landlord reserves the right to exclude from the Building during hours other than Building hours of operation, any person unless that person is known to the person or employee in charge of the Building or has a pass or is properly identified. Tenant shall be responsible for all persons for whom it requests passes and shall be liable to Landlord for all acts of such persons. Landlord shall not be liable for damages for any error with regard to the admission to or exclusion from the Building of any person. Landlord reserves the right to prevent access to the Building in case of invasion, mob, riot, public excitement or other commotion by closing the doors or by other appropriate action.

11. Tenant shall close and lock the doors of its Premises before Tenant and its employees leave the Premises.

12. The toilet rooms, toilets, urinals, wash bowls and other apparatus shall not be used for my purpose other than that for which they were constructed and no foreign substance of any kind whatsoever shall be thrown therein. The expense of any breakage, stoppage or damage resulting from the violation of this rule shall be borne by the tenant who, or whose employees or invitees, shall have caused it.

13. Intentionally Deleted.

14. Except as set forth in the Lease, Tenant shall not install any radio or television antenna, loudspeaker or other devices on the roof(s) or exterior walls of the Building. Tenant shall not interfere with radio or television broadcasting or reception from or in the Building or elsewhere.

15. Tenant shall not affix any floor covering to the floor of the Premises in any manner except as reasonably approved by Landlord to the extent required by the provisions of the Lease pertaining to Tenant Improvements or Alterations. Landlord reserves the right to direct electricians as to where and how telephone and telegraph wires are to be introduced to the Premises. Tenant shall not cut or bore holes for wires, except in accordance with the provisions of the Lease pertaining to Tenant Improvements or Alterations. Tenant shall repair any damage resulting from noncompliance with this rule.

16. Canvassing, soliciting and distribution of handbills or any other written material, and peddling in the Building or Common Areas (collectively, the "Project") are prohibited, and Tenant shall cooperate to prevent such activities.

17. Landlord reserves the right to exclude or expel from the Project any person who, in Landlord's judgment, is intoxicated or under the influence of liquor or drugs or who is in violation of any of these Rules and Regulations.

18. Tenant shall store all its trash and garbage within its Premises or in other facilities provided by Landlord. Tenant shall 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. All garbage and refuse disposal shall be made in accordance with reasonable directions issued from time to time by Landlord.

19. Tenant shall comply with all reasonable safety, fire protection and evacuation procedures and regulations established by Landlord or any governmental agency.

20. There shall be no smoking within the Building or immediately adjacent to Building entrances (except in areas, if any, expressly designated therefor by Landlord).

21. Provided that such are applied to all tenants in the Building, upon written notice to Tenant, Landlord reserves the right to rescind any of these Rules and Regulations and to make future Rules and Regulations as, in its judgment, may from time to time be needed for safety, comfort and security, for care and cleanliness of the Building and for the preservation of good order therein, which Rules and Regulations shall not be discriminatorily modified or enforced in a manner which shall materially interfere with the conduct of Tenant's Permitted Use from the Premises or Tenant's use of or access to the Premises or the Parking Structure. Tenant agrees to abide by all such Rules and Regulations of which Tenant has been given written notice.

22. Tenant shall use commercially reasonable efforts to ensure the observance of all of the foregoing rules by Tenant's employees, agents, customers, invitees and guests.

23. Landlord reserves the right to charge as additional Rent to Tenant, any extra costs incurred by Landlord as a result of the violation of these Rules and Regulations by Tenant or by Tenant's employees, agents, customers, invitees and guests.

VISITOR PARKING

1. Unassigned parking is in the parking structure under the Building. Monthly parkers can enter and exit by card.

Visitors will draw a ticket and exit using the same ticket after paying at the pay-by-foot machine near the pedestrian path to the garage. Validation of the tickets will be possible, but equipment will be the Tenant's responsibility (i.e., Tenant may either buy "script" or "valometer" from Landlord).

EXHIBIT D

FORM OF MEMORANDUM OF LEASE

RECORDING REQUESTED BY:
WHEN RECORDED RETURN TO:

City of Beverly Hills
455 North Rexford Drive
Beverly Hills, California 90210
Attention: City Clerk

[Space Above For Recorder's Use Only]

The undersigned declare that this Memorandum of Lease is exempt from Recording Fees pursuant to California Government Code Section 27383 and exempt from Documentary Transfer Tax pursuant to California Revenue and Taxation Code Section 11922.

MEMORANDUM OF LEASE

THIS MEMORANDUM OF LEASE (this "**Memorandum**") is made as of July 3, 2012, by and between THE PARKING AUTHORITY OF THE CITY OF BEVERLY HILLS, a parking authority established pursuant to the Parking Law of 1949 of the State of California ("Landlord"), and RESTAURANT BUSINESS STRATEGIES, LLC, a California limited liability company ("Tenant").

RECITALS

- A. Tenant and Landlord have entered into that certain Retail Lease of substantially even date herewith (the "Lease"), pursuant to which Landlord has agreed to lease and demise to Tenant, and Tenant has agreed to lease and accept from Landlord, a portion (the "Premises") of that certain building located in the City of Beverly Hills, County of Los Angeles, State of California, commonly known as 240 N. Beverly Drive. The Premises are more particularly described in the Lease.
- B. Tenant and Landlord now desire to enter into this Memorandum to provide record notice of the Lease.

AGREEMENT

NOW, THEREFORE, in consideration of the foregoing and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, Tenant and Landlord agree as follows:

1. Lease. Landlord hereby leases and demises to Tenant, and Tenant hereby leases and accepts from Landlord, the portion of the Property defined as the "Premises" at 240 N. Beverly Drive described in the Lease for an initial term commencing on the "Commencement Date" described in the Lease and ending on January 31, 2021, at the rental rates and upon the other terms and conditions set forth in the Lease, which are incorporated herein by this reference.

2. Purpose. This Memorandum is prepared for the purposes of recordation only and in no way modifies the terms and conditions of the Lease. In the event any provision of this Memorandum is inconsistent with any term or condition of the Lease, the term or condition of the Lease shall prevail.

3. Counterparts. This Memorandum may be executed in any number of counterparts, each of which, when executed and delivered, shall be deemed to be an original, and all of which, taken together, shall be deemed to be one and the same instrument.

IN WITNESS WHEREOF, the parties hereto have executed this Memorandum of Lease as of the date first written above.

LANDLORD:

THE PARKING AUTHORITY
OF THE CITY OF BEVERLY HILLS

By: _____
William W. Brien, M.D.,
Chairman of Board of Directors

TENANT:

RESTAURANT BUSINESS STRATEGIES, LLC,
a California limited investment company

By: Brand 158 Investment Trust Established
November 15, 2011, its sole member

By: _____
Jack Chammas,
sole trustee

ATTEST:

_____ (SEAL)

By: _____
Byron Pope
Secretary to Board of Directors

EXHIBIT E

NOTICE OF LEASE TERM DATES

To: Restaurant Business Strategies, LLC
240 N. Beverly Drive, [Suite 300]
Beverly Hills, California 90210

Re: Retail Lease dated _____, 2012 between The Parking Authority of the City of Beverly Hills ("Landlord"), and Restaurant Business Strategies, LLC ("Tenant") for Suites 150 and Vitrine "F" of the building located at 240 N. Beverly Drive, Beverly Hills, California.

Gentlemen:

In accordance with the Retail Lease (the "Lease"), we wish to advise you and/or confirm as follows:

1. The Lease Term shall commence on or has commenced on _____ for a term of _____ ending on _____.
2. Rent commenced to accrue on _____, and is in the amount of _____.
3. Your rent checks should be made payable to The Parking Authority of the City of Beverly Hills at 455 N. Rexford Drive, Cashier's Office, Beverly Hills, California 90210.

"Landlord":

THE PARKING AUTHORITY OF THE CITY
OF BEVERLY HILLS

By: _____
Print Name: _____
Title: _____

Agreed to and Accepted

as of _____, 20__

“Tenant”:

RESTAURANT BUSINESS STRATEGIES, LLC,
a California limited investment company

By: Brand 158 Investment Trust Established
November 15, 2011, its sole member

By: _____
Jack Chammas,
sole trustee

TABLE OF CONTENTS

	<u>Page</u>
1. DEFINED TERMS; BASIC LEASE TERMS	1
2. PREMISES LEASED; OPTIONS TO RENT ADDITIONAL VITRINE SPACE AND SWAP VITRINE SPACE; COMMON AREAS	3
3. TERM; TENANT TERMINATION OPTIONS; EXTENSION TERMS	5
4. DELIVERY OF POSSESSION	6
5. RENT	6
6. SECURITY DEPOSIT	7
7. POSSESSORY INTEREST TAXES	7
8. COMMON AREA EXPENSE/OPERATING EXPENSE CHARGES	8
9. USE; RESTRICTIONS ON DELIVERIES; HAZARDOUS MATERIALS	8
10. TAXES ON TENANT'S PERSONAL PROPERTY	10
11. CONDITION OF PREMISES	10
12. INITIAL TENANT IMPROVEMENTS	11
13. ALTERATIONS	11
14. MAINTENANCE AND REPAIRS	13
15. LIENS	14
16. ENTRY BY LANDLORD	14
17. HVAC; UTILITIES AND SERVICES	15
18. INDEMNIFICATION	17
19. DAMAGE TO TENANT'S PROPERTY; WAIVER	17
20. INSURANCE	17
21. DAMAGE OR DESTRUCTION	19
22. EMINENT DOMAIN	21
23. ASSIGNMENT AND SUBLETTING	22

TABLE OF CONTENTS (cont.)

	<u>Page</u>
24. DEFAULT BY TENANT.....	25
25. DEFAULT BY LANDLORD; LIMITATION OF LIABILITY	27
26. NONDISTURBANCE, ATTORNMENT AND SUBORDINATION.....	28
27. ESTOPPEL CERTIFICATES	28
28. DEFINITION OF LANDLORD.....	28
29. PARKING.....	29
30. SIGNAGE.....	30
31. NOTICES.....	30
32. HOLDING OVER	30
33. QUIET ENJOYMENT.....	30
34. BROKERS; LEASING COMMISSIONS	30
35. MISCELLANEOUS	31
Exhibit A	Diagram of Premises
Exhibit B-1	Tenant Improvements
Exhibit C	Rules and Regulations
Exhibit D	Form of Memorandum of Lease
Exhibit E	Notice of Lease Term Dates

Attachment 2

RECORDING REQUESTED BY:
WHEN RECORDED RETURN TO:

The Parking Authority of the City of Beverly Hills
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Beverly Hills, California 90210
Attention: City Clerk

[Space Above For Recorder's Use Only]

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Memorandum is inconsistent with any term or condition of the Lease, the term or condition of the Lease shall prevail.

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IN WITNESS WHEREOF, the parties hereto have executed this Memorandum of Lease as of the date first written above.

LANDLORD:

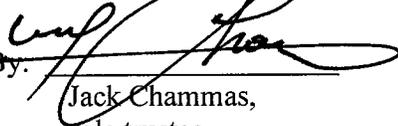
THE PARKING AUTHORITY
OF THE CITY OF BEVERLY HILLS

By: _____
William W. Brien, M.D.,
Chairman of Board of Directors

TENANT:

RESTAURANT BUSINESS STRATEGIES, LLC,
a California limited investment company

By: Brand 158 Investment Trust Established
November 15, 2011, its sole member

By: 
Jack Chammas,
sole trustee

ATTEST:

_____ (SEAL)

By: _____
Byron Pope
Secretary to Board of Directors

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

ACKNOWLEDGMENT

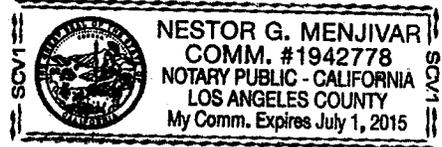
State of California
County of Los Angeles

On June 13, 2012 before me, Nestor G. Menjivar Notary Public
(insert name and title of the officer)

personally appeared Jack H. Chamma
who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) 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 Nestor Menjivar (Seal)

Though the information below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent removal and reattachment of this form to another document.

Description of Attached Document Memorandum of Lease
Title or Type of Document: _____

Document Date: _____ Number of Pages: _____

Signer(s) Other Than Named Above: _____

Capacity(ies) Claimed by Signer(s)

Signer's Name: _____

- Individual
- Corporate Officer — Title(s): _____
- Partner — Limited General
- Attorney in Fact
- Trustee
- Guardian or Conservator
- Other: _____

RIGHT THUMBPRINT OF SIGNER
Top of thumb here

Signer Is Representing: _____

Signer's Name: _____

- Individual
- Corporate Officer — Title(s): _____
- Partner — Limited General
- Attorney in Fact
- Trustee
- Guardian or Conservator
- Other: _____

RIGHT THUMBPRINT OF SIGNER
Top of thumb here

Signer Is Representing: _____