

IN THE SUPREME COURT OF THE STATE OF NEVADA

SPANISH HEIGHTS ACQUISITION
COMPANY, LLC; SJC VENTURES
HOLDING COMPANY, LLC,

Appellants

vs.

CBC PARTNERS I, LLC; CBC
PARTNERS, LLC; 5148 SPANISH
HEIGHTS, LLC; KENNETH ANTOS
AND SHEILA NEUMAN-ANTOS;
DACIA, LLC

Respondents.

Case No. 82868

Electronically Filed
Nov 10 2021 01:16 p.m.
Elizabeth A. Brown
Clerk of Supreme Court

APPEAL

from a decision in favor of Respondent
entered by the Eighth Judicial District Court, Clark County, Nevada
The Honorable Elizabeth Gonzalez, District Court Judge
District Court Case No. A-20-813439-B

APPELLANTS' APPENDIX VOLUME XI

DATE	DESCRIPTION	VOLUME	PAGES
10/19/2020	Appendix of Exhibits to Defendants/Counterclaimants' Opposition to Plaintiffs' Renewed Application for Temporary Restraining Order and Motion for Preliminary Injunction	III/IV/V/VI	AA0525-1282
12/24/2020	Appendix of Exhibits to Defendants/Counterclaimants' Opposition to Plaintiffs' Renewed Application for Temporary Restraining Order and Motion for	X/XI/XII/XIII/XIV	AA2178-3213

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05/04/2021	Cost Bond on Appeal	XVIII	AA4244-4247
06/04/2021	Court Minutes for Motion to Reconsider	XIX	AA4432
01/11/2021	Court Minutes for Renewed Motion to Dismiss First Amended Complaint as to Dacia, LLC or in the Alternative Motion for Summary Judgment	XVI	AA3589
12/24/2020	Declaration of Alan Hallberg in Support of Defendants/Counterclaimants' Opposition to Plaintiffs' Renewed Application for Temporary Restraining Order and Motion for Preliminary Injunction on Order Shortening Time	X	AA2169-2171
11/09/2020	Declaration of Kenneth M. Antos in Support of Defendants/Counterclaimants' Opposition to Plaintiffs' Renewed Application for Temporary Restraining Order and Motion for Preliminary Injunction	VI	AA1300-1327
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	Counterclaimants' 5148 Spanish Heights, LLC and CBC Partners I, LLC Counterclaim Against Spanish Heights Acquisition Company, LLC, SJC Ventures, LLC, SJC Ventures Holding Company, LLC, and Jay Bloom		
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01/05/2021	Reply in Support of Renewed Motion to Dismiss First Amended Complaint as to Dacia, LLC or in the Alternative Motion for Summary Judgment	XVI	AA3586-3588
09/28/2020	SJC Ventures Holding Company, LLC, d/b/a SJC Ventures, LLC's Answer to Counterclaim Filed By Kenneth Antos and Sheila Neumann-Antos, as Trustees of the Kenneth & Sheila Antos Living Trust and the Kenneth M. Antos & Sheila M. Neumann-Antos Trust	I	AA0161-0171
07/10/2020	Spanish Heights Acquisition Company, LLC, SJC Ventures, LLC, SJC Ventures Holding Company, LLC, and Jay Bloom's Answer to Counterclaim	I	AA0117-0135
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04/09/2020	Temporary Restraining Order	I	AA0011-0014
01/05/2021	Temporary Restraining Order	XVI	AA3581-3585
03/22/2021	Transcript of Oral Ruling Re: First Motion to Dismiss Case with Certificate of Service Filed By	XVIII	AA4153-4164

	Michael R. Mushkin on Behalf of 5148 Spanish Heights, LLC		
05/18/2021	Transcript of Oral Ruling Re: Motion for Sanctions for Violation of the Automatic Stay and Related Relief Filed By James D. Greene on Behalf of Spanish Heights Acquisition Company, LLC	XIX	AA4403-4426

CERTIFICATE OF SERVICE

I certify that on the 10th day of November, 2021, this document was electronically filed with the Nevada Supreme Court. Electronic service of the foregoing: **APPELLANTS' OPENING BRIEF** and **VOLUMES I – XIX** of the **APPENDIX** shall be made in accordance with the Master Service List as follows:

Michael R. Mushkin, Esq.
MUSHKIN & COPPEDGE
6070 S. Eastern Avenue, Suite 270
Las Vegas, Nevada 89119
Attorney for Respondents

DATED this 10th day of November, 2021.

/s/ Natalie Vazquez

An Employee of MAIER GUTIERREZ & ASSOCITES

EXHIBIT “F”

SEVENTH MODIFICATION TO SECURED PROMISSORY NOTE AND WAIVER OF DEFAULTS

THIS SEVENTH MODIFICATION TO SECURED PROMISSORY NOTE AND WAIVER OF DEFAULTS (this "Modification"), effective as of October 31, 2014, is entered into by and among KCI INVESTMENTS, LLC, a Nevada limited liability company ("KCI"), PREFERRED RESTAURANT BRANDS, INC. f/k/a DIXIE FOODS INTERNATIONAL, INC., a Florida corporation ("Dixie" and, together with KCI, each a "Borrower" and collectively, "Borrowers") and CHC PARTNERS I, LLC, a Washington limited liability company, or its assigns ("Lender").

RECITALS

WHEREAS, KCI is currently indebted to Lender pursuant to the terms and conditions of that certain Secured Promissory Note between KCI and Lender dated as of June 22, 2012, as modified pursuant to that certain First Modification to Secured Promissory Note dated as of July 19, 2012, that certain Second Modification to Secured Promissory Note dated as of October 22, 2012, that certain Third Modification to Secured Promissory Note dated as of July 19, 2013, that certain Fourth Modification to Secured Promissory Note dated as of November 19, 2013, that certain Fifth Modification to Secured Promissory Note dated as of January 19, 2014 (the "Fifth Modification"), and that certain Sixth Modification to Secured Promissory Note dated as of April 19, 2014 (the "Sixth Modification"), and as further amended from time to time (the "Note");

WHEREAS, Lender consented in the Fifth Modification to a reverse merger of KCI into Dixie, a public shell corporation, subject to the conditions precedent in Section 2 of the Fifth Modification (the "Merger Conditions"), which KCI has failed to satisfy;

WHEREAS the actual transaction consummated by KCI and Dixie constituted an acquisition by Dixie of KCI (the "Acquisition"), the result of which is that KCI is now a wholly owned subsidiary of Dixie, which, in turn, is a subsidiary of KCI Holding 1, LLC ("Holdings"), and, in connection with such Acquisition, the indebtedness of the Note was assumed by Dixie and all warrants previously issued by KCI to Lender were assumed by or converted into membership units of Holdings;

WHEREAS, KCI is currently in default under the terms of the Note as a result of (i) failing to make the principal payment due no later than June 30, 2014, as set forth in Section 9 of the Sixth Modification, (ii) incurring debt to Bankers Trust of South Dakota, in its capacity as trustee of the Turpin Brown Trust; Bankers Trust of South Dakota, in its capacity as trustee of The Richard D. Doermer 1999 8% Charitable Remainder Unitrust; Bankers Trust of South Dakota, in its capacity as trustee of the Richard D. Doermer 2006 6% Charitable Lead Unitrust; Bankers Trust of South Dakota, in its capacity as trustee of the Richard D. Doermer 2006 6% Charitable Remainder Unitrust; Simpson VIII, L.L.C.; Simpson IV, L.L.C.; and Richard D. Doermer (the "Third Party Lenders") in violation of Section 6.4 of the Note, and (iii) granting security interests in certain of its assets to the Third Party Lenders in violation of Section 6.5 of the Note (the "Existing Defaults");

WHEREAS, KCI and Dixie have asked that Lender extend the maturity of the Note, increase the principal amount of the Note, and waive the Existing Defaults, and Lender has agreed to such requests, subject to the terms and conditions set forth in this Modification;

NOW, THEREFORE, for valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree that the Note shall be amended as follows:

1. Waiver of Merger Conditions; Consent to the Acquisition. Lender hereby waives the Merger Conditions and consents to the Acquisition, subject to the terms and conditions herein.

2. Joinder of Dixie.

(a) Dixie hereby agrees to be bound with KCI, on a joint and several basis, as "Borrower" under the Note and agrees to be bound by the provisions of the Note in its entirety, as if a signatory thereto on the date of the Note as "Borrower", and Dixie shall comply with and be subject to and have the benefit of, and hereby assumes and agrees to be bound by, all of the terms, conditions, covenants, agreements and obligations set forth therein. All Advances under the Note shall be deemed to be jointly funded to and received by both Borrowers. Each Borrower jointly and severally agrees to pay, and shall be jointly and severally liable under the Note for, all Liabilities, regardless of the manner or amount in which proceeds of Advances are or were used, allocated, shared, or disbursed by or among Borrowers themselves, or the manner in which Lender accounts for such Advances or other extensions of credit on its books and records. Each Borrower acknowledges and expressly agrees that the joint and several liability of each Borrower is required solely as a condition to, and is given solely as inducement for and in consideration of, credit or accommodations extended or to be extended under this Modification, the Note and the other Ancillary Documents to any or all of Borrowers and is not required or given as a condition of extensions of credit to such Borrower. Upon any Event of Default, Lender may proceed directly and at once, without notice, against any Borrower or all to collect and recover the full amount, or any portion of the Liabilities, without first proceeding against any other Borrower or any other person, or against any security or collateral for the Liabilities. Each Borrower consents and agrees that Lender shall be under no obligation to marshal any assets in favor of any Borrower or against or in payment of any or all of the Liabilities. All references in the Note or the Ancillary Documents to "Borrower" shall be deemed to include KCI and Dixie, individually and collectively.

(b) To the extent that any Borrower shall, under the Note as a joint and several obligor, repay any of the Liabilities constituting Advances made to the other Borrower hereunder or other Liabilities incurred directly and primarily by the other Borrower (an "Accommodation Payment"), then such Borrower making such Accommodation Payment shall be entitled to contribution and indemnification from, and be reimbursed by, the other Borrower in an amount equal to a fraction of such Accommodation Payment, the numerator of which fraction is such other Borrower's Allocable Amount and the denominator of which is the sum of the Allocable Amounts of both Borrowers. As of any date of determination, the "Allocable Amount" of each Borrower shall be equal to the maximum amount of liability for Accommodation Payments that could be asserted against such Borrower hereunder without (a) rendering such Borrower "insolvent" within the meaning of Section 101 (32) of the Bankruptcy

Code, Section 2 of the Uniform Fraudulent Transfer Act ("UFTA") or Section 2 of the Uniform Fraudulent Conveyance Act ("UFCA"), (b) leaving such Borrower with unreasonably small capital or assets, within the meaning of Section 548 of the Bankruptcy Code, Section 4 of the UFTA, or Section 5 of the UFCA, or (c) leaving such Borrower unable to pay its debts as they become due within the meaning of Section 548 of the Bankruptcy Code or Section 4 of the UFTA, or Section 5 of the UFCA. All rights and claims of contribution, indemnification, and reimbursement under this Section 2(b) shall be subordinate in right of payment to the prior payment in full of the Liabilities. The provisions of this Section 2(b) shall, to the extent expressly inconsistent with any provision in the Note or any Ancillary Document, supersede such inconsistent provision.

3. Representations and Warranties of Dixie. Dixie hereby represents and warrants, for the benefit of Lender, as follows: that (a) it is duly organized, validly existing and in good standing under the laws of the state of its organization as set forth above, and has all requisite power and authority to own its property and to carry on its business as now being conducted, to enter into this Modification and to carry out the provisions and conditions of this Modification and the Note; (b) this Modification and the Note constitute legal, valid and binding obligations of Dixie enforceable against Dixie in accordance with the terms hereof and thereof.

4. Amended Definition of "Maturity Date". The definition of "Maturity Date", as set forth in Section 1.1 of the Note, is deleted in its entirety and replaced with the following:

"Maturity Date" means April 30, 2015.

5. Amended Section 2.1. Section 2.1 of the Note is deleted in its entirety and replaced with the following:

2.1 Advance. On June 25, 2012, \$300,000 of the principal balance of this Secured Promissory Note was advanced to Borrower. On July 19, 2012, an additional \$1,700,000 of the principal balance of this Secured Promissory Note was advanced to Borrower. On October 22, 2012, an additional \$900,000 of the principal balance of this Secured Promissory Note was advanced to Borrower and on December 21, 2012, an additional \$100,000 of the principal balance of this Secured Promissory Note was advanced to Borrower. As of December 17, 2014, Borrower has repaid \$300,000 of the principal on the Note. On or before January 30, 2015, Borrower may request an additional Advance in an amount not to exceed \$250,000.

The request for the additional Advance shall be in writing, specify Borrower's intended use for the requested Advance and be signed by Borrower in the form attached hereto as Exhibit A (the "Advance Request"). No Advance shall be made on or after the Maturity Date, or after the occurrence of a default or Event of Default which has not been cured or waived by Lender, any such waiver to be granted at Lender's sole discretion. Borrower agrees that Lender may rely on any Advance Request given by any person Lender reasonably believes is authorized to make such request without the necessity of independent investigation. Notwithstanding anything to the contrary contained herein, the aggregate

principal amount of all advances made hereunder shall not exceed Two Million Nine Hundred Fifty Thousand Dollars (\$2,950,000) at any time.

6. Amended Section 2.3. Section 2.3 of the Note is deleted in its entirety and replaced with the following:

2.3 Default Interest. Upon the occurrence of an Event of Default, the unpaid principal amount of the Loan and accrued and unpaid interest thereon shall bear interest at a rate equal to the lesser of the (a) Maximum Rate or (b) Default Rate. Such interest shall accrue, commencing upon the occurrence of an Event of Default and continue until such Event of Default is cured or waived.

7. Amended Section 2.4. Section 2.4 of the Note is deleted in its entirety and replaced with the following:

2.4 Payments. Borrower shall make (a) monthly payments of interest on the first (1st) day of each month, and (b) a principal payment of Two Hundred Fifty Thousand Dollars (\$250,000) on or before January 30, 2015. Borrower may prepay all or any portion of the Loan at any time prior to the Maturity Date, without premium or penalty. Borrower shall pay the outstanding principal balance of this Note, together with all accrued and unpaid interest, fees and costs, on or before the Maturity Date.

8. Amended Use of "Security Agreement" and "Ancillary Documents". The term "Security Agreement" in Sections 5.2, 5.4, 13.3 and 13.9 is amended to be "Ancillary Documents".

9. Amended Section 7. The following paragraphs are added to Section 7 of the Note as new subsections 7.1.9 and 7.1.10, with the appropriate, corresponding punctuation changes to Sections 7.1.7 and 7.1.8:

7.1.9 any payment of principal or prepayment of interest on any debt incurred in violation of Section 6.4, regardless of whether such violation has been waived by Lender; provided that Borrower may make principal payments in an aggregate amount not to exceed \$190,000 for all such payments, pursuant to those certain promissory notes (i) dated August 28, 2013, in the original principal amount of \$90,000, executed by Borrower in favor of Simpson IV, L.L.C. and (ii) dated October 30, 2013, in the original principal amount of \$100,000, executed by Borrower in favor Richard D. Doerner; and

7.1.10 any acceleration or delivery to Borrower of any notice of intent to accelerate with respect to, or the maturation of, any debt owing by Borrower to any person or entity other than Lender.

10. Amended Section 9. Section 9 of the Note is deleted in its entirety and replaced with the following:

9. Attorneys' and Collection Fees. Should the indebtedness evidenced by this Secured Promissory Note or any part hereof be collected at law or in equity or in bankruptcy, receivership or other court proceedings, Borrower agrees to pay and indemnify Lender for, in addition to principal and interest due and payable hereon, all costs of collection, including, without limitation, reasonable attorneys' fees, costs and expenses, incurred by Lender in collecting on or enforcing this Secured Promissory Note and the Ancillary Documents. Without limiting the foregoing, Borrower shall indemnify Lender for, and pay immediately upon demand, all costs and expenses (including attorneys' fees) incurred in connection with the negotiation, drafting, closing, modification or amendment, execution, delivery, collection, or enforcement of this Note and the Ancillary Documents and any matters contemplated by this Note or any Ancillary Document, and will reimburse Lender for all out-of-pocket expenses (including reasonable attorneys' fees, expenses and charges) on demand as they are incurred in connection with any of the foregoing.

11. Amended Section 12.2. Section 12.2 of the Note is deleted in its entirety and replaced with the following:

12.2 Survival. All indemnification rights hereunder shall survive the execution and delivery of this Secured Promissory Note and the consummation of the transactions contemplated hereby (a) for a period of three years with respect to representations and warranties made by Borrower, and (b) until fully performed with respect to covenants and agreements made by Borrower, regardless of any investigation, inquiry or examination made for or on behalf of, or any knowledge of Lender and/or any of the Indemnified Persons or the acceptance by Lender of any certificate or opinion.

12. Amended Section 13.1.

(a) The address for notices to Lender in Section 13.1 of the Note is hereby deleted in its entirety and replaced with the following:

CBC Partners I, LLC
777 108th Ave NE, Suite 1895
Bellevue, WA 98004
Fax: (425) 688-7003
Attention: Alan Hallberg

(b) The following address for notices to Dixie is added as an additional address to Section 13.1 of the Note:

Preferred Restaurant Brands, Inc.
4033 S. Dean Martin Drive
Las Vegas, NV 89103
Fax: (704) 248-3782
Attention: Kenneth Antos

13. Waiver. Lender waives its default rights with respect to the Existing Defaults. This waiver applies only to the Existing Defaults and, except as to the Existing Defaults, the execution of this Modification and the acceptance of all other agreements and instruments related hereto shall not be deemed to be a waiver of any default or Event of Default under the Note or a waiver of any breach, default or event of default under any Loan Document. Except as expressly set forth herein, all terms and conditions of the Note remain in full force and effect without waiver or modification. Each Borrower represents and warrants that as of the date hereof, there are no claims or offsets against or defenses or counterclaims to such Borrower's obligations under the Note or any Ancillary Document.

14. No Other Changes. Except as explicitly amended by this Modification, all of the terms and conditions of the Note shall remain in full force and effect and shall apply to any Advance or Letter of Credit thereunder.

15. Representations and Warranties. Each Borrower hereby represents and warrants to Lender as follows:

(a) Such Borrower has all requisite power and authority to execute this Modification and any other agreements or instruments required hereunder and to perform all of its obligations hereunder, and this Modification and all such other agreements and instruments has been duly executed and delivered by such Borrower and constitute the legal, valid and binding obligation of such Borrower, enforceable in accordance with its terms.

(b) The execution, delivery and performance by such Borrower of this Modification and any other agreements or instruments required hereunder have been duly authorized by all necessary corporate action and do not (i) require any authorization, consent or approval by any governmental department, commission, board, bureau, agency or instrumentality, domestic or foreign, (ii) violate any provision of any law, rule or regulation or of any order, writ, injunction or decree presently in effect, having applicability to such Borrower, or the governing documents of such Borrower, or (iii) result in a breach of or constitute a default under any indenture or loan or credit agreement or any other agreement, lease or instrument to which such Borrower is a party or by which it or its properties may be bound or affected.

(c) All of the representations and warranties contained in Section 4 of the Note are correct on and as of the date hereof as though made on and as of such date, except to the extent that such representations and warranties relate solely to an earlier date.

(d) As of the date of this Modification, there exists no Event of Default as defined in the Note, nor any condition, act or event which with the giving of notice or the passage of time or both would constitute any such Event of Default.

16. No Waiver. The execution of this Modification and the acceptance of all other agreements and instruments related hereto shall not be deemed to be a waiver of any default or Event of Default under the Note or a waiver of any breach, default or event of default under any Loan Document, except as expressly stated herein.

17. Amendment Fee and Expenses. Borrowers shall jointly and severally owe to Lender a fully earned and nonrefundable amendment fee in the amount of Fifty-five Thousand Dollars (\$55,000.00) (the "Amendment Fee") contemporaneously with the earlier of Borrowers' execution and delivery to Lender of this Modification. Borrowers' execution of this Modification shall constitute their agreement, regardless of whether the conditions precedent set forth in Section 18 below are satisfied, to pay upon demand the Amendment Fee and all reasonable fees and expenses of Lender incurred in connection with this Modification and the Loan, including (without limitation) attorneys' fees and expenses for the preparation, negotiation, examination and enforcement of documents (including, without limitation, this Modification and any Ancillary Documents executed or delivered in connection herewith, and all other fees and costs incidental to the closing of this Modification and the making of the Loan). Lender shall not be required to pay any premium, brokerage fee, loan broker fee, commission or similar compensation in connection with this transaction, and each Borrower agrees to defend, indemnify, and hold Lender harmless from and against all claims asserted by any person on account of any such fee, commission or compensation, including attorneys' fees paid or incurred by Lender with respect to any such claim.

18. Conditions Precedent. The execution and performance of this Modification by Lender is subject to the following conditions precedent:

(a) Execution by each Borrower and delivery to Lender of this Modification, in form and substance satisfactory to Lender.

(b) Execution by Dixie and delivery to Lender of a Warrant Agreement for one million four hundred fifty thousand (1,450,000) shares of Dixie, in form and substance satisfactory to Lender.

(c) Execution by Dixie and delivery to Lender of a Security Agreement, in form and substance satisfactory to Lender.

(d) Delivery to Lender of certified resolutions of Dixie to enter into this Modification, including the joinder provisions in Section 2 hereof, and the Warrant Agreement referenced in clause (b), in each case, in form and substance satisfactory to Lender.

(e) Delivery to Lender of an incumbency certificate of Dixie, in form and substance satisfactory to Lender.

(f) Execution and delivery by Kenneth M. Antos and Sheila M. Neumann-Antos, as Trustees of the Kenneth and Sheila Antos Living Trust dated April 26, 2007 and any amendments thereto (the "Antos Trust") to Lender of a Deed of Trust on the real property located at 5148 Spanish Heights Drive, Las Vegas, Nevada 89148 (the "Real Property"), in form and substance satisfactory to Lender in its sole discretion.

(g) Delivery to Lender of a trust certificate by the Antos Trust, in form and substance satisfactory to Lender.

(h) Execution by each of the Guarantors of the Agreement and Acknowledgement of Guarantors attached hereto.

(i) Delivery to Lender of a name affidavit of Sheila M. Neumann-Antos in form and substance satisfactory to Lender.

(j) Payment in full and in good funds of the Amendment Fee all reasonable fees and expenses of Lender incurred in connection with this Modification, including (without limitation) attorneys' fees and expenses for the preparation, negotiation, examination and enforcement of documents (including, without limitation, this Modification and any Ancillary Documents executed or delivered in connection herewith, and all other fees and costs incidental to the closing of this Modification and the making of the Loan) for which Lender has made demand.

(k) The representations and warranties in Section 4 of the Note shall be true and correct as of the date of this Modification and any additional Advance.

(l) Since September 30, 2014, there shall have been no material adverse change, as determined by Lender, in the financial condition or business of either Borrower (or any guarantor hereunder), nor any material decline, as determined by Lender, in the market value of any collateral required hereunder or a substantial or material portion of the assets of either Borrower (or any such guarantor).

19. Holdings Resolutions and Warrant.

(a) Within sixty (60) days of the date hereof (which date may be extended in Lender's sole discretion), Borrowers shall deliver to Lender evidence satisfactory to Lender in its discretion of the ratification of the conversion of 5,858,225 membership units of KCI into an equal number of membership units of Holdings and the issuance of 5,858,225 membership units of Holdings to Lender.

(b) Borrowers shall take all actions necessary, in good faith, to cause Holdings to issue membership units in Holdings to Lender, within sixty (60) days of the date hereof (which date may be extended in Lender's sole discretion), based upon the exercise of those certain Warrants to Purchase Membership Units issued by KCI dated July 19, 2012, October 22, 2012, and November 19, 2013, for an aggregate of 5,858,225 membership units in Holdings.

(c) Within sixty (60) days of the date hereof (which date may be extended in Lender's sole discretion), Borrowers shall deliver to Lender evidence satisfactory to Lender in its discretion of the assignment and assumption by Holdings reflecting the exchange of those certain Warrants to Purchase Membership Units issued by KCI dated April 19, 2014, for an aggregate of 1,818,574 membership units of KCI, for warrants issued by Holdings to Lender for an aggregate of 1,818,574 membership units of Holdings.

20. Title Policy. Within sixty (60) days of the date hereof (which date may be extended in Lender's sole discretion), Lender shall have received a policy of title insurance, with such endorsements as Bank may require, issued by a company and in form and substance satisfactory to Lender, in such amount as Lender shall require, insuring Lender's lien on the Real Property, subject only to such exceptions as Lender shall approve in its discretion, with all costs thereof to be paid by Borrower. Borrower agrees to cause any necessary parties to provide or obtain any customary affidavits and indemnities as may be required or necessary to obtain title insurance satisfactory to Lender.

21. Blocked Account. Within sixty (60) days of the date hereof (which date may be extended in Lender's sole discretion), Borrower shall deliver to Lender a fully executed (a) springing blocked account agreement by and among Kenneth M. Antos ("Antos"), Lender and JPMorgan Chase & Co. or its affiliate for account number xxxxx3477 (the "Account"), which is the Account in which Antos deposits or receives payments under that certain Settlement Agreement and Mutual Release, as amended by and among Twin Towers Trading Site Management, LLC, Jeffrey Brandon, Eric Scholer, David L. Beacklean, SMG Group, Inc., and Antos, dated as of September 1, 2012 (the "Settlement Agreement"), and (b) irrevocable payment directive directing all payments under the Settlement Agreement to be made into the Account, subject to change only upon the direction of Lender in Lender's sole discretion. Antos covenants and agrees not to direct payments from the Settlement Agreement into any account other than the Account without the prior written consent of Lender, such consent to be withheld in Lender's sole discretion.

22. Further Assurances. Promptly upon request, Borrowers and Guarantors shall deliver, and shall cause Holdings and Third Party Lenders to deliver, such instruments, assignments, title certificates, or other documents or agreements, and shall take such actions, as Lender deems appropriate to evidence or perfect its interest in any Collateral, or otherwise to give effect to the intent of this Modification and the documents, instruments and transactions contemplated hereby and under the other Ancillary Documents, as modified hereby.

23. Information. In addition to the requirements of Section 5.6 of the Note, each Borrower shall submit to Lender (a) notice of the occurrence of a default or Event of Default under the Note or any Ancillary Document, (b) notice of the threat or commencement of litigation against either Borrower or any Guarantor in an amount in excess of \$100,000, (c) notice regarding changes in either Borrower's structure, name, ownership, officers or manager, (d) any notice received by either Borrower or Holdings with respect to any debt or obligation owing by either Borrower to any other person or entity, including the Third Party Lenders, including but not limited to any notice of default, notice of intent to accelerate or notice of acceleration, and (e) such other information as Lender may reasonably request.

24. Agency of Dixie for KCI. KCI irrevocably appoints Dixie as its agent for all purposes relevant to this Modification, the Note and the Ancillary Documents, including the giving and receipt of notices and execution and delivery of all documents, instruments, and certificates contemplated herein and all modifications hereto. Any acknowledgment, consent, direction, certification, or other action that might otherwise be valid or effective only if given or taken by both Borrowers shall be valid and effective if given or taken only by Dixie, whether or not KCI joins therein, and Lender shall have no duty or obligation to make further inquiry with respect to the authority of Dixie under this Section 24; provided that nothing in this Section 24 shall limit the effectiveness of, nor the right of Lender to rely upon, any notice, document, instrument, certificate, acknowledgment, consent, direction, certification, or other action delivered by either Borrower pursuant to this Modification, the Note, or any Ancillary Document or to require the consent of both Borrowers to any such action.

25. Ownership. KCI and Dixie shall not issue any stock, warrant, option, or other ownership interest without the prior written consent of Lender.

26. References. All references in the Note to "this Secured Promissory Note" shall be deemed to refer to the Note as amended hereby, and any and all references in the Loan Documents to the Note shall be deemed to refer to the Note as amended hereby. Capitalized terms used herein and not defined herein shall have the meanings assigned thereto in the Note. Failure by any Borrower or Guarantor to strictly comply with the terms of this Modification shall constitute an Event of Default under the Note.

27. Miscellaneous. This Modification and each of the Agreement and Acknowledgement of Guarantors may be executed in any number of counterparts, each of which when so executed and delivered shall be deemed an original and all of which counterparts, taken together, shall constitute one and the same instrument. Electronic delivery of an original signature shall constitute an original signature.

28. Statutory Notice. **ORAL AGREEMENTS OR ORAL COMMITMENTS TO LOAN MONEY, EXTEND CREDIT OR FORBEAR FROM ENFORCING REPAYMENT OF A DEBT ARE NOT ENFORCEABLE UNDER WASHINGTON LAW.**

Intentionally blank

IN WITNESS WHEREOF, the parties hereto have caused this Modification to be duly executed as of the date first above written.

BORROWERS:

KCI INVESTMENTS, LLC,
a Nevada limited liability company



By: Ken Antos
Its: Managing Member

Address: 4033 S. Dean Martin Drive
Las Vegas, NV 89103

PREFERRED RESTAURANT BRANDS, INC. d/b/a DIXIE
FOODS INTERNATIONAL, INC.,
a Florida corporation



By: Ken Antos
Its: President

Address: 4033 S. Dean Martin Drive
Las Vegas, NV 89103

LENDER:

CBC PARTNERS I, LLC,
a Washington limited liability company



By: John Otter
Its: Authorized Manager Representative

Address: 777 108th Ave NE
Suite 1895
Bellevue, WA 98004
Facsimile: (425) 688-7003

ACKNOWLEDGMENT AND AGREEMENT OF GUARANTORS

Each of the undersigned guarantors of the indebtedness of KCI Investments, LLC, a Nevada limited liability company (the "KCI") to CBC Partners I, LLC ("Lender"), a Washington limited liability company, or its assigns, pursuant to his/her respective Guaranty dated June 22, 2012, (the "Guaranty"), hereby (i) acknowledges receipt of the Seventh Modification to Secured Promissory Note and Waiver of Defaults (the "Seventh Modification"); (ii) consents to the terms and execution thereof; (iii) agrees and consents to the joinder of Preferred Restaurant Brands, Inc. f/k/a Dixie Foods International, Inc. ("Dixie") as a Borrower under the Note and agrees that the he/she guarantees all indebtedness of KCI and Dixie owing to Lender under the terms of the Note and Ancillary Documents pursuant to the Guaranty, (iv) agree the term "Borrower" set forth in the Guaranty is hereby modified to mean KCI and Dixie individually and collectively; (v) agrees and confirms that "Guaranteed Obligations" as defined in the Guaranty includes all indebtedness, obligations, and liabilities of KCI and Dixie, as more fully described in the Guaranty; (vi) reaffirms all obligations to Lender pursuant to the terms of the Guaranty; (vii) acknowledges that Lender may amend, restate, extend, renew or otherwise modify the Note and any indebtedness or agreement of KCI or Dixie, or enter into any agreement or extend additional or other credit accommodations, without notifying or obtaining the consent of the undersigned and without impairing the liability of the undersigned under the Guaranty for all of the Borrower's present and future indebtedness to Lender; and (viii) agrees to join in and be bound by all of the terms and provisions of Section 21 (including executing the springing blocked account agreement), Section 22, and Section 26 of the Seventh Modification.

Dated effective as of the 31st day of October, 2014.

GUARANTORS:



Kenneth Antos



Shelia Antos

EXHIBIT “G”

**KENNETH M. ANTOS AND SHEILA NEUMANN-ANTOS, TRUSTEES OF THE
KENNETH AND SHEILA ANTOS LIVING TRUST DATED APRIL 26, 2007, AND ANY
AMENDMENTS THERETO
CERTIFICATE OF TRUST
EXISTENCE AND AUTHORITY**

TO CBC PARTNERS I, LLC:

The undersigned, being the trustees of the Kenneth and Sheila Antos Living Trust Dated April 26, 2007, and any amendments thereto (the "Trust"), hereby certify to CBC PARTNERS I, LLC (the "Lender"), pursuant to Nevada Revised Statutes §164.400 et seq., as follows:

The Trust is validly existing under and by virtue of the laws of the State of Nevada.

The Trust is currently in force as set forth in that certain trust agreement dated as of April 26, 2007 (the "Trust Agreement") by and among Kenneth M. Antos and Sheila M. Neumann-Antos, as Grantors, and Kenneth M. Antos and Sheila M. Neumann-Antos, as Trustees.

Kenneth M. Antos and Sheila M. Neumann-Antos are the only trustees of the Trust.

Kenneth M. Antos and Sheila M. Neumann-Antos, as trustees (each, a "Trustee") acting on behalf of the Trust, are each authorized and empowered in the name of the Trust without the approval or consent of the other Trustee, the beneficiaries, or any other person:

To execute and deliver a Deed of Trust, Assignment of Rents, Security Agreement and Fixture Filing (the "Deed of Trust"), to secure (i) obligations owing to Lender by KCI Investments, LLC, a Nevada limited liability company, and Preferred Restaurant Brands, Inc., a Florida corporation (individually and collectively, "Borrower"), (ii) that certain Secured Promissory Note dated as of June 22, 2012, in the maximum principal amount of \$3,250,000.00 (the "Note") executed by Borrower in favor of Lender, (iii) that certain Guaranty dated June 22, 2012, executed by the Grantors as individuals and not in their capacity as trustees, and (iv) the other documents and instruments executed or delivered in connection with the foregoing.

To do and perform such other acts and things and to execute and deliver such other documents as may in the Trustee's discretion be deemed reasonably necessary or proper to enter into, and to perform the undersigned's obligations under the Deed of Trust to which the undersigned are a party, including all further modifications, releases, consents, and amendments thereto.

The Trust Agreement is revocable by Grantors, acting jointly.

The Trust Agreement has not been revoked, modified or amended in any way that makes the foregoing certifications incorrect. A true, correct, and complete copy of the Trust Agreement for the Trust is attached hereto as Exhibit A.

Provided the Trustee is a Grantor, any one Trustee may act for and conduct business on behalf of the Trust without the consent of the other Trustee.

The Deed of Trust and Lender's provision of credit under the terms of the Note will directly and indirectly benefit the Trust and its beneficiaries.

The Trustees of the Trust have the authority to enter into the transactions with respect to which this Certificate is being delivered, and such transactions will create binding obligations on the assets of the Trust.

The Trust taxpayer identification number is [employer identification number] [social security number] 051344498.

Title to the Trust assets should be taken in the following manner:

**KENNETH M. ANTOS AND SHEILA NEUMANN-ANTOS, TRUSTEES OF
THE KENNETH AND SHEILA ANTOS LIVING TRUST DATED APRIL 26,
2007, AND ANY AMENDMENTS THERETO**

All information contained in this Certificate is true and correct, and Lender as a third party conducting business with the trustees of the Trust may rely on this information until Bank receives written notice of any changes signed by each trustee.

The Trust is not a "business trust" as defined in, or established under, any state statute.

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The undersigned declares under penalty of perjury under the laws of the State of Nevada that the foregoing is true and correct, that the undersigned constitute all of the currently acting trustees, and that this Certificate was executed on this 17th day of December, 2014, at Las Vegas, Nevada.



Kenneth M. Antos, as Trustee of the Kenneth and Sheila Antos Living Trust dated April 26, 2007, and any amendments thereto




Sheila M. Neumann-Antos, as Trustee of the Kenneth and Sheila Antos Living Trust dated April 26, 2007, and any amendments thereto

STATE OF NEVADA

COUNTY OF CLARK

This instrument was acknowledged before me on December 17, 2014, by Kenneth M. Antos, as Trustee of the Kenneth and Sheila Antos Living Trust dated April 26, 2007, and any amendments thereto.


Notary Public

STATE OF NEVADA

COUNTY OF CLARK

This instrument was acknowledged before me on December 17, 2014, by Sheila M. Neumann-Antos, as Trustee of the Kenneth and Sheila Antos Living Trust dated April 26, 2007, and any amendments thereto.



Notary Public

EXHIBIT “H”

APN: 163-29-615-007

When recorded, return to:
LANE POWELL pc
601 SW Second Ave, Suite 2100
Portland, OR 97204
Attn: Skyler Tanner
MLS 706 877

Inst #: 20141229-0002856

Fee: \$39.00

M/C Fee: \$25.00

12/29/2014 12:03:20 PM

Receipt #: 2265155

Requestor:

FIRST AMERICAN COMMERCIAL N

Recorded By: CYV Pgs: 23

DEBBIE CONWAY

CLARK COUNTY RECORDER

**DEED OF TRUST, ASSIGNMENT OF RENTS,
SECURITY AGREEMENT AND FIXTURE FILING**

This Deed of Trust, Assignment of Rents, Security Agreement and Fixture Filing is made as of December 17, 2014, by Kenneth M. Antos and Sheila M. Neumann-Antos, Trustees of the Kenneth and Sheila Antos Living Trust dated April 26, 2007, and any amendments thereto, as trustor ("Trustor"), having a notice address of 5148 Spanish Heights Drive, Las Vegas, NV 89148, to First American Title Insurance Company, a Nebraska corporation, as trustee ("Trustee"), having a notice address of 2 First American Way, Santa Ana, CA 92707, for the benefit of CBC Partners I, LLC, a Washington limited liability company, as beneficiary ("Beneficiary"), having a notice address of 777 108th Ave NE, Suite 1895, Bellevue, WA 98004.

WITNESSETH

FOR GOOD AND VALUABLE CONSIDERATION, TRUSTOR hereby jointly and severally irrevocably grants, bargains, sells, transfers and assigns to Trustee, its successors and assigns, in trust pursuant to this document and Nevada law, WITH POWER OF SALE, the real property located in Clark County, Nevada, described in Exhibit "A" attached hereto and incorporated herein by reference (the "Real Property").

TOGETHER WITH all and singular the tenements, hereditaments, rights, rights-of-way, easements, privileges, reversions and appurtenances thereunto belonging, or in anywise appertaining (whether now or hereafter acquired) and the buildings and improvements thereon (all as part of the premises hereby conveyed) which shall be deemed to include but not to be limited to any and all of the following whether now owned or hereafter acquired:

(i) all leases (subject to the absolute assignment hereinafter described) and other agreements affecting the use, enjoyment or occupancy of the premises and/or improvements now or hereafter entered into (the "Leases"), and all rents, issues, profits, damages, deposits, royalties, revenue, proceeds and benefits therefrom and from any business or other activity conducted or operated thereon, now existing or hereafter created;

(ii) all improvements, landscaping, fixtures, equipment and building materials and supplies (whether or not annexed thereto or located thereon) now or hereafter used in connection therewith (collectively, the "Improvements"), including, without in any manner limiting the generality of the foregoing, all machinery, materials, appliances and fixtures for



generating or distributing air, water, heat, electricity, light, fuel or refrigeration, for ventilating, cooling or sanitary purposes, for the exclusion of vermin or insects and for the removal of dust, refuse or garbage; telephone, computer, security, surveillance and other electronic or similar systems; wall safes, engines, machinery, boilers, furnaces, oil burners, coolers, refrigeration plants, motors, cabinets, shelving, lockers, partitions, doors, vaults, elevators, sprinkling systems, irrigating systems, awnings, window shades, Venetian blinds, curtains, draperies, light fixtures, fire hoses, fire brackets, fire boxes, fire sprinklers, alarm systems, drapery rods, brackets, screens, floor tile, linoleum, carpets, plumbing, water systems and power systems, washers and dryers, incinerators, communication systems, kitchen and other appliances, built-in furniture and bars, walk-in refrigerator boxes, deep freeze cabinets, steam tables, dishwashers, bake ovens, set-up tables, kitchen ranges and any and all other kitchen equipment or installations; and all other and further installations and appliances on the Real Property, all of said items, whether now or hereafter located thereon, shall, at the option of Beneficiary, be deemed to be for all purposes of this instrument a part of the realty;

(iii) all development rights or credits, air rights and all water and water rights (whether riparian, appropriative or otherwise and whether or not appurtenant) in or hereafter relating to or used in connection with the Real Property and any and all shares of stock evidencing any such water rights;

(iv) Trustor's right, title and interest in and to all reciprocal easement and similar agreements, rights to the nonexclusive use of common drive entries or similar benefits applicable to the Real Property or any part thereof, together with Trustor's right, title and interest in and to the estates or interests burdened thereby;

(v) all right, title and interest of Trustor in and to any land lying within the right-of-way of any street, open or proposed, adjoining the Real Property, and any and all sidewalks, alleys and strips and gores of land adjacent to or used in connection with the Real Property;

(vi) all the estate, interest, right, title, other claim or demand, both in law and in equity, including claims or demands with respect to the proceeds of insurance in effect with respect thereto, which Trustor now has or may hereafter acquire in the real property encumbered hereby, and any and all awards made for the taking by eminent domain, or by any proceeding of purchase in lieu thereof, of the whole or any part of the real property encumbered hereby, including, without limitation, any awards resulting from a change of grade of streets and awards for severance damages;

(vii) all deposits made with or other security given to utility companies by Trustor with respect to the Real Property and/or the Improvements; all advance payments of insurance premiums made by Trustor with respect thereto and all claims or demands relating to such deposits, other security and/or such insurance; and any monies on deposit with or for the benefit of Beneficiary, including but not limited to deposits for the payment of real estate taxes or special assessments against the Real Property, Improvements and/or Leases or for the payment of premiums on policies of fire and other hazard insurance for or with respect to the Real Property, Improvements and/or Leases;



(viii) all Trustor's rights, title and interests, privileges, benefits and remedies in, to and under all permits, licenses, franchises, certificates, approvals, consents and agreements required for the construction, use, occupancy, marketing or operation of any and all Improvements now or hereinafter erected on the Real Property or any business operated by Trustor thereon, including, without limitation, building permits, zoning approvals and use permits, variances, environmental certificates, licenses, certificates of operation, warranties and guarantees;

(ix) all names under or by which the Real Property or the Improvements or the businesses operated by Trustor thereon may at any time be operated or known, and all rights to carry on business under any such names or any variant thereof, and all trademarks, logos, designs, trade names, patents pending and the goodwill associated therewith;

(x) all books and records, signs, customer lists, promotional materials, and general intangibles of Trustor relating to the Real Property and/or Improvements, and all accounts, contract rights, instruments, chattel paper, claims for relief or indemnity, choses in action and other rights of Trustor for payment of money, for property sold or lent, for services rendered, for money lent, or for advances or deposits made relating to the Real Property and/or Improvements, including, without limitation, all property tax refunds and refunds of any other monies paid by or on behalf of Trustor relating to the Real Property and/or Improvements;

(xi) all rights of Trustor to the use, in connection with the Real Property, of any contracts executed by Trustor with any provider of goods or services for or in connection with any construction undertaken on or services performed or to be performed in connection with the Real Property and/or Improvements, including:

(1) all agreements heretofore or hereafter entered into with any design architect, landscape architect, civil engineer, electrical engineer, soils engineer, mechanical engineer, or other contractor, architect or engineer in connection with the design or engineering of the Project;

(2) all construction contracts, all subcontracts and all other agreements relating to the construction of the Project or required for the use, occupancy or operation of the Project;

(3) all other agreements heretofore or hereafter entered into with any property manager with respect to the management, leasing, or operation of the Project;

(4) all plans and specifications, designs, drawings, engineering drawings, blueprints, surveys and other matters relating to the existing Improvements or prepared for any construction on or improvements to the Real Property and/or Improvements and all studies, data and drawings related thereto; and

(5) any and all present and future amendments, modifications, supplements, general conditions, change orders and addenda to any of the items described in clauses (1), (2), (3) and (4) above;



(xii) all rights of Trustor as seller or borrower under any agreement, contract, understanding or arrangement pursuant to which Trustor has obtained the agreement of any person or entity to pay or disburse any money for Trustor's sale (or borrowing on the security) of the Real Property and/or Improvements or any part thereof, including all sales agreements, deposit receipts, escrow agreements and other ancillary documents and agreements entered into with respect to the sale to any purchasers of any part of the Real Property or the Improvements, together with all deposits and other proceeds of the sale thereof provided that the foregoing shall not be deemed to permit such sales or transfers in violation of the terms hereof;

(xiii) all rights, if any, of Trustor in or to any fund, program or trust monies and any reimbursement therefrom directly or indirectly established, maintained or administered by any governmental authority or any other individual or entity which is designed to or has the effect of providing funds (whether directly or indirectly or as reimbursement) for the repair or replacement of storage tanks (whether above or below ground) located on the Real Property or the remediation or cleanup of any spill, leakage or contamination from any such tank or resulting from the ownership, use or maintenance of any such tank or to compensate third parties for any personal injury or property damage;

(xiv) all substitutions and replacements of, and accessions and additions to, any of the foregoing; and

(xv) all proceeds of any of the foregoing, including, without limitation, proceeds of any voluntary or involuntary disposition or claim respecting any thereof (pursuant to judgment, condemnation award or otherwise) and all goods, documents, general intangibles, chattel paper and accounts, wherever located, acquired with cash proceeds of any of the foregoing or proceeds thereof.

All property granted, transferred and assigned to Trustee hereunder is hereinafter referred to as the "Trust Property," and Trustor warrants that it is well and truly seized of a good and marketable title in fee simple to the real property hereby conveyed; Trustor warrants that its interest in the title to all property conveyed by this Deed of Trust is clear, free and unencumbered, and Trustor shall forever warrant and defend the same unto Trustee, its successors and assigns, against all claims whatsoever, except those matters consented to in writing by Beneficiary. Trustor agrees that any greater title to the Trust Property hereafter acquired by Trustor during the term hereof shall be subject hereto, provided, however, that no merger of title shall occur without Beneficiary's prior written consent.

FOR THE PURPOSE OF SECURING:

One: Payment of any and all amounts (collectively, the "Guaranteed Obligations") due and owing by Trustor under that certain Guaranty from Kenneth Antos and Sheila Antos (individually and collectively, "Guarantor") dated June 22, 2012, in favor of Beneficiary (the "Guaranty"), guarantying the indebtedness evidenced by that certain Secured Promissory Note (and any renewals, extensions, modifications and substitutions thereof) (collectively, the "Note"), executed by KCI Investments, LLC, a Nevada limited liability company, and Preferred Restaurant Brands, Inc., a Florida corporation (individually and collectively, "Borrower"), dated June 22,



2012, as modified, in the maximum principal sum of THREE MILLION TWO HUNDRED FIFTY THOUSAND AND NO/100 DOLLARS (\$3,250,000.00), together with interest thereon, late charges and collection costs as provided in the Note.

Two: Payment of such additional amounts as may hereafter be loaned by Beneficiary or its successors or assigns to Borrower or Trustor or its successors or assigns when evidenced by a promissory note or notes reciting that they are secured by this Deed of Trust.

Three: Payment of all moneys herein agreed or provided to be paid by Borrower or Trustor, including, without limitation, any and all advances made by Beneficiary or its successors or assigns, to protect or preserve the security of this Deed of Trust.

Four: (i) Performance of each agreement of Trustor contained in this Deed of Trust or in any other agreement, document or instrument given by Guarantor or Trustor to secure the Guaranteed Obligations (collectively, the "Loan Documents"); and (ii) the satisfaction of those terms and conditions contained herein if applicable to Trustor or within Trustor's control.

ARTICLE ONE

TRUSTOR'S COVENANTS

TRUSTOR HEREBY COVENANTS AND AGREES AS FOLLOWS:

1.01 Payment of Indebtedness. To perform, observe and comply with each and every provision hereof, of the Loan Documents and of all other instruments of security or other agreements entered into in connection herewith.

1.02 Payment of Taxes and Other Charges. To pay: (a) before delinquency, all taxes and assessments of every type or nature affecting the Trust Property or any part thereof, including all rents or charges for water, sewer and other utilities (collectively, the "Impositions"); (b) all other adverse claims, liens, charges, and encumbrances which now are or shall hereafter be or appear to be a lien on the Trust Property prior to the lien of this Deed of Trust; (c) all taxes upon this Deed of Trust or the interest of Beneficiary herein, or upon the Note or debt secured hereby (excluding federal income taxes or state business taxes payable by Beneficiary); and (d) all assessments, fees, maintenance charges and other expenses payable by Trustor pursuant to any declaration of covenants, conditions, restrictions or easements applicable to the Trust Property or any part thereof. If any law is enacted which imposes payment of all or any of the taxes in the aforesaid clause (c) upon Beneficiary, and the agreement of Trustor, as herein provided, to pay such tax or taxes, is legally inoperative, then the debt hereby secured, without any deduction, shall, at the option of Beneficiary, become immediately due and payable, notwithstanding anything to the contrary contained herein or in any law heretofore or hereafter enacted.

1.03 Insurance. To provide and maintain policies of "all risk" property insurance on the Trust Property, in an amount not less than the full replacement cost from time to time of the improvements, fixtures, and equipment comprising the Trust Property but not, in any event, to be less than \$3,660,000 .00, together with a standard mortgagee clause (Form 438BFU



or similar) making losses thereunder payable to Beneficiary and a so-called Replacement Cost or Restoration Endorsement with an Agreed Amount Endorsement. Trustor will also provide public liability and property damage insurance with a single combined liability limit in the amount of at least \$1,000,000 and containing a Broad Form Comprehensive General Liability Endorsement; earthquake insurance; flood insurance, if the Real Property or any part thereof lies within a federally designated flood zone; and, when required by Beneficiary, insurance against any other risks as may be designated by Beneficiary. All such policies shall be in amounts acceptable to Beneficiary, shall be with companies or associations of companies authorized to do business in the State of Nevada and rated A or better in the "Best's Insurance Guide", shall name any person designated by Beneficiary (including without limitation, Beneficiary) as additional insureds, shall contain a provision to the effect that the waiver of subrogation rights by the insured does not void coverage, shall contain such special endorsements as may be required by the terms of any Leases, and shall otherwise be in form and substance satisfactory to Beneficiary. Additionally, all such policies of insurance shall not be subject to cancellation without thirty (30) days' prior notice to Beneficiary and shall not be subject to modification without Beneficiary's prior written approval.

If at any time during the term hereof the amount or coverage of insurance which Trustor is required to carry under this Section 1.03 is, in Beneficiary's reasonable judgment, materially less than the amount or type of insurance coverage typically carried by owners or lessees of properties located in Clark County, Nevada, which are similar to and operated for similar purposes as the Trust Property, Beneficiary shall have the right to require Trustor to increase the amount or change the types of insurance coverage required under this Section 1.03.

If the coverage or the insurers that Trustor has obtained or selected fail to adhere to the foregoing standards, Trustor fails to upgrade their coverage, and Beneficiary in its sole discretion determines that such failure could result in a material impairment of Beneficiary's security, Beneficiary may procure appropriate insurance that meets the foregoing standards and may advance funds under the Deed of Trust to pay for such coverage, or if insurance is not available that meets the foregoing standards, Beneficiary shall have the right to declare the indebtedness hereby secured to be immediately due and payable, and thereafter such indebtedness shall be fully due and payable. If Trustor has notice of any condition that would wholly or partially invalidate any such insurance, Trustor shall promptly cure such condition. At least thirty (30) days before expiration of such policies, Trustor shall deliver to Beneficiary renewals thereof, with evidence of premiums paid.

In the event of loss, Trustor shall give prompt notice by mail to Beneficiary, and Beneficiary may make proof of loss if not made promptly by Trustor. Each insurance company concerned is hereby authorized and directed to make payment for such loss directly to Beneficiary, instead of to Trustor or Trustor and Beneficiary jointly; such insurance proceeds or any part thereof may be applied by Beneficiary in its sole discretion to the payment of interest due on the indebtedness secured hereby, the reduction of the principal amount of said indebtedness (in the inverse order of maturity), the payment of any other obligation hereby secured, or the restoration or repair of the Trust Property, with the balance, if any, after such application payable to Trustor. Notwithstanding the foregoing, any proceeds attributable to a loss of rents shall be held by Beneficiary for the benefit of Trustor and applied to the payment of interest and principal as and when due under the terms of the Note. Beneficiary shall not be responsible for such insurance or for the collection of any insurance moneys, or for the solvency of any insurer or any insurance underwriter. Application of



insurance proceeds by Beneficiary shall not cure or waive any default hereunder or invalidate any act done hereunder because of any such default.

In the event of sale of the Trust Property under the power of sale herein granted to Trustee, or foreclosure of this Deed of Trust as a mortgage, or in the event Beneficiary or a receiver appointed by the court shall take possession of the Trust Property without sale, all right, title and interest of Trustor in and to all transferable insurance policies covering the Trust Property then in force and any unearned premiums paid thereon shall inure to the benefit of and pass to Beneficiary in possession, receiver or purchaser at such sale, as the case may be, and Beneficiary is hereby appointed attorney-in-fact for Trustor to assign and transfer said policies.

1.04 [Reserved.]

1.05 Care of Property. To keep the Trust Property and all common areas (collectively, the "Common Areas") appurtenant to, or benefiting all or any portion of the Trust Property which are within Trustor's control in good condition and repair, and not to commit or permit waste thereof; not to remove or demolish, nor alter the design or structural character of, any building, fixture, equipment, fence, wall, or other improvements comprising part of the Trust Property, without the prior written consent of Beneficiary; to keep all buildings or improvements comprising part of the Trust Property free of termites, dry rot, fungus, roaches and all other harmful or destructive insects; to keep all plants, trees and shrubs comprising part of the Trust Property neatly pruned and in good condition; to keep the Trust Property free of rubbish and other unsightly or unhealthful conditions; and not to in any way change or restrict the use of the Trust Property or Common Areas without the prior written consent of Beneficiary. Beneficiary or Trustee, or both, may, at any time or from time to time, enter and inspect or protect the Trust Property, in person or by a representative, in such manner and to such extent as it may deem necessary.

1.06 Improvements, Repairs. Subject to the limitations on Trustor's alteration of the Trust Property, as provided in Section 1.05, to promptly complete any improvements that may be commenced in a good and workmanlike manner and, in conformity with plans and specifications approved by Beneficiary, and Trustor shall, with reasonable diligence, repair and restore any portions of the Trust Property that may be damaged or destroyed, whether or not insurance against the cause of such damage or destruction is collected. Trustor shall pay when due all claims for work performed or materials furnished, or both, on or in connection with the Trust Property or any part thereof, and, subject to Section 1.12, shall pay, discharge, or cause to be removed, all mechanic's, artisan's, laborer's or materialmen's charges, liens, claims of liens, or encumbrances upon the Trust Property.

1.07 Actions Affecting Trust Property. To appear in and prosecute or defend any action or proceeding that may affect the Trust Property or the priority of this Deed of Trust, the security of Beneficiary hereunder or the title of Trustee hereunder; and Trustor will pay all reasonable costs, expenses (including the cost of searching title), and attorneys' and paralegal fees incurred in such action or proceeding. Beneficiary or Trustee may, at its option, appear in and defend any action or proceeding purporting to affect the priority of this Deed of Trust or the Trust Property or the rights or powers of Beneficiary or Trustee. Beneficiary, at its option, may (but shall have no obligation to) pay, purchase, contest or compromise any adverse claim, encumbrance, charge or lien, that in



the judgment of Beneficiary appears to be prior or superior to the lien of this Deed of Trust (a "Prior Encumbrance"). All amounts paid, suffered or incurred by Beneficiary in exercising the authority herein granted, including reasonable attorneys' and paralegal fees, shall be secured hereby and shall be reimbursed to Beneficiary upon demand. Notwithstanding the foregoing, in the event Beneficiary pays, purchases, or expends any sums to discharge in full or in part any such Prior Encumbrance, Beneficiary shall be subrogated to the lien position of the holder of the Prior Encumbrance to the extent of any such payment, purchase or sum expended.

1.08 Laws. To comply with all laws, ordinances, regulations, orders, rules, covenants, conditions and restrictions affecting the Trust Property, and not to suffer or permit any act to be done in or upon the Trust Property or in or upon any Common Areas within Trustor's control in violation thereof, and to preserve and keep in full force and effect all licenses and permits affecting Trustor or the Trust Property or the Common Areas within Trustor's control. Trustor shall promptly comply with and deliver to Beneficiary copies of all notices received by Trustor alleging any violation of any laws, ordinances, regulations, orders, rules, covenants, conditions or restrictions affecting the Trust Property or Common Areas.

1.09 Beneficiary's Right to Perform. That, if Trustor fails to do so, Beneficiary may (but shall not be obligated to) do any or all things required of Trustor by any of the provisions of this Deed of Trust and incur and pay all reasonable expenses in connection therewith.

1.10 Beneficiary's Expenses. To reimburse Trustee and Beneficiary, respectively, promptly upon demand, all sums of money which either shall pay pursuant to any of the provisions of this Deed of Trust, together with interest thereon, until repaid, from the time of the payment thereof, at the default rate payable pursuant to Section 2.3 of the Note (the "Default Rate").

1.11 [Reserved.]

1.12 Right of Contest. The validity or the amount of any tax or statutory lien upon the Trust Property may be contested by Trustor by appropriate proceedings, in good faith and with reasonable diligence, and, during the period of such contest, the nonpayment of such tax or lien (the "Contested Lien") shall not be the cause of an Event of Default, if and only if:

(a) The Contested Lien is discharged of record, if permitted under applicable law, and such contest shall have the effect of preventing the collection of the amount of the Contested Lien and the enforcement of the Contested Lien as a lien or charge upon the Trust Property;

(b) Such contest does not involve a forfeiture or sale of the Trust Property or otherwise impair or adversely affect the lien hereof;

(c) Trustor gives reasonable advance written notice to Beneficiary of Trustor's intention to contest the validity or the amount of such Contested Lien; and



(d) Prior to such contest, Trustor provides evidence reasonably satisfactory to Beneficiary of Trustor's ability to pay the amount of such Contested Lien if the validity thereof is sustained by a court of competent jurisdiction

1.13 **Hazardous Waste.** The real property and improvements constituting the Trust Property have not contained, do not presently contain, and Trustor shall not suffer or permit such property to contain or to be used in any manner for the storage, use or disposal of, (a) any oil, petroleum or any other hazardous or toxic chemical, material, substance or waste as defined in the Resource Conservation and Recovery Act, as amended, 42 U.S.C. Section 6901 *et seq.*, the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended, 42 U.S.C. Section 9601 *et seq.*, the Hazardous Materials Transportation Act, 49 U.S.C. Section 1801 *et seq.*, and the applicable provisions of Nevada Revised Statutes ("NRS") including, without limitation, NRS Chapters 444, 444A, 445A, 445B, 445C, 459, 486A, 590 and 618 or any regulations adopted pursuant to any of the foregoing; (b) asbestos in any form which is or could become friable; (c) urea formaldehyde foam insulation; (d) transformers or other equipment which contain dielectric fluids containing levels of polychlorinated biphenyls, in excess of fifty (50) parts per million; (e) any other chemical, material, or substance exposure to which is prohibited, limited or regulated by any governmental authority or agency or may or could pose a hazard to the health and safety of the occupants of the Trust Property or the owners of property adjacent to the Trust Property or clean up obligations upon an owner of the Trust Property. There is no underground storage tank on the Trust Property. Trustor has not stored nor caused to be stored any of the equipment or substances described in subsections (a) through (e) of this Section 1.13 on, in, under, or about the Trust Property. The Trust Property is not subject to any federal, state or local "superfund" lien, proceedings, claim, liability or action, or the threat or likelihood thereof, for the cleanup, removal or remediation of any hazardous substance from the Trust Property or from any other real property owned or controlled by Trustor or in which Trustor has any interest, legal or equitable, in Nevada. Trustor shall forthwith notify Beneficiary in writing of any notices of environmental violations affecting the Trust Property, or any other real property owned by Trustor in Nevada, which notice shall include a copy of the notice of violation. Trustor hereby grants to Beneficiary, its agents, employees, consultants and contractors the right to enter upon the Trust Property and to perform such tests of the Trust Property as are reasonably necessary to determine Trustor's compliance with this Section or, should Beneficiary elect to do so in its sole and absolute discretion, to correct any violation of the laws or regulations of the nature described in this Section.

1.14. **Indemnity.** Trustor shall indemnify, defend, protect and hold Beneficiary and Trustee harmless from and against any and all claims, loss, proceedings, damages, causes of action, liability, costs or expense (including attorneys' fees) arising from or in connection with, or caused by (i) any act, omission or negligence of Trustor or any tenant of the Trust Property, or their respective contractors, licensees, invitees, agents, servants or employees, wheresoever the same may occur, or (ii) any use of the Trust Property, or any part thereof, and any service delivery facilities excluding any such claims, loss, proceedings, damages, cause of action, liability, costs or expense (including attorneys' fees) arising from or in connection with, or caused solely by, Beneficiary's active negligence or willful misconduct after the entry of possession upon the Trust Property by Beneficiary or its agents pursuant to Article Four of this Deed of Trust; or (iii) the use, storage, existence or generation of any hazardous substance or materials of the type described in Section 1.13 either upon or in connection with the Trust Property, including, without limitation, the



cost of any clean up, removal, remediation or other response required by any governmental entity having jurisdiction over such matters, or (iv) any failure of Trustor or the Trust Property to comply with any requirements of The Americans With Disabilities Act, 42 U.S.C. ' 12101, et seq., and all applicable rules and regulations promulgated thereunder (the "ADA"). The provisions of this Section 1.14 shall survive the repayment of the obligations secured hereby and shall survive any foreclosure, transfer by deed in lieu of foreclosure or other sale hereunder.

1.15. [Reserved.]

ARTICLE TWO

ASSIGNMENT OF RENTS

2.01. Assignment of Rents. Notwithstanding anything to the contrary contained in this Deed of Trust, all of the existing and future rents, issues, profits, income, revenues, security and other tenant deposits arising out of or otherwise relating to the Trust Property or any part thereof or from the operation or conduct of any business or other activity thereon by Trustor, together with the Leases are hereby presently and absolutely assigned to Beneficiary. Trustor hereby authorizes and directs the tenants of the Trust Property that, upon written notice from Beneficiary and after the occurrence of an Event of Default, all payments required under the Leases, or in any way respecting same, shall be made directly to Beneficiary as they become due. Trustor hereby relieves the tenants from any liability to Trustor by reason of said payments being made to Beneficiary. Nevertheless, until Beneficiary gives written notice to the tenants of the Trust Property to make such payments to Beneficiary, Trustor is given conditional permission to collect and retain all such rents and/or payments in accordance with the terms of the Assignment. Beneficiary is hereby authorized to give such notification upon the occurrence of any Event of Default hereunder.

2.02. Insurance Proceeds. All proceeds of any insurance required by Section 1.03 are hereby assigned to Beneficiary, subject to the provisions of Section 1.03.

2.03. Condemnation and Other Proceedings. All judgments, awards of damages and settlements hereafter made as a result of or in lieu of any condemnation or other proceedings for public use of or for any damage to the Trust Property or any part thereof and any award for change of grade of streets thereon are hereby assigned and shall be paid to Beneficiary. Beneficiary shall have the right to participate in any such proceedings, and Trustor shall not settle or otherwise resolve any such proceedings or execute or deliver any deed in lieu thereof without the prior written consent of Beneficiary. Trustor agrees to execute such further assignments of any such award, judgment or settlement as Beneficiary may reasonably require, and to deliver to Beneficiary all proceeds of any such award, judgment or settlement which may be received by Trustor. Any such monies shall be applied in the same manner and with the same effect as provided in this Deed of Trust for the disposition of the proceeds of fire and other insurance.

2.04. Royalties. Trustor hereby assigns and transfers to Beneficiary all damages, royalties and revenue of every kind, nature and description whatsoever that Trustor may be entitled to receive whether by reason of loss of or damage to the Trust Property or from any person owning or having or hereafter acquiring a right to the oil, gas or mineral rights and reservations of the Trust



Property, together with the right in Beneficiary to receive and receipt therefor and apply the same to the indebtedness hereby secured either before or after any default hereunder, and Beneficiary may demand, sue for and recover any such payments but shall not be required so to do.

2.05 Application. Neither the application nor the release of any sums described in this Article Two shall cure or waive any Event of Default or notice of breach and election to sell hereunder or notice of sale or invalidate any act done pursuant to such notice.

ARTICLE THREE

SECURITY AGREEMENT AND FIXTURE FILING

3.01 Security Agreement. Trustor hereby grants to Beneficiary a security interest under the Nevada Uniform Commercial Code (the "UCC") in and to such portions of the Trust Property as may constitute goods, accounts, general intangibles, chattel paper, inventory, fixtures, equipment or other personal property, and any replacements, modifications or additions thereof or thereto, whether now or hereafter acquired, and any and all "Proceeds" thereof. As used herein, "Proceeds" has the meaning assigned to it under the UCC, and, in any event, shall include but not be limited to (i) any and all proceeds of any insurance (including without limitation, property, casualty and title insurance), indemnity, warranty or guaranty payable from time to time with respect to any of the Trust Property (including without limitation the provisions of the security agreement contained herein); (ii) any and all proceeds in the form of accounts, security or other tenant deposits, prepaid expenses, tax escrows, down payments (to the extent the same may be pledged under applicable law), collections, contract rights, documents, instruments, chattel papers, liens and security instruments, guaranties (whether such guaranties are given by individuals, corporations, partnerships, or by any federal, state or local government or quasi-government entities), or general intangibles relating in whole or in part to the Trust Property and all rights and remedies of whatever kind or nature Trustor may hold or acquire for the purpose of securing or enforcing any obligations due Trustor thereunder; (iii) any and all payments (in any form whatsoever) made or due and payable from time to time in connection with any requisition, confiscation, condemnation, seizure or forfeiture of all or any part of the Trust Property by any governmental authority; (iv) the rents, issues and profits or other benefits, including security or other tenant deposits, arising out of, in connection with or pursuant to any lease, license or other use of the Trust Property or any part thereof, including, without limitation, any business or other activity operated or conducted on the Trust Property or any part thereof; and (v) any and all other amounts from time to time paid or payable in connection with any of the Trust Property.

Trustor shall execute any and all documents and writings, including without limitation financing statements, as Beneficiary may reasonably request, to preserve and maintain the priority of the security interest created hereby on property which may be subject to the foregoing security agreement, and shall pay to Beneficiary on demand any reasonable expenses incurred by Beneficiary in connection with the preparation, execution and filing of any such documents. Trustor hereby authorizes and empowers Beneficiary to execute and file, on Trustor's behalf, all financing statements and filings and continuations thereof as Beneficiary deems necessary or advisable to create, preserve and protect said security interest. This Deed of Trust shall be deemed a security agreement as defined in the UCC and the remedies for any violation of the covenants,



terms and conditions to the agreements contained in this Deed of Trust shall be (i) as prescribed herein, (ii) as available under general law, (iii) as to such part of the collateral which is also reflected in a financing statement by the specific statutory consequences now or hereafter enacted and specified in the UCC, or (iv) any combination of the foregoing, all at Beneficiary's sole election. A photographic or other reproduction of this Deed of Trust shall be sufficient as a financing statement for filing wherever filing may be necessary to perfect or continue the security interest granted herein.

Trustor and Beneficiary agree that the filing of a financing statement in the records normally having to do with personal property shall never be construed as in anywise derogating from or impairing Beneficiary's option, as provided in this Deed of Trust, that everything used in connection with the production of income from the Trust Property and/or adapted for use therein and/or which is described or reflected in this Deed of Trust, at all times and for all purposes and in all proceedings both legal or equitable, may be regarded as part of the real property encumbered by this Deed of Trust.

All property which is subject to the provisions of this security agreement shall be purchased or obtained by Trustor in its name and free and clear of any lien or encumbrance, except the lien hereof, for use only at the Trust Property, and shall be and at all times remain free and clear of any lease or similar arrangement, chattel financing, installment sale agreement, security agreement and any encumbrance of like kind, so that the lien hereof shall attach to and vest in Trustor for the benefit of Beneficiary, with the priority herein specified, immediately upon the installation or use of the same in the Trust Property, and Trustor warrants and represents that Beneficiary's security interest in such property is a validly attached and binding lien, properly perfected and prior to all other liens therein.

Trustor agrees that all property of every nature and description covered by the lien and charge of this Deed of Trust, together with all such property and interests covered by such security interest or interests, are encumbered as a unit, and upon the occurrence of an Event of Default hereunder, or under any security or other agreement now or hereafter securing the indebtedness hereby secured, at Beneficiary's option, may be foreclosed upon or sold in the same proceedings or at the same time, and all of said property and interests may, at Beneficiary's option be sold as such in one unit as a going business and not in lots or parcels, or, at Beneficiary's option, may be sold in lots, parcels or such other convenient designation as Beneficiary in its sole discretion may elect.

3.02 Fixture Filing. Trustor agrees that the filing of this Deed of Trust in the real estate records of the county where the real property described in Exhibit "A" is located shall also operate from the time of filing as a fixture filing in accordance with the UCC. The address of the secured party from which information concerning the security interests granted hereunder may be obtained is the address of Beneficiary set forth on page 1 above.

ARTICLE FOUR

EVENTS OF DEFAULT AND REMEDIES



4.01 **Event of Default.** The term "Event of Default," wherever used in this Deed of Trust, shall mean any one or more of the following events (whether any such event shall be voluntary or involuntary or come about or be effected by operation of law or pursuant to or in compliance with any judgment, decree or order of any court or any order, rule or regulation of any administrative or governmental body):

(a) An Event of Default under the Note

(b) Failure by Trustor to pay (1) any taxes and assessments prior to delinquency; or (2) any renewal insurance premiums thirty (30) days prior to expiration or cancellation of existing policies; or (3) any other sums to be paid by Trustor hereunder or under any other instrument securing the Note when due or, if a due date is not specified, then failure to pay such sums within five (5) days after written demand by Beneficiary.

(c) If any intentional material inaccuracy shall exist in any of the financial statements or in any other information furnished by or to be furnished by or on behalf of Trustor to Beneficiary pursuant to the provisions of this Deed of Trust or furnished or to be furnished to Beneficiary to induce Beneficiary to make the loan evidenced by the Note.

(d) (1) The filing by or against Trustor of a petition in bankruptcy or for relief under any bankruptcy or similar laws, and with respect to a petition filed against Trustor, such petition is not dismissed within sixty (60) days after it is filed; or (2) the entry of an order for relief with respect to Trustor under any federal or state law relating to bankruptcy or insolvency; or (3) if Trustor seeks or consents to or acquiesces in the appointment of any trustee, receiver, master, sequestrator or liquidator of itself or of all of the rent, revenues, issues, earnings, profits or income from the Trust Property or any part thereof; or (4) if Trustor makes any general assignment for the benefit of creditors; or (5) if Trustor is or becomes insolvent (under any definition of such term); or (6) any trustee, receiver, sequestrator or liquidator of Trustor or any part of the Trust Property is appointed and, in the case of any involuntary proceeding, such action is not dismissed within sixty (60) days; or (7) the cessation, dissolution or abandonment by Trustor of the Trust Property; or (8) the attachment, execution, commencement of foreclosure against or other judicial seizure of or affecting the Trust Property or material part thereof, unless Trustor dissolves, bonds against, or otherwise eliminates such action, attachment, execution or seizure within fifteen (15) days of its occurrence.

(e) The entry by any court of competent jurisdiction of a judgment or decree that an undertaking by Trustor as herein provided to pay the Note or any interest thereon, or any taxes, assessments, levies, liabilities, obligations or encumbrances is legally inoperative or cannot be enforced, or in the event of the passage of any law changing in any way or respect the laws now in force for the taxation of deeds of trust or mortgages or debts secured thereby for any purpose, or the manner of collection of any such taxes, so as to affect adversely either the security of this Deed of Trust, the indebtedness or other sums secured hereby, the rate of interest on the Note or all or any portion of the indebtedness, and such judgment shall not be appealed and stayed pending appeal within ten (10) days after entry thereof.



(f) Except as otherwise provided in Section 1.12 hereof, default in any obligation of Trustor owed to a third party and secured by a lien on the Trust Property.

(g) Subject to Section 1.12 hereof, whether by operation of law or otherwise, Trustor shall create or permit the creation of any lien or other encumbrance upon the Trust Property, except for assessment and taxes levied but not yet due and payable.

(h) A breach of the provisions of Section 1.03 hereof.

(i) A Disposition or an Encumbrance (as such terms are defined in Section 5.01 hereof) in violation of the provisions of Section 5.01 hereof.

(j) Failure by Trustor to duly keep, perform and observe any other covenant, condition or agreement in the Note, this Deed of Trust or any other agreement or instrument executed by Trustor evidencing or securing the indebtedness evidenced by the Note within the time periods provided therein, and (except as otherwise provided in any other provision of this Section 4.01) with respect to any curable, non-monetary Event of Default having no specific time period within which such act or event becomes an Event of Default, Trustor shall have received from Beneficiary twenty (20) days' notice specifying the defect or failure and shall have failed to comply with such notice, provided, however, that the right to cure such default shall exist only so long as (i) the defect or failure is capable of cure, (ii) no forfeiture or taking of the Trust Property can occur during the period of such curing and (iii) no other Event of Default shall exist or be continuing.

(k) The occurrence of any of the events described in Section 4.01 (c) or 4.01 (d) with respect to Borrower or any guarantor of the Note.

4.02 Acceleration; Sale. Upon the occurrence of an Event of Default, Beneficiary, without further notice or demand, may declare all sums secured hereby immediately due and payable by delivery to Trustee of written notice thereof, setting forth the nature of such default, which notice may contain an election to cause the Trust Property to be sold under this Deed of Trust. Notice of acceleration to Trustor shall not be required. If Beneficiary elects to cause the sale of the Trust Property, Beneficiary shall provide the Trustee with true and correct copies of this Deed of Trust, the Note, and all documents evidencing expenditures secured hereby. Trustee shall record and give such notices of breach and election to sell by trustee's sale in the manner required by law, and after the lapse of time such as then may be required by law, Trustee, without notice to Trustor, under the power of sale contained herein, shall sell the Trust Property at the time and place fixed by it in said notice of trustee's sale, either as a whole or in separate parcels, and in such order as Beneficiary may determine, subject to any statutory or common law right which Trustor may have to direct such order, at public auction to the highest bidder for cash in lawful money of the United States, payable at the time of sale, provided that Beneficiary, in lieu of a cash bid, may bid in all or part of the indebtedness hereby secured. Trustee may postpone sale of all or any portion of the Trust Property by public declaration at such time and place of sale, and from time to time thereafter may postpone such sale by public declaration at the time and place fixed by the preceding postponement. Trustee shall deliver to such purchaser its deed conveying the Trust Property so sold, but without any covenant or warranty, express or implied. The recitals in such deed of any



matters or facts shall be conclusive proof of the truthfulness thereof. Any person including Trustee or Beneficiary may purchase at such sale. After deducting all costs, fees and expenses of Trustee incurred in connection with such sale, including costs to insure or obtain evidence of title in connection with such sale, Trustee shall apply the proceeds of sale to payment of: all sums expended under the terms hereof, not then repaid, with accrued interest at the Default Rate; all other sums secured hereby; and the remainder, if any, to the person or persons legally entitled thereto.

4.03 Notices. Trustee is not obligated to notify any party hereto of any pending sale under any other deed of trust or of any action or proceeding in which Trustor, Beneficiary, or Trustee shall be a party unless brought by Trustee and relating to the Trust Property or unless otherwise required by law. All notice and cure periods provided herein or in the Loan Documents shall run concurrently with any notice or cure period required by law. Without limiting the foregoing, Beneficiary or Trustee shall be entitled to cause a notice of breach or default and election to sell to be recorded and mailed if any event occurs which, with the giving of notice and/or passage of time, would constitute an Event of Default or would entitle Beneficiary to accelerate the indebtedness secured hereby and the recording and mailing to Trustor of such notice of breach or default and election to sell shall constitute notice of the failure to perform pursuant hereto or thereto. The foregoing shall not be deemed to limit, modify or impair any rights of Trustor to receive notices and/or any applicable cure periods expressly provided in this Deed of Trust.

4.04 Foreclosure Permitted. In lieu of sale pursuant to the power of sale conferred hereby, at the option of Beneficiary this Deed of Trust may be foreclosed in the same manner provided for by law for the foreclosure of mortgages on real property. Beneficiary shall also have all other rights and remedies, available to it hereunder, and otherwise available at law or in equity. All rights and remedies shall be cumulative.

4.05 Possession after Default. Upon the occurrence of an Event of Default, Beneficiary, in its name and/or in the name of Trustor, may operate and maintain all or any portion of the Trust Property or any business or other activity conducted or operated thereon to such extent as Beneficiary deems advisable, and Trustor agrees that Beneficiary shall be entitled to do and perform any acts necessary or proper to preserve the value of the Trust Property, and to sue for and otherwise collect and receive all rents, issues, income and profits thereof and from the operation of any business or other activity conducted or operated thereon, including those past due and unpaid as well as those accruing thereafter, and may rent or lease the Trust Property or any portion thereof to such person or persons and for such periods of time and on such terms and conditions as Beneficiary in its discretion may determine. Trustor further agrees that Beneficiary may also take possession of, and use, any and all personal property of Trustor contained in the Trust Property or used by Trustor in the rental or leasing of the Trust Property or any part thereof. Beneficiary may apply all such rents, issues, profits and income collected or received by it to the payment of the costs and expenses incurred in the operation of the Trust Property or to protect and preserve the security thereof, and then in the manner hereinabove specified in respect of proceeds of sale of the Trust Property or any business or other activity conducted or operated thereon, or any part or all of such moneys may be released by Beneficiary at its sole option. The expenses (including receiver's fees, if any, and compensation to any agent appointed by Beneficiary, and counsel fees and costs and disbursements, including paralegal fees) incurred in taking possession and effecting collection or attempting to take possession and effect collection, shall be deemed an expense of this Deed of



Trust to be paid by Trustor and secured hereby. Neither the entering upon and taking possession of the Trust Property nor the collection of such rents, issues, profits and income and the application or release thereof as aforesaid, shall cure or waive any Event of Default or notice of breach and election to sell hereunder or notice of sale or invalidate any act done pursuant to such notice. In dealing with the Trust Property or any related personal property, Beneficiary shall not be deemed to be a mortgagee in possession, except at its option, and Beneficiary shall be without any liability, charge or obligation to Trustor with respect to such dealing, except for liability for willful misconduct and gross negligence, and all net losses, costs and expenses incurred shall be secured hereby and payable by advancements reimbursed by Trustor to Beneficiary upon demand.

4.06 Additional Security. If the indebtedness secured hereby is now or hereafter further secured by chattel mortgages, security interests, deeds of trust, pledges, contracts of guaranty, letters of credit, assignments of rents, assignments of insurance policies or other additional security, Beneficiary, in its sole and absolute discretion, may exhaust all or any portion of such security as well as the security hereunder, either concurrently or independently and in such order as it may determine in its sole and absolute discretion, and may apply the proceeds received upon the indebtedness secured hereby without affecting the status of, or waiving any right to exhaust, all or any other security including the security hereunder and without waiving any breach or default or any right or power, whether exercised hereunder or contained herein or in any such other security agreement or instrument. Trustor hereby waives any right or privilege which it or its creditors might otherwise have to require Trustee and/or Beneficiary to proceed against the assets encumbered hereby or by any other security agreements or instruments securing the Note in any particular order or fashion under any legal or equitable doctrine or under principles of marshaling or suretyship, and further agree that upon the occurrence of an Event of Default hereunder or under any such agreement or instrument and after the expiration of any applicable grace period following notice, Beneficiary may proceed to exercise any or all remedies with regard to any or all assets encumbered hereby or by any other security agreements or instruments securing the Note in such manner and order as Beneficiary in its sole and absolute discretion may determine.

4.07 Acceptance of Sums After Default. The acceptance by Beneficiary of any sum in payment, or part payment, of any indebtedness secured hereby, after the same is due or after the giving of any notice of default, or the giving or recording of any notice of breach, or after giving of any notice of sale, shall not constitute a waiver of the right to require prompt payment, when due, of all other sums so secured, nor shall such acceptance cure or waive any remaining Event of Default or invalidate any sale held pursuant to such notice for any such remaining Event of Default, or prejudice any of the rights of Beneficiary under this Deed of Trust. Notwithstanding anything to the contrary contained in this Deed of Trust or in any other agreement securing the Note and without limiting the generality of this Section 4.07, in the case of any Event of Default, Beneficiary may accept payments or performance of any obligations due hereunder without thereby waiving the existence of such Event of Default if the payment or performance is not sufficient to completely cure such Event of Default. Beneficiary, from time to time before a Trustee's sale, may rescind any notice of breach or default and election to sell by executing, delivering and causing Trustee to record a written notice of such rescission. The exercise by Beneficiary of such right of rescission shall not constitute a waiver of any breach or default then existing or subsequently occurring, or impair the right of Beneficiary to execute and deliver to Trustee, as above provided, other notices of



breach and election to sell, nor otherwise affect any term, covenant or condition hereof or under any obligation secured hereby, or any of the rights, obligations or remedies of the parties thereunder.

4.08 **Beneficiary's Costs.** In the event Beneficiary deems it necessary to employ legal counsel or to take legal action to collect the indebtedness secured hereby, to enforce any provision hereof, to prepare any modification, renewal or extension of the Note, this Deed of Trust, or any related loan or security document, to prepare documents regarding any transfer of all or any part of the Trust Property, or to protect any of Beneficiary's rights hereunder (including any protection of Beneficiary's rights in connection with any proceedings under any state or federal bankruptcy or insolvency laws and in connection with any appellate proceedings), Trustor covenants and agrees to pay to Beneficiary, in addition to taxable costs of any legal proceeding or action, attorneys' fees and paralegal fees actually incurred, and all reasonable costs of preparation and conduct of such proceedings and documents, including costs of title searches and title policy commitments, all of which shall be secured hereby and, if paid by Beneficiary, shall bear interest at the Default Rate from the date such sums are evidenced by Beneficiary.

4.09 [Reserved.]

ARTICLE FIVE

DUE ON SALE OR ENCUMBRANCE

5.01 **Due on Sale or Encumbrance.** Upon the voluntary or involuntary sale, lease, exchange, assignment, conveyance, transfer or other disposition (herein collectively called "Disposition") of all or any portion of the Trust Property (or any interest therein), or all or any part of the beneficial ownership interest in Trustor (if Trustor is a corporation, partnership, trust, or other legal entity), including, but not by way of limitation, a Disposition of all or any portion of the Trust Property (or any interest therein), or all or any portion of the beneficial interest in Trustor between or among Trustor (if more than one) or co-owners of any Trustor, or in the event Trustor conveys or grants to any other person a lien or a security interest in the Trust Property or any part thereof or voluntarily or involuntarily permits or suffers the Trust Property to be further encumbered (herein collectively called "Encumbrance"), then Beneficiary may at its option, declare an Event of Default hereunder and in connection therewith enforce any and all of its rights, remedies and recourses as set forth in this Deed of Trust and any other loan documents entered into in connection with the loan secured hereby; provided, however, Beneficiary shall not enforce such rights, remedies, and recourses if, prior to the Disposition or Encumbrance, it consents in writing to the Disposition or Encumbrance in question. It is expressly agreed that in connection with determining whether to grant or withhold such consent the determination made by Beneficiary shall be conclusive and Beneficiary may require as conditions to granting such consent payment in full of any outstanding amounts under the Note and Beneficiary's reasonable attorneys' fees in connection with such Disposition or Encumbrance.

ARTICLE SIX

MISCELLANEOUS PROVISIONS



6.01 **No Waiver or Release.** Without affecting the liability of Trustor, Borrower, any guarantor, co-maker or endorser of the Note or any person (except any person expressly released in writing) for payment of any indebtedness secured hereby or for performance of any obligation contained herein, and without affecting the rights of Beneficiary with respect to any security not expressly released in writing, Beneficiary may, at any time and from time to time, either before or after maturity of the Note, and without notice or consent:

(a) Release any guarantor or other person liable for payment of all or any part of the indebtedness or for performance of any obligation secured hereby.

(b) Make any agreement extending the time or otherwise altering the terms of payment of all or any part of the indebtedness secured hereby, or modifying or waiving any obligation, or subordinating, modifying or otherwise dealing with the lien or charge hereof.

(c) Exercise or refrain from exercising or waive any right or remedy Beneficiary may have.

(d) Accept additional security of any kind.

(e) Consent to the filing of any map, plat or replat of the Trust Property.

(f) Consent to the granting of any easement on the Trust Property.

(g) Make or consent to any agreement with Trustor changing the terms of this Deed of Trust, releasing all or any part of the security or collateral for the Note or subordinating the lien or any charge hereof.

6.02 **Successor Trustee.** Trustee may resign by mailing or delivering notice thereof to Beneficiary and Trustor; in addition Beneficiary in its discretion may appoint another Trustee in the place and stead of said Trustee or any successor in trust. The title herein conveyed to Trustee shall be vested in said successor, which appointment shall be in writing and shall be duly recorded in the Recorder's Office of the county in which the above-described land is situated.

6.03 **Irrevocable Trust.** The trusts herein created are irrevocable.

6.04 **Statement.** Trustor agrees to pay Beneficiary's reasonable charge, up to the maximum amount permitted by law, for any statement regarding the obligations secured by this Deed of Trust requested by Trustor or on its behalf.

6.05 **No Offset.** No offset or claim that Trustor now has or may in the future have against Beneficiary shall relieve Trustor from paying installments or performing any other obligation herein or otherwise secured hereby. Trustor within ten (10) days after any request of Beneficiary, shall furnish a written statement of the amount due on the Note and a description of any alleged offsets, counterclaims, or defenses to the payment thereof.



6.06 Defects. Trustor shall, upon request of the Beneficiary or Trustee, promptly correct any defect, error or omission which may be discovered in the contents of this Deed of Trust or in the execution or acknowledgments hereof (the costs and expenses of which shall be paid by Trustor), and shall execute, acknowledge and deliver such further instruments and do such further acts as may be necessary or as may be requested by the Trustee or by the Beneficiary to carry out more effectively the purposes of this Deed of Trust, to subject to the lien and security interest hereby created any of Trustor's properties, rights or interest covered or intended to be covered hereby, and to perfect and maintain such lien and security interest.

6.07 Further Assurances. Trustor shall execute and deliver to Beneficiary, upon demand, any additional instruments or security documents necessary to secure to Beneficiary or to Trustee any right or interest granted by this Deed of Trust. If any rights, easements or other hereditaments shall hereafter become appurtenant to the Trust Property, or any part thereof, Trustor shall deliver to Beneficiary, upon demand, a supplemental deed of trust in the form approved by Beneficiary covering such rights and interests.

6.08 [Reserved.]

6.09 Business Purpose. The proceeds of the Note secured hereby shall be used by Trustor exclusively for commercial, investment or business purposes and not for personal, family or household purposes.

6.10 Reconveyance. Upon written request of Beneficiary stating that all sums secured hereby have been paid, and upon surrender of this Deed of Trust and the Note to Trustee for cancellation and retention and upon payment by Trustor of Trustee's fees, Trustee shall reconvey, without warranty, the estate in the Trust Property then held by Trustee. The grantee in such reconveyance may be designated and described as the "person or persons legally entitled thereto," or by other appropriate terms.

6.11 Construction. Subject to the provisions of Section 5.01, this Deed of Trust shall inure to and bind the heirs, legatees, administrators, executors, successors and assigns of the parties hereto, and shall be so construed that wherever applicable with reference to any of the parties hereto, the use of the singular number shall include the plural number, the use of the plural number shall include the singular number, the use of the masculine gender shall include the feminine gender, and shall likewise be so construed as applicable to and including a corporation or corporations that may be a party or parties hereto. The captions herein are for reference only. As used herein, the terms "Trustor" and "Beneficiary" shall be deemed to include their respective heirs, successors, legal representatives and assigns, whether by voluntary action of the parties or by operation of law. In the event that more than one person or entity is a Trustor hereunder, then all references to "Trustor" shall be deemed to refer equally to each of said persons or entities, all of whom shall be jointly and severally liable for all of the obligations of Trustor hereunder. The term "Beneficiary" shall mean the owner and the holder of the Note secured hereby, whether or not named as Beneficiary herein. Any appointment herein of Beneficiary as attorney-in-fact for Trustor shall be with full power of substitution. This Deed of Trust was prepared after negotiations by and between Trustor and Beneficiary; the fact that it has been typed by one party does not require the language of this Deed of Trust to be strictly interpreted against either Trustor or Beneficiary.



6.12 Notice of Sale. Trustor hereby requests that a copy of any notice of sale hereunder be mailed to it at its address hereinbefore set forth.

6.13 No Usury Intended. If from any circumstances whatever, payment or performance of any provision of this Deed of Trust or of the Note secured hereby, at the time performance of such provision shall be due, shall require a payment in excess of that permitted by any applicable law, the obligation to be paid or performed shall be reduced to the limit allowed by such law, so that in no event shall any exaction be possible under this Deed of Trust, the Note, or any other agreement given in connection herewith, that is in excess of any limitation of law. By acceptance of this Deed of Trust, Beneficiary expressly waives the right to demand any such excess. The provisions of this paragraph shall control every other provision of this Deed of Trust, the Note, and any other such agreement.

6.14 Time for Performance. Time is of the essence hereof. No failure on the part of Beneficiary to exercise any of its rights hereunder arising upon the occurrence of an Event of Default or any waiver thereof shall be construed to prejudice its rights in the event of any other or subsequent Event of Default. No delay on the part of Beneficiary in exercising any of such rights shall be construed to preclude it from the exercise thereof at any time during the continuance of such Event of Default. Beneficiary may enforce any one or more remedies or rights hereunder successively or concurrently at its option.

6.15 Changes. This Deed of Trust may not be changed orally but only by an agreement in writing, signed by the party against whom enforcement of any waiver, change, modification or discharge is sought. No waiver, change, modification or discharge of this Deed of Trust shall be binding and enforceable against the Beneficiary unless duly executed in writing by a corporate officer of the Beneficiary with an office located at Beneficiary's principal office.

6.16 Manner of Giving Notice. Unless otherwise required by applicable law, all notices required to be given hereunder shall be served personally, sent by overnight courier by a nationally recognized courier service, or by registered or certified mail, postage prepaid, return receipt requested, and addressed to Trustor, Trustee and Beneficiary at their respective addresses first above written. Such addresses may be changed by notice to the other parties given in the same manner as provided in this paragraph. Notices shall be deemed to have been given upon the receipt thereof if personally served, or three (3) days after depositing such notice in the U.S. Mail in accordance with this section.

6.17 Severability. If any one or more of the provisions of this Deed of Trust or the applicability of any such provision to a specific situation shall be held invalid or unenforceable, such provision shall be modified to the minimum extent necessary to make it or its application valid and enforceable, and the validity and enforceability of all other provisions of this Deed of Trust and all other applications of such provisions shall not be affected thereby.

6.18 Waiver of Statute of Limitations. Trustor waives the provisions of any applicable statute of limitations, to the full extent permitted by law.



6.19 Participations. Beneficiary shall have the right at any time to sell, assign, transfer, negotiate or grant participations in all or any part of the loan secured hereby or the Note. Trustor hereby acknowledges and agrees that any such disposition will give rise to a direct obligation of Trustor to each such participant.

6.20 Governing Law. This Deed of Trust shall be governed by the laws of the State of Washington, except to the extent that the laws of the State of Washington violate the public policy of the State of Nevada, or conflict with the laws of the State of Nevada with respect to the creation, perfection and enforcement of the liens and security interests created by this Deed of Trust.

6.21 Waivers.

(a) Trustor and Guarantor each waive all benefits of the one-action rule under NRS 40.430, which means, without limitation, Trustor and Guarantor each waive the right to require Lender to (i) proceed against Borrower, any other guarantor of the Loan, any pledgor of collateral for any person's obligations to Lender or any other person related to the Note and Loan Documents, (ii) proceed against or exhaust any other security or collateral Lender may hold, or (iii) pursue any other right or remedy for Guarantors' benefit.

(b) Except to the extent prohibited by law, Trustor and Guarantor each waive the provisions of NRS 40.495(3) and (4), including, without limitation the right to a fair market hearing pursuant to NRS 40.495(4)(a) and the limitation on the money judgment set forth in NRS 40.495(4)(b), and agree that the amount of a money judgment against Guarantor shall be in the full amount of the Guaranteed Obligations.


(c) Except to the extent prohibited by law, Trustor and Guarantor each waive the provisions of NRS 107.095 and agree that, notwithstanding NRS 107.095(3), Guarantor's liability under the Guaranty shall not be affected by Lender's failure to give any notice required by that statute.

6.22 Statutory Covenants. The following covenants, Nos. 1, 2, 3, 4, 5, 6, 7, 8 and 9 of NRS 107.030 are adopted and made a part of this Deed of Trust. The parties agree that the amount of fire insurance required by Covenant Number 2 shall be equal to 100% of the full replacement costs of the improvements, fixtures and other property constituting the Property, the rate of interest in Covenant Number 4 shall be the interest rate then accruing pursuant to the Note, and the percent of counsel fees under Covenant No. 7 shall be reasonable. Except for Covenants Numbers 6, 7 and 8, to the extent that any terms of this Deed of Trust are inconsistent with such statutory covenants, the terms of this Deed of Trust will control. Covenants Number 6, 7 and 8 shall control over the express terms of any inconsistent terms of this Deed of Trust.

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IN WITNESS WHEREOF, these presents have been executed the day and year first above written.


Kenneth M. Antos, as Trustee of the Kenneth and Sheila Antos Living Trust dated April 26, 2007, and any amendments thereto

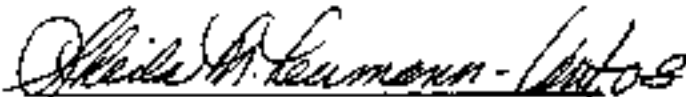
STATE OF NEVADA

COUNTY OF CLARK

This instrument was acknowledged before me on December 17, 2014, by Kenneth M. Antos, as Trustee of the Kenneth and Sheila Antos Living Trust dated April 26, 2007, and any amendments thereto.




Notary Public


Sheila M. Neumann-Antos, as Trustee of the Kenneth and Sheila Antos Living Trust dated April 26, 2007, and any amendments thereto

STATE OF NEVADA

COUNTY OF CLARK

This instrument was acknowledged before me on December 17, 2014, by Sheila M. Neumann-Antos, as Trustee of the Kenneth and Sheila Antos Living Trust dated April 26, 2007, and any amendments thereto




Notary Public



EXHIBIT "A"

Legal Description

Situated in the State of Nevada, County of Clark, described as follows:

LOT SEVEN (7) IN BLOCK FIVE (5) OF SPANISH HILLS ESTATES UNIT 5A, AS SHOWN BY MAP THEREOF ON FILE IN BOOK 107, OF PLATS, PAGE 58, IN THE OFFICE OF THE COUNTY RECORDER OF CLARK COUNTY, NEVADA.

The Trust Property or its address is commonly known as 5148 Spanish Heights Drive, Las Vegas, NV 89148. The Trust Property tax identification number is 163-29-615-007.



EXHIBIT “I”

NINTH MODIFICATION TO SECURED PROMISSORY NOTE AND WAIVER OF DEFAULTS

THIS NINTH MODIFICATION TO SECURED PROMISSORY NOTE AND WAIVER OF DEFAULTS (this "Modification"), effective as of April 30, 2015, is entered into by and among KCI INVESTMENTS, LLC, a Nevada limited liability company ("KCI"), PREFERRED RESTAURANT BRANDS, INC., a Florida corporation ("PRB" and, together with KCI, each a "Borrower" and collectively, "Borrowers") and CBC PARTNERS I, LLC, a Washington limited liability company, or its assigns ("Lender").

RECITALS

WHEREAS, Borrowers are currently indebted to Lender pursuant to the terms and conditions of that certain Secured Promissory Note by and among Borrowers and Lender dated as of June 22, 2012, as modified pursuant to that certain First Modification to Secured Promissory Note dated as of July 19, 2012, that certain Second Modification to Secured Promissory Note dated as of October 22, 2012, that certain Third Modification to Secured Promissory Note dated as of July 19, 2013, that certain Fourth Modification to Secured Promissory Note dated as of November 19, 2013, that certain Fifth Modification to Secured Promissory Note dated as of January 19, 2014, that certain Sixth Modification to Secured Promissory Note dated as of April 19, 2014, that certain Seventh Modification to Secured Promissory Note dated as of October 31, 2014, and that certain Eighth Modification to Secured Promissory Note dated as of January 23, 2015 (the "Eighth Modification") and as further amended from time to time (the "Note");

WHEREAS, Borrowers are currently in default under the terms of the Note as a result of (i) failing to make the principal payment due under the Note on January 30, 2015; (ii) failing to provide the certified resolutions and warrants of KCI Holding 1, LLC ("Holdings") in violation of Section 7 of the Eighth Modification, and (iii) failing to transfer ownership of Kenneth M. Antos's account with JPMorgan Chase & Co. or its affiliate in violation of Section 8 of the Eighth Modification (the "Existing Defaults"); and

WHEREAS, Borrowers have asked that Lender waive the Existing Defaults and extend the maturity of the Note, and Lender has agreed to such requests, subject to the terms and conditions set forth in this Modification;

NOW, THEREFORE, for valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree that the Note shall be amended as follows:

1. Waiver. Lender waives its default rights with respect to the Existing Defaults. This waiver applies only to the Existing Defaults and, except as to the Existing Defaults, the execution of this Modification and the acceptance of all other agreements and instruments related hereto shall not be deemed to be a waiver of any default or Event of Default under the Note or a waiver of any breach, default or event of default under any Loan Document. Except as expressly set forth herein, all terms and conditions of the Note remain in full force and effect without waiver or modification. Each Borrower represents and warrants that as of the date hereof, there

are no claims or offsets against or defenses or counterclaims to such Borrower's obligations under the Note or any Ancillary Document.

2. Amended definition of "Maturity Date". The definition of "Maturity Date", as set forth in Section 1.1 of the Note, is deleted in its entirety and replaced with the following:

"Maturity Date" means the earlier of (a) June 29, 2015, and (b) the date on which all amounts under this Secured Promissory Note shall become due and payable pursuant to Section 7.2 of this Secured Promissory Note.

3. Amended Section 2.3. Section 2.3 of the Note is deleted in its entirety and replaced with the following:

2.3 Default Interest. Upon the occurrence and during the continuation of an Event of Default, the unpaid principal amount of the Loan and accrued and unpaid interest thereon shall bear interest at a rate equal to the lesser of the (a) Maximum Rate or (b) Default Rate. Such interest shall accrue, commencing upon the occurrence of an Event of Default and continue until such Event of Default is cured or waived. Lender shall have no obligation to provide notice to Borrower or any guarantor prior to or while charging interest at the Default Rate.

4. Amended Section 2.4. Section 2.4 of the Note is deleted in its entirety and replaced with the following:

2.4 Payments. Borrower shall make monthly payments of interest on the first day of each month. Borrower may prepay all or any portion of the Loan, at any time prior to the Maturity Date, without premium or penalty. Borrower shall pay all outstanding principal, fees, costs, and accrued and unpaid interest owing under the Loan on the Maturity Date.

5. Amended Section 6.4. Section 6.4 of the Note is deleted in its entirety and replaced with the following:

6.4 Limitation on Debt. Incur, create, assume, permit to exist, or become liable in connection with, directly or indirectly, any indebtedness, obligations, or liabilities for borrowed money, or otherwise under any promissory note, bond, indenture, or similar instrument, other than the Loan and trade debt incurred in the ordinary course of business, without the execution of a subordination agreement (in form and substance satisfactory to Lender in its sole discretion), between Lender, Borrower, and the lender of such additional debt.

6. Amended Section 6.5. Section 6.5 of the Note is deleted in its entirety and replaced with the following:

6.5 Liens. Grant to any person or entity, or permit to exist, a security interest, lien, license, or other encumbrance of any kind, direct or indirect, contingent or otherwise, in, to or upon any assets of Borrower (except for liens in favor of Lender).

7. Amended Section 7.1.

(a) Section 7.1.1 of the Note is deleted in its entirety and replaced with the following:

7.1.1 if a default occurs in the payment of any principal of, interest on, or other obligation with respect to, this Secured Promissory Note or any Ancillary Document, whether at the due date thereof or upon acceleration thereof;

(b) Section 7.1.3 of the Note is deleted in its entirety and replaced with the following:

7.1.3 if any other default by Borrower or any guarantor (other than payment) occurs under this Secured Promissory Note or under any Ancillary Document and such default remains uncured for three (3) Business Days after written notice thereof from Lender;

(c) Section 7.1.10 of the Note is deleted in its entirety and replaced with the following:

7.1.10 if any debt owing by Borrower or any guarantor to any person or entity (a) is accelerated or Borrower or any guarantor receives any notice of intent to accelerate with respect thereto, (b) matures and is not timely satisfied in full, or (c) is in default or subject to an event of default.

8. Amended Section 7.2. Section 7.2 of the Note is deleted in its entirety and replaced with the following:

7.2 Acceleration. Upon each and every such Event of Default and at any time thereafter during the continuance of such Event of Default: (a) any and all indebtedness of Borrower to Lender under this Secured Promissory Note or otherwise shall at Lender's option and without notice become immediately due and payable, both as to principal and interest (including any deferred interest and any accrued and unpaid interest and any default interest) without presentment, demand, protest, notice of dishonor, notice of acceleration or notice of intent to accelerate, all of which are hereby expressly waived by Borrower, provided, however, that upon the occurrence of any Event of Default described in Sections 7.1.4 or 7.1.5, any and all indebtedness of Borrower to Lender under this Secured Promissory Note shall automatically and immediately become due and payable, both as to principal and interest (including any deferred interest and any accrued and unpaid interest and any default interest), without notice or demand of any kind and shall thereafter accrue interest at the Default Rate until paid in full; and (b) Lender may exercise all the rights of a creditor under applicable state and/or federal law.

9. Amended Section 7.3. Section 7.3 of the Note is deleted in its entirety and replaced with the following:

7.3 Remedies on Default, Etc. In case any one or more Events of Default shall occur and be continuing, and acceleration of this Secured Promissory Note or any other indebtedness of Borrower to Lender shall have occurred, Lender may, inter alia, proceed to protect and enforce its rights by an action at law, suit in equity and/or other appropriate proceeding, whether for the specific performance of any agreement contained in this Secured Promissory Note or any Ancillary Document, or for an injunction against a violation of any of the terms hereof or thereof or in furtherance of the exercise of any power granted hereby or thereby or by law. No right conferred upon Lender by this Secured Promissory Note shall be exclusive of any other right referred to herein or therein or now or hereafter available at law, in equity, by statute or otherwise, and may be exercised by Lender at any time by Lender and from time to time after the occurrence of an Event of Default.

10. No Other Changes. Except as explicitly amended by this Modification, all of the terms and conditions of the Note shall remain in full force and effect and shall apply to any Advance or Letter of Credit thereunder.

11. Representations and Warranties. Each Borrower hereby represents and warrants to Lender as follows:

(a) Such Borrower has all requisite power and authority to execute this Modification and any other agreements or instruments required hereunder and to perform all of its obligations hereunder, and this Modification and all such other agreements and instruments has been duly executed and delivered by such Borrower and constitute the legal, valid and binding obligation of such Borrower, enforceable in accordance with its terms.

(b) The execution, delivery and performance by such Borrower of this Modification and any other agreements or instruments required hereunder have been duly authorized by all necessary corporate action and do not (i) require any authorization, consent or approval by any governmental department, commission, board, bureau, agency or instrumentality, domestic or foreign, (ii) violate any provision of any law, rule or regulation or of any order, writ, injunction or decree presently in effect, having applicability to such Borrower, or the governing documents of such Borrower, or (iii) result in a breach of or constitute a default under any indenture or loan or credit agreement or any other agreement, lease or instrument to which such Borrower is a party or by which it or its properties may be bound or affected.

(c) Borrower hereby acknowledges that (i) as of April 30, 2015, the outstanding principal balance of the indebtedness evidenced by the Note is \$3,000,000.00, and (ii) as of the date hereof, it has no defenses, offsets, or claims against the enforceability of the Note and Ancillary Documents.

(d) As of the date of this Modification, there exists no Event of Default as defined in the Note, nor any condition, act or event which with the giving of notice or the

passage of time or both would constitute any such Event of Default, other than the Existing Defaults.

12. No Waiver. The execution of this Modification and the acceptance of all other agreements and instruments related hereto shall not be deemed to be a waiver of any default or Event of Default under the Note or a waiver of any breach, default or event of default under any Loan Document, except as expressly stated herein.

13. Fees and Expenses. Borrower shall owe to Lender a fully earned and nonrefundable amendment fee in the amount of Nineteen Thousand Five Hundred Dollars (\$19,500.00) (the "Amendment Fee") contemporaneously with Borrower's execution and delivery to Lender of this Modification. Borrower's execution of this Modification shall constitute its agreement, regardless of whether the conditions precedent set forth in Section 14 below are satisfied, to pay from time to time and indemnify Lender for, upon demand, the Amendment Fee and all other fees, costs and expenses of Lender incurred in connection with this Modification, the documents executed and delivered in connection herewith, in connection with the Note and the Ancillary Documents and in connection with any matters contemplated by the Note or any Ancillary Document, including (without limitation) reasonable attorneys' fees and expenses for the preparation, modification, negotiation, examination, collection, and enforcement hereof and thereof. Lender shall not be required to pay any premium, brokerage fee, loan broker fee, commission or similar compensation in connection with this transaction, and Borrower agrees to defend, indemnify, and hold Lender harmless from and against all claims asserted by any person on account of any such fee, commission or compensation, including attorneys' fees paid or incurred by Lender with respect to any such claim.

14. Conditions Precedent. The execution and performance of this Modification by Lender is subject to the following conditions precedent:

(a) Execution by each Borrower and delivery to Lender of this Modification, in form and substance satisfactory to Lender.

(b) Execution by each of the guarantors of the Acknowledgment and Agreement of Guarantors attached hereto.

(c) Execution by the Trustees of the Kenneth and Sheila Antos Living Trust dated April 26, 2007, and any amendments thereto, and delivery to Lender of the Correction to Deed of Trust Assignment of Rents, Security Agreement and Fixture Filing, in form and substance satisfactory to Lender.

(d) Payment in full and in good funds of the Amendment Fee and all fees and expenses of Lender incurred in connection with this Modification, including (without limitation) attorneys' fees and expenses for the preparation, negotiation, examination and enforcement of documents (including, without limitation, this Modification and any Ancillary Documents executed or delivered in connection herewith, and all other fees and costs incidental to the closing of this Modification and the making of the Loan) for which Lender has made demand.

(e) The representations and warranties in Section 4 of the Note shall be true and correct as of the date of this Modification.

(f) Since December 31, 2014, there shall have been no material adverse change, as determined by Lender, in the financial condition or business of either Borrower (or any guarantor hereunder), nor any material decline, as determined by Lender, in the market value of any collateral required hereunder or a substantial or material portion of the assets of either Borrower (or any such guarantor).

15. Holdings Resolutions and Warrant.

(a) Within thirty (30) days of the date hereof (which date may be extended in Lender's sole discretion), Borrowers shall deliver to Lender evidence satisfactory to Lender in its discretion of the ratification of the conversion of 5,858,225 membership units of KCI into an equal number of membership units of Holdings and the issuance of 5,858,225 membership units of Holdings to Lender.

(b) Borrowers shall take all actions necessary, in good faith, to cause Holdings to issue membership units in Holdings to Lender, within thirty (30) days of the date hereof (which date may be extended in Lender's sole discretion), based upon the exercise of those certain Warrants to Purchase Membership Units issued by KCI dated July 19, 2012, October 22, 2012, and November 19, 2013, for an aggregate of 5,858,225 membership units in Holdings.

(c) Within thirty (30) days of the date hereof (which date may be extended in Lender's sole discretion), Borrowers shall deliver to Lender evidence satisfactory to Lender in its discretion of the assignment and assumption by Holdings reflecting the exchange of those certain Warrants to Purchase Membership Units issued by KCI dated April 19, 2014, for an aggregate of 1,818,574 membership units of KCI, for warrants issued by Holdings to Lender for an aggregate of 1,818,574 membership units of Holdings.

16. References. All references in the Note to "this Secured Promissory Note" shall be deemed to refer to the Note as amended hereby, and any and all references in the Ancillary Documents to the Note shall be deemed to refer to the Note as amended hereby. All references in the Note and all Modifications to Note to the "Loan Documents" shall be deemed to refer to, collectively, the "Note" and "Ancillary Documents," as such may be amended or modified. Capitalized terms used herein and not defined herein shall have the meanings assigned thereto in the Note. Failure by any Borrower or guarantor to strictly comply with the terms of this Modification shall constitute an Event of Default under the Note.

17. Miscellaneous. This Modification and the Acknowledgment and Agreement of Guarantors may be executed in any number of counterparts, each of which when so executed and delivered shall be deemed an original and all of which counterparts, taken together, shall constitute one and the same instrument. Electronic delivery of an original signature shall constitute an original signature.

18. Agreement to Subsidiary Operating Agreements. In accordance with the pledge by KCI of its interest in its subsidiaries pursuant to, and as further defined in, that certain Pledge Agreement dated as of January 23, 2015, by and between KCI and Lender (the "Pledge Agreement"), Lender agrees it shall be bound by and be entitled to the economic benefits and obligations of all the provisions of the subsidiaries' operating agreement applicable to the interest acquired by Lender. Lender constitutes a "Permitted Transferee" under the subsidiaries' operating agreements because it (a) is a transferee based upon the interest it received under the Pledge Agreement, (b) is not a competitor to the subsidiaries or prohibited member, and (c) otherwise satisfies the definition provided thereunder.

19. General Release. Each Borrower and guarantor hereby absolutely and unconditionally release and forever discharge Lender, and any and all participants, parent corporations, subsidiary corporations, affiliated corporations, insurers, indemnitors, successors and assigns thereof, together with all of the present and former directors, officers, agents and employees of any of the foregoing, from any and all claims, demands or causes of action of any kind, nature or description, whether arising in law or equity or upon contract or tort or under any state or federal law or otherwise, which Borrower or any such guarantor has had, now has or has made claim to have against any such person for or by reason of any act, omission, matter, cause or thing whatsoever arising from the beginning of time to and including the date of this Modification, whether such claims, demands and causes of action are matured or unmatured or known or unknown.

20. Statutory Notice. ORAL AGREEMENTS OR ORAL COMMITMENTS TO LOAN MONEY, EXTEND CREDIT OR FORBEAR FROM ENFORCING REPAYMENT OF A DEBT ARE NOT ENFORCEABLE UNDER WASHINGTON LAW.

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IN WITNESS WHEREOF, the parties hereto have caused this Modification to be duly executed as of the date first above written.

BORROWERS:

KCI INVESTMENTS, LLC,
a Nevada limited liability company



By: Kenneth M. Antos
Its: Manager

Address: 4033 S. Dean Martin Drive
Las Vegas, NV 89103

PREFERRED RESTAURANT BRANDS, INC.,
a Florida corporation



By: Kenneth M. Antos
Its: President

Address: 4033 S. Dean Martin Drive
Las Vegas, NV 89103

LENDER:

CBC PARTNERS I, LLC,
a Washington limited liability company



By: John Otter
Its: Authorized Manager Representative

Address: 777 108th Ave NE
Suite 1895
Bellevue, WA 98004
Facsimile: (425) 688-7003

ACKNOWLEDGMENT AND AGREEMENT OF GUARANTORS

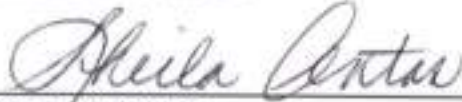
Each of the undersigned guarantors of the indebtedness of KCI Investments, LLC, a Nevada limited liability company, and Preferred Restaurant Brands, Inc., a Florida corporation (each a "Borrower" and collectively, "Borrowers") to CBC Partners I, LLC ("Lender"), a Washington limited liability company, or its assigns, pursuant to his/her/its respective Guaranty dated June 22, 2012, and January 23, 2015, (each, a "Guaranty"), hereby (i) acknowledges receipt of the Ninth Modification to Secured Promissory Note and Waiver of Defaults (the "Modification"); (ii) consents to the terms and execution thereof; (iii) agrees and confirms that "Guaranteed Obligations" as defined in the Guaranty includes all indebtedness, obligations, and liabilities of Borrowers, as more fully described in the Guaranty; (iv) reaffirms all obligations to Lender pursuant to the terms of the Guaranty; (v) acknowledges that Lender may amend, restate, extend, renew or otherwise modify the Note and any indebtedness or agreement of Borrowers, or enter into any agreement or extend additional or other credit accommodations, without notifying or obtaining the consent of the undersigned and without impairing the liability of the undersigned under the Guaranty for all of Borrower's present and future indebtedness to Lender; and (vi) agrees to join in and be bound by all of the terms and provisions of the General Release contained in Section 19 thereof.

Each of the undersigned that is a subsidiary of KCI Investments, LLC ("KCI") acknowledges that it has received written notice of the pledge of KCI's interest in such subsidiary pursuant to that certain Pledge Agreement dated as of January 23, 2015, by and between KCI and Lender, has reviewed the explanation of how Lender is a Permitted Transferee (as defined in the undersigned's operating agreement) in Section 18 of the Modification and acknowledges that Lender is a Permitted Transferee. Each of the undersigned hereby waives any further requirement to validate such transfer by KCI and ratifies and consents to such transfer.

Dated effective as of the 30th day of April, 2015.

GUARANTORS:


KENNETH ANTOS


SHEILA ANTOS

KCI RESTAURANT II LLC

By KCI INVESTMENTS, LLC, its
Managing Member

By: 
Kenneth M. Antos, Manager

KCI RESTAURANT I LLC

By KCI INVESTMENTS, LLC, its
Managing Member

By: 
Kenneth M. Antos, Manager

PRB I LLC

By KCI INVESTMENTS, LLC, its
Managing Member


By: 
Kenneth M. Antos, Manager

EXHIBIT “J”

DEBT PURCHASE AGREEMENT

THIS DEBT PURCHASE AGREEMENT (this "Agreement"), is made and entered into as of the 2nd day of December, 2016, by and among **CBC PARTNERS I, LLC**, a Washington limited liability company, with an address of 777 108th Avenue NE, Suite 1895, Bellevue, Washington 98004 ("Assignor" or "Lender"), **SOUTHRIDGE PARTNERS II, LP**, a Delaware limited partnership, with an address of 90 Grove Street, Ridgefield, Connecticut 06877 ("Assignee"), **PREFERRED RESTAURANT BRANDS, INC.** ("**PRBI**"), a Florida corporation, and **KCI INVESTMENTS, LLC**, a Nevada limited liability company ("**KCI**," together with PRBI, the "Borrower").

WITNESSETH

WHEREAS, Lender made a loan (the "Loan") to KCI which was jointly and severally assumed by PRBI, pursuant to the terms of a duly made, executed and delivered Secured Promissory Note dated as of June 22, 2012 (the "Issuance Date"), as most recently amended as of April 30, 2015, pursuant to that certain Ninth Modification to Secured Promissory Note and Waiver of Defaults (together with all amendments, the "Secured Note"), evidencing an aggregate principal obligation of \$2,950,000; and

WHEREAS, Assignee desires to purchase from Lender, and Lender is amenable to selling and assigning to Assignee, Assignor's right, title and interest in and to a portion of the monetary obligations evidenced by the Secured Note, such portion being equal to Fifteen Thousand Dollars (\$15,000.00) of the monetary obligations evidenced by the Secured Note (the "Assigned Debt"), which Assigned Debt shall be purchased by Assignee in one single tranche as more specifically hereinafter set forth; and

WHEREAS, on or prior to the "Purchase Tranche Closing" (as hereinafter defined), as directed by Lender, the Borrower agrees to sever, split, divide and apportion the Secured Note (or any replacement note(s) issued in replacement thereof as hereby contemplated, as applicable) into two separate and distinct replacement notes, one unsecured note for the amount of the Assigned Debt being sold and assigned at the Purchase Tranche Closing (the Assigned Debt being sold and assigned at the Purchase Tranche Closing being referred to as the "Applicable Assigned Debt"), and one for the remaining amount of the overall debt evidenced by the Secured Note (or any replacement notes issued in replacement thereof as hereby contemplated, as applicable);

NOW, THEREFORE, in consideration of the mutual covenants hereinafter set forth, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged and agreed, Assignor, Assignee, and Borrower hereby covenant and agree as follows:

1. Recitals. The recitations set forth in the preamble of this Agreement are true and correct and incorporated herein by this reference.

2. Agreement to Assign Assigned Debt.

(a) Purchase Tranche Closing. Subject to all the terms and provisions of this Agreement, the Assignor hereby agrees to sell and assign to Assignee, and Assignee hereby agrees to purchase from Assignor, the Assigned Debt, which Assigned Debt shall be sold in one single tranche (hereinafter referred to as a "Purchase Tranche"), such Purchase Tranche to be sold and assigned on the date of the execution of this Agreement (the closing of the Purchase Tranche referred to as the "Purchase Tranche Closing" and the purchase price to be paid for the Applicable Assigned Debt at the Purchase Tranche Closing referred to as the "Applicable Purchase Price").

(b) Deliveries at the Purchase Tranche Closing. Subject to the terms of this Agreement, at the Purchase Tranche Closing: (i) Lender shall execute and deliver to Assignee, an assignment of the Applicable Assigned Debt being sold and assigned at the Purchase Tranche Closing, substantially in the form attached hereto as Exhibit "A" (each, an "Assignment"); (ii) Lender shall deliver to Assignee the replacement note (the "Assigned Note") for the Applicable Assigned Debt being sold and assigned at the Purchase Tranche Closing (subject to receipt of same by Lender from Borrower as provided in Section 2(c) below); and (iii) Assignee shall pay to Lender the Applicable Purchase Price for the Applicable Assigned Debt being sold and assigned at the Purchase Tranche Closing, by wire transfer of good and cleared U.S. currency to an account designated by Lender.

(c) Borrower's Obligation to Sever Notes. On or prior to the Purchase Tranche Closing, and within no later than two (2) business days after request therefor is made by Lender to Borrower, the Borrower agrees to sever, split, divide and apportion the Secured Note (or any replacement notes issued in replacement thereof as hereby contemplated, as applicable) into two separate and distinct notes; the Assigned Note shall be for a principal amount equal to the Applicable Purchase Price corresponding to the Applicable Assigned Debt for the Purchase Tranche Closing, in substantially the form attached hereto as Exhibit "B," and the Borrower shall execute a note modification to the existing Secured Note reflecting a reduced principal obligation equal to the remaining amount of the overall debt then existing and evidenced by the Secured Note (or any replacement notes issued in replacement thereof as hereby contemplated, as applicable). In order to clarify the foregoing, as an example, on or prior to the Purchase Tranche Closing contemplated hereby, upon request by Lender, the Borrower shall provide to Lender an Assigned Note in replacement of the Applicable Assigned Debt owing under the Secured Note, in the principal amount of \$15,000, which is the Applicable Purchase Price for the Applicable Assigned Debt being sold and assigned at the Purchase Tranche Closing, and a note modification to the Secured Note reflecting a reduced principal balance of \$2,935,000 as of the date hereof, which is the principal amount of the overall debt evidenced by the Secured Note, less the Applicable Purchase Price for the first Assigned Note being sold and assigned at the Purchase Tranche Closing. Assignee acknowledges and understands that Lender's obligation to sell, assign and deliver the Assigned Note representing the Applicable Assigned Debt at the Purchase Tranche Closing is subject to and conditioned upon Borrower executing and delivering such Assigned Note and note modification to Lender in accordance with this Agreement.

(d) Remaining Debt. Assignee and Borrower acknowledge that at the Purchase Tranche Closing, and subject to Lender's receipt of the Applicable Purchase Price, only the Applicable Assigned Debt represented by the specific Assigned Note representing the Purchase Tranche shall be deemed sold and assigned hereunder, it being acknowledged by Assignee and by Borrower that the remaining portion of the debt evidenced by the Secured Note (or any replacement notes issued in replacement thereof as hereby contemplated, as applicable) for which the Applicable Purchase Price has not been paid and received by Lender (the "Remaining Debt") shall not be sold or assigned thereby, and shall remain due and owing in all respects in accordance with the terms of the Secured Note, as modified.

(e) No Security Rights. Assignee and Borrower each hereby agree and acknowledge that the Assigned Note is unsecured and the sale, transfer and assignment of the Applicable Assigned Debt shall be a sale, transfer and assignment of the monetary obligations evidenced by such Applicable Assigned Debt only, and shall not include, and such sale, transfer and assignment expressly excludes, the Remaining Debt, as well as excluding any and all security rights, rights to any collateral, or any other security interests or rights of Assignor of any nature or kind related to, arising under, or pursuant to, the Secured Note, any other "Loan Documents" (as defined in the Secured Note) related thereto, or any other security agreements, UCC financing statements, or any other documents or instruments relating to the obligations of the Borrower or any "Guarantors" (as defined in the Secured Note) to Assignor (collectively, the "Security Rights"), it being agreed and acknowledged that all Security Rights shall remain with Assignor, as security for any portion of the indebtedness owing by Borrower to Lender and not assigned at the Purchase Tranche Closing, the Remaining Debt, or any other obligations of Borrower or any Guarantors to Assignor.

3. Conditions to Additional Purchases. The Purchase Tranche contemplated hereunder shall be closed and funded simultaneous with the execution of this Agreement by Lender, Assignee and Borrower.

4. Representations and Warranties of Assignor. Assignor makes the following representations and warranties to Assignee, each of which shall be deemed made as of the Effective Date:

(a) Assignor is the legal and equitable owner of Assignor's right, title and interest in and to the Applicable Assigned Debt.

(b) Assignor has not sold, transferred, assigned, pledged, hypothecated, or otherwise encumbered the Applicable Assigned Debt, or any portion thereof.

(c) The Assignor is an entity duly organized, validly existing and in good standing under the laws of the jurisdiction of its organization with full right, corporate, partnership or other applicable power and authority to enter into and to consummate the transactions contemplated by this Agreement and otherwise to carry out its obligations hereunder, and the execution, delivery and performance by the Assignor of the transactions contemplated by this Agreement have been duly authorized by all necessary corporate, partnership, or similar action on the part of the Assignor.

(d) Assignor has taken no action which would give rise to any claim by any person for brokerage commissions, finder's fees or similar payments relating to this Agreement or the transactions contemplated hereby.

(e) Assignor has owned the Secured Note since the Issuance Date. Assignor is not, and for a period of at least ninety (90) days prior to the date hereof has not been, an "Affiliate" of the Borrower, as that term is hereinafter defined. An *Affiliate* of an issuer is a *person* that directly, or indirectly through one or more intermediaries, controls, or is controlled by, or is under common control with, such issuer. The term *person* when used with reference to a person for whose account securities are to be sold in reliance upon this section includes, in addition to such person, all of the following persons:

(i) Any relative or spouse of such person, or any relative of such spouse, any one of whom has the same home as such person;

(ii) Any trust or estate in which such person or any of the persons specified in paragraph (i) of this section collectively own 10 percent or more of the total beneficial interest or of which any of such persons serve as trustee, executor or in any similar capacity; and

(iii) Any corporation or other organization (other than the issuer) in which such person or any of the persons specified in paragraph (a)(2)(i) of this section are the beneficial owners collectively of 10 percent or more of any class of equity securities or 10 percent or more of the equity interest.

(f) Except for the foregoing representations and warranties, this Agreement and the Assignment is made by Assignor without recourse, representation or warranty of any nature or kind, express or implied, and Assignor specifically disclaims any warranty, guaranty or representation, oral or written, past, present or future with respect to the Assigned Debt, any portion thereof, or any instruments evidencing same, including, without limitation: (i) the validity, effectiveness or enforceability of the Assigned Debt, any portion thereof, or any instruments evidencing same; (ii) the validity, existence, or priority of any lien or security interest securing the obligations of Borrower or any other Credit Parties evidenced by the Assigned Debt, any portion thereof, or any instruments evidencing same; (iii) the existence of, or basis for, any claim, counterclaim, defense or offset relating to the Assigned Debt, any portion thereof, or any instruments evidencing same; (iv) the financial condition of the Borrower, or any other Credit Parties or guarantor or obligor liable under the Assigned Debt, any portion thereof, or any instruments evidencing same, or the ability of any such parties to pay or perform their respective obligations under the Assigned Debt, any portion thereof, or any instruments evidencing same; (v) the compliance of the Assigned Debt, any portion thereof, or any instruments evidencing same with any laws, ordinances or regulations of any governmental agency or other body; (vi) the value or condition of any collateral securing the obligations under the Assigned Debt, any portion thereof, or any instruments evidencing same; and (vii) the future performance of the Borrower or any other Credit Parties or guarantor or obligor liable under the Assigned Debt, any portion thereof, or any instruments evidencing same. Assignee acknowledges and represents to Assignor that Assignee has been given the opportunity to undertake its own investigations of the Borrower, the

Assigned Debt, any portion thereof, or any instruments evidencing same, and having undertaken and performed all such investigations as Assignee deemed necessary or desirable, Assignee represents, warrants and agrees that it is relying solely on its own investigation of the Borrower, the Assigned Debt, any portion thereof, or any instruments evidencing same, and not any information whatsoever provided or to be provided by Assignor, or any representation or warranty of Assignor. This Agreement, and the Assignment of the Assigned Debt, or portion thereof, as provided for herein is made on an "AS IS," "WHERE IS" basis, with all faults, and Assignee, by acceptance of this Agreement and the Assignment, shall be deemed to have agreed and acknowledged that Assignor has fully performed, discharged and complied with all of Assignor's obligations, representations, warranties, covenants and agreements hereunder, that Assignor is discharged therefrom, and that Assignor shall have no further liability with respect thereto, except only for those express warranties contained in this Agreement, and Assignee, by such acceptance, expressly acknowledges that ASSIGNOR MAKES NO WARRANTY OR REPRESENTATIONS, EXPRESS OR IMPLIED, OR ARISING BY OPERATION OF LAW, RELATING TO THE ASSIGNED DEBT, ANY PORTION THEREOF, OR ANY INSTRUMENTS EVIDENCING SAME, EXCEPT AS SPECIFICALLY SET FORTH HEREIN.

5. Representations and Warranties of Assignee. Assignee makes the following representations and warranties to Assignor, each of which shall be deemed made as of the Effective Date:

(a) The Assignee is a legally recognized entity duly organized, validly existing and in good standing under the laws of the jurisdiction of its organization with full right, corporate, partnership or other applicable power and authority to enter into and to consummate the transactions contemplated by this Agreement and otherwise to carry out its obligations hereunder, and the execution, delivery and performance by the Assignee of the transactions contemplated by this Agreement have been duly authorized by all necessary corporate or similar action on the part of the Assignee.

(b) This Agreement, when executed and delivered by the Assignee, will constitute a valid and legally binding obligation of the Assignee, enforceable against the Assignee in accordance with its terms, except: (i) as limited by applicable bankruptcy, insolvency, reorganization, moratorium, fraudulent conveyance, and any other laws of general application affecting enforcement of creditors' rights generally; or (ii) as limited by laws relating to the availability of specific performance, injunctive relief, or other equitable remedies.

(c) The Assignee: (i) either alone or together with its representatives, has such knowledge and experience in financial and business matters as to be capable of evaluating the merits and risks of this investment and make an informed decision to so invest, and has so evaluated the risks and merits of such investment; (ii) has the ability to bear the economic risks of this investment and can afford a complete loss of such investment; (iii) understands the terms of and risks associated with the acquisition of the Assigned Debt, or any portion thereof, or any instruments evidencing same, including, without limitation, a lack of liquidity, price transparency or pricing availability and risks associated with the industry in which the Borrower operates; (iv) has had the opportunity to review the Borrower, its business, its financial condition, its prospects, the Secured Note, the Assigned Debt, any portion thereof, or any instruments evidencing same, all

as the Assignee has determined to be necessary in connection with this Agreement and the assignments contemplated hereby.

(d) The Assignee understands that: (i) the Assigned Debt, any portion thereof, or any instruments evidencing same, have not been registered under the Securities Act of 1933 (the "Securities Act") or the securities laws of any state; (ii) the Assigned Debt, any portion thereof, or any instruments evidencing same, and any securities issuable upon conversion of the Assigned Debt, or any portion thereof, is and will be "restricted securities" as said term is defined in Rule 144 of the Rules and Regulations promulgated under the Securities Act ("Rule 144"); (iii) the Assigned Debt, any portion thereof, or any instruments evidencing same, may not be sold, pledged or otherwise transferred unless a registration statement for such transaction is effective under the Securities Act and any applicable state securities laws, or unless an exemption from such registration is available with respect to such transaction; and (iv) the Assigned Debt, any portion thereof, or any instruments evidencing same, will restrictive legends as to the foregoing in customary form.

(e) The Assignee is not accepting this Agreement or the Assignment as a result of any advertisement, article, notice or other communication regarding the Assigned Debt, any portion thereof, or any instruments evidencing same published in any newspaper, magazine, internet or social media, broadcast over television or radio, presented at any seminary, or under any other media generally circulated or available to the public or any other general solicitation or general advertisement.

(f) Neither the execution and delivery of this Agreement, or the Assignment, nor the consummation of the transactions contemplated hereby, does or will violate any constitution, statute, regulation, rule, injunction, judgment, order, decree, ruling, charge or other restriction of any government, governmental agency, or court to which the Assignee is subject or any provision of its organizational documents or other similar governing instruments, or conflict with, violate or constitute a default under any agreement, credit facility, debt or other instrument or understanding to which the Assignee is a party. The Assignee has consulted such legal, tax and investment advisors as it, in its sole discretion, has deemed necessary or appropriate in connection with this Agreement and the assignment of the Assigned Debt, any portion thereof, or any instruments evidencing same as contemplated hereby.

(g) There is no action, suit, proceeding, judgment, claim or investigation pending, or to the knowledge of the Assignee, threatened against the Assignee which could reasonably be expected in any manner to challenge or seek to prevent, enjoin, alter or materially delay any of the transactions contemplated hereby.

(h) No authorization, consent, approval or other order of, or declaration to or filing with, any governmental agency or body or other Person is required for the valid authorization, execution, delivery and performance by the Assignee of this Agreement and the consummation of the transactions contemplated hereby.

(i) The Assignee hereby acknowledges that the Assigned Debt, any portion thereof, or any instruments evidencing same may only be disposed of in compliance with state and

federal securities laws. The Assignee further acknowledges that in connection with any transfer of the Assigned Debt, any portion thereof, or any instruments evidencing same subsequent to the date hereof and other than pursuant to an effective registration statement, or an applicable exemption to such registration requirements, the Borrower and/or the Borrower's transfer agent may require an opinion of counsel, the form and substance of which opinion shall be reasonably satisfactory to the Borrower and/or the Borrower's transfer agent, as applicable.

6. Representations and Warranties of Borrower.

(a) Borrower hereby represents and warrants that the obligations evidenced by the Secured Note, including, without limitation, all obligations for the Assigned Debt and the Remaining Debt, are valid and enforceable obligations of the Borrower subject to no defenses, setoffs, counterclaims, cross-actions or equities in favor of the Borrower, and to the extent the Borrower has any defenses, setoffs, counterclaims, cross-actions or equities against Assignor and/or against the enforceability of any such obligations, the Borrower acknowledges and agrees that same are hereby fully and unconditionally waived by the Borrower. The Borrower further acknowledges its obligations under Section 2(c) above, and agrees to timely and promptly deliver replacement notes to Lender as required by this Agreement. The Borrower further acknowledges that the Assigned Debt may only represent a portion of the obligations due or owing under the Secured Note, and that the Assigned Debt is only being assigned hereunder in the Purchase Tranche as contemplated above. In that regard, the Borrower further acknowledges that the Remaining Debt, and any portion of the Assigned Debt for which the Applicable Purchase Price therefor has not been received by Lender, are and remain valid and enforceable obligations of the Borrower. Borrower agrees and acknowledges that it is and shall remain liable to pay the Remaining Debt, and any portion of the Assigned Debt for which the Applicable Purchase Price therefor has not been received by Lender, as same becomes due in accordance with the terms of the Secured Note, or any replacement notes issued in replacement thereof as hereby contemplated, and nothing contained herein shall be deemed or construed any waiver or to otherwise excuse performance by Borrower under its obligations to Lender.

(b) The Borrower acknowledges (i) that notwithstanding any convertibility of the Secured Note, the Assigned Note evidencing the Assigned Debt shall be convertible into the PRBI's common stock, at any time at the option of the Assignee, at an initial conversion price per share equal to fifty percent (50% (0.50)) (the "Multiplier") of the lowest closing bid price for the PRBI's common stock during the thirty (30) trading days immediately preceding a conversion date, as reported by Bloomberg (the "Closing Bid Price") ("Initial Conversion Price"); provided that if the closing bid price for the common stock on the Clearing Date (defined below) is lower than the Closing Bid Price, then the Initial Conversion Price shall be adjusted such that the Multiplier shall be multiplied by the closing bid price on the Clearing Date, and the Borrower shall issue additional shares to Assignee to reflect such adjusted conversion price, and (ii) that if the PRBI's common stock becomes chilled by Deposit Trust Corporation (DTC) at the time that any portion of the principal and interest of the replacement note is converted by Assignee, then the Multiplier shall be adjusted to forty percent (40% (0.40)) for so long as the common stock is chilled. For purposes of this Agreement, the Clearing Date shall be on the date in which the conversion shares are deposited into the Assignee's brokerage account and Assignee's broker has confirmed with Assignee that it may execute trades of the conversion shares. The Borrower shall

bear any and all miscellaneous expenses that may arise as a result of conversion and delivery of shares of common stock in respect of the replacement note, including but are not limited to the cost of the issuance of a Rule 144 legal opinion, or other opinion, transfer agent fees, equity issuance and deposit fees, etc. At Assignee's option, any accrued costs paid or incurred by Assignee shall be added to the dollar amount of any conversion of such replacement note.

(c) The Borrower represents that by a date no later than the Issuance Date that the Borrower had an accrued payment obligation to Assignor equal to the principal amount of the Secured Note. The Borrower has no information to the contrary that the Assignor has had continuous and uninterrupted beneficial ownership of the Secured Note since the Issuance Date, through and including the date of this Agreement.

(d) The Borrower acknowledges that it will take all reasonable steps necessary or appropriate, including providing an opinion of counsel confirming the rights of Assignee to sell shares of Common Stock issued to Assignee upon conversion of the Purchased Note pursuant to Rule 144 as promulgated by the SEC ("Rule 144"), or other exemption, as such Rule or exemption may be in effect from time to time. If the Borrower does not promptly provide an opinion from Borrower's counsel, Borrower agrees to accept an opinion of counsel to the Assignee, which opinion will be issued at the Borrower's expense.

(e) The Borrower confirms that it has instructed its transfer agent to reserve at least 10,000,000 shares of its Common Stock for issuance to Assignee in respect of conversion of the replacement note reflecting the Assigned Debt.

7. RELEASE. AS A MATERIAL INDUCEMENT FOR LENDER TO AGREE TO ENTER INTO THIS AGREEMENT, BORROWER HEREBY RELEASES LENDER, TOGETHER WITH ALL OF ITS PARTNERS AND AFFILIATES, AND THE OFFICERS, MEMBERS, DIRECTORS, PARTNERS, EMPLOYEES, AGENTS AND ATTORNEYS OF EACH OF THE FOREGOING, FROM ALL CLAIMS, CAUSES OF ACTION AND LIABILITIES OF ANY NATURE OR KIND IN ANY WAY RELATING, DIRECTLY OR INDIRECTLY, TO THE ASSIGNED DEBT, ANY COLLATERAL SECURING ANY OBLIGATIONS THEREUNDER, THIS AGREEMENT, OR ANY OTHER DEBTS OR OBLIGATIONS IN ANY WAY RELATING TO THE SECURED NOTE, TO THE EXTENT ARISING ON OR PRIOR TO THE DATE HEREOF, INCLUDING, WITHOUT LIMITATION, ANY AND ALL CLAIMS ARISING FROM OR RELATING TO NEGOTIATIONS, DEMANDS, REQUESTS OR EXERCISE OF REMEDIES IN CONNECTION WITH THE ASSIGNED DEBT, THIS AGREEMENT, ANY OTHER DEBTS OR OBLIGATIONS IN ANY WAY RELATING TO THE SECURED NOTE, AND ANY AND ALL FEES OR CHARGES COLLECTED IN CONNECTION WITH THE ASSIGNED DEBT, THIS AGREEMENT, OR ANY OTHER DEBTS OR OBLIGATIONS IN ANY WAY RELATING TO THE SECURED NOTE.

8. Default and Termination.

(a) Breach by Assignor. In the event Assignor shall breach any of its covenants or agreements hereunder, and such breach is not cured within twenty (20) days after Assignor's receipt of written notice of such breach from Assignee, which notice shall specify the breach with specificity, then Assignee's sole and exclusive remedy hereunder shall be to terminate this Agreement upon written notice to Assignor, whereupon this Agreement shall terminate and Assignor and Assignee shall have no further obligation, each to the other, under this Agreement. Assignor and Assignee agree that the foregoing exclusive remedy will be adequate and each of them agrees that Assignee shall not have any other remedies, at law or in equity, for any breach by Assignor not cured within any applicable notice and cure period, other than termination of this Agreement as hereby provided.

(b) Breach by Assignee. In the event Assignee shall breach any of its covenants or agreements hereunder, and such breach is not cured within twenty (20) days after Assignee's receipt of written notice of such breach from Assignor, which notice shall specify the breach with specificity, then Assignor's sole and exclusive remedy hereunder shall be to terminate this Agreement upon written notice to Assignee, whereupon this Agreement shall terminate, assignee shall re-assign the Assigned Note to Assignor, and Assignor and Assignee shall have no further obligation, each to the other, under this Agreement. Assignor and Assignee agree that the foregoing exclusive remedy will be adequate and each of them agrees that Assignor shall not have any other remedies, at law or in equity, for any breach by Assignee not cured within any applicable notice and cure period, other than termination of this Agreement as hereby provided.

(c) Breach by Borrower. Any breach by Borrower under this Agreement shall be deemed an event of default by Borrower under the Secured Note and the Assigned Debt, and any such breach may be enforced by Assignor or Assignee, as applicable, through any remedies available to them, at law or in equity, or under the Secured Note, or the Assigned Debt, as applicable. Borrower shall have no rights to enforce this Agreement as against Assignor or Assignee, nor shall any breach or default by Assignor or Assignee hereunder in any way abrogate, limit, or otherwise affect Borrower's obligations under the Secured Note, the Assigned Debt, and related Loan Documents.

9. No Waiver. The parties recognize and acknowledge that by entering into this Agreement, the Lender is not waiving any rights or remedies it may have under any of the Loan Documents, any defaults or Events of Default arising thereunder, or any judgments previously obtained by Lender in connection therewith. In addition, notwithstanding anything contained in this Agreement to the contrary, the Lender shall have the right, at any time, to accept payments (whether in full or partial payments) of the then outstanding Remaining Debt, whether such payments are made by the Borrower, any other Person purchasing all or any portion of the then outstanding Remaining Debt, or any other Person, and in such event, Lender shall have the absolute right to terminate this Agreement, without liability to Assignee or any other Person, with respect to any portion of the Assigned Debt not yet sold and assigned to Assignee as of such date, if any.

10. Governing Law. THIS AGREEMENT SHALL BE ENFORCED, GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF

CONNECTICUT APPLICABLE TO AGREEMENTS MADE AND TO BE PERFORMED ENTIRELY WITH SUCH STATE, WITHOUT REGARD TO THE PRINCIPLES OF CONFLICT OF LAWS. THE PARTIES HERETO HEREBY SUBMIT TO THE EXCLUSIVE JURISDICTION OF THE UNITED STATES FEDERAL OR STATE COURTS LOCATED IN FAIRFIELD COUNTY, CONNECTICUT WITH RESPECT TO ANY DISPUTE ARISING UNDER THIS AGREEMENT, THE ASSIGNED DEBT, OR THE TRANSACTIONS CONTEMPLATED HEREBY. EACH PARTY IRREVOCABLY WAIVES THE DEFENSE OF AN INCONVENIENT FORUM TO THE MAINTENANCE OF SUCH SUIT OR PROCEEDING. EACH PARTY FURTHER AGREES THAT SERVICE OF PROCESS UPON A PARTY MAILED BY FIRST CLASS MAIL SHALL BE DEEMED IN EVERY RESPECT EFFECTIVE SERVICE OF PROCESS UPON THE PARTY IN ANY SUCH SUIT OR PROCEEDING. NOTHING HEREIN SHALL AFFECT ANY PARTY'S RIGHT TO SERVE PROCESS IN ANY OTHER MANNER PERMITTED BY LAW. EACH PARTY AGREES THAT A FINAL NON-APPEALABLE JUDGMENT IN ANY SUCH SUIT OR PROCEEDING SHALL BE CONCLUSIVE AND MAY BE ENFORCED IN OTHER JURISDICTIONS BY SUIT ON SUCH JUDGMENT OR IN ANY OTHER LAWFUL MANNER. EACH PARTY HEREBY WAIVE A TRIAL BY JURY IN ANY ACTION, PROCEEDING OR COUNTERCLAIM BROUGHT BY THE ANOTHER PARTY HERETO AGAINST SUCH PARTY IN RESPECT OF ANY MATTER ARISING OUT OF OR IN CONNECTION WITH THIS AGREEMENT. NOTWITHSTANDING ANYTHING TO THE CONTRARY HEREIN, ANY CLAIMS OR LITIGATION BETWEEN LENDER AND BORROWER, OR ANY OTHER CREDIT PARTY SHALL BE GOVERNED BY THE CHOICE OF LAW AND FORUM CLAUSES CONTAINED IN THE SECURED NOTE AND LOAN DOCUMENTS.

11. Successors and Assigns. This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns.

12. Headings. The headings of the paragraphs of this Agreement have been included only for convenience, and shall not be deemed in any manner to modify or limit any of the provisions of this Agreement or used in any manner in the interpretation of this Agreement.

13. Interpretation. Whenever the context so requires in this Agreement, all words used in the singular shall be construed to have been used in the plural (and vice versa), each gender shall be construed to include any other genders, and the word "Person" shall be construed to include a natural person, a corporation, a firm, a partnership, a joint venture, a trust, an estate or any other entity.

14. Partial Invalidity. Each provision of this Agreement shall be valid and enforceable to the fullest extent permitted by law. If any provision of this Agreement or the application of such provision to any person or circumstances shall, to any extent, be invalid or unenforceable, then the remainder of this Agreement, or the application of such provision to persons or circumstances other than those as to which it is held invalid or unenforceable, shall not be affected by such invalidity or unenforceability.

15. Execution. This Agreement may be executed in one or more counterparts, all of which taken together shall be deemed and considered one and the same Agreement. In the event

that any signature is delivered by facsimile transmission or by e-mail delivery of a ".pdf" format file or other similar format file, such signature shall be deemed an original for all purposes and shall create a valid and binding obligation of the party executing same with the same force and effect as if such facsimile or ".pdf" signature page was an original thereof.

16. Effective Date. For purposes of this Agreement, the "**Effective Date**" shall mean the date when this Agreement becomes fully executed by all parties hereto.

[Signatures on the following page]

IN WITNESS WHEREOF, Assignor, Assignee, and Borrower have executed this Agreement as of the date above first written.

Assignor:

CBC PARTNERS I, LLC

By: 

Name: John Otter

Title: Authorized Manager Representative

Date: Jan 11, 2017

Assignee:

SOUTHRIDGE PARTNERS II, LP

By: _____

Name: _____

Title: Authorized Signatory

Date: _____

IN WITNESS WHEREOF, Assignor, Assignee, and Borrower have executed this Agreement as of the date above first written.

Borrower:

PREFERRED RESTAURANT BRANDS, INC.

By: 

Name: Gary Decker

Title: Authorized Signatory

Date: 12/2/2016

KCI INVESTMENTS, LLC

By: 

Name: Gary Decker

Title: Authorized Signatory

Date: 12/2/2016

ACKNOWLEDGMENT AND AGREEMENT OF OTHER CREDIT PARTIES

Each of the undersigned Credit Parties with respect to the indebtedness of Preferred Restaurant Brands, Inc. and KCI Investments, LLC (collectively, the "**Borrower**") to CBC Partners I, LLC (as more fully defined in this Agreement, "**Lender**"), pursuant to the guarantees and security instruments executed in connection with Lender's loan to Borrower, (each, a "**Ancillary Document**," collectively, the "**Ancillary Documents**"), hereby (i) acknowledges receipt of this Agreement; (ii) consents to the terms and execution thereof; (iii) reaffirms all obligations to Lender pursuant to the terms of the Ancillary Documents; (iv) acknowledges that the debt remains due and owing pursuant to the terms of the promissory note evidencing the Applicable Assigned Debt and Secured Note; (v) acknowledges that the Secured Note remains secured and guaranteed pursuant to the Ancillary Documents; (vi) agrees to paragraphs 6 and 7; and (vii) acknowledges that the Ancillary Documents remain in full force and effect. Lender may amend, restate, extend, renew or otherwise modify the Secured Note and Ancillary Documents and any indebtedness or agreement of the Credit Parties, or enter into any agreement or extend additional or other credit accommodations, without notifying or obtaining the consent of the undersigned and without impairing the liability of the undersigned under the Ancillary Documents for all of the Credit Parties' present and future indebtedness to Lender.

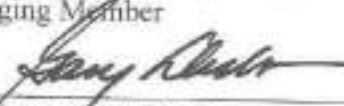
Dated as of the 2nd day of December, 2016.

KCI RESTAURANT I, LLC

Kenneth Antos

By: KCI INVESTMENTS, LLC, its
Managing Member

Shelia Antos

By: 
Name: Gary Decker
Its: Authorized Signatory

KENNETH & SHELIA ANTOS LIVING TRUST

KCI RESTAURANT II, LLC

By: _____
Kenneth M. Antos, Trustee

By: KCI INVESTMENTS, LLC, its
Managing Member

By: 
Name: Gary Decker
Its: Authorized Signatory

By: _____
Shelia M. Neuman-Antos, Trustee

PRBI, LLC

By: KCI INVESTMENTS, LLC, its
Managing Member

By: 
Name: Gary Decker
Its: Authorized Signatory


ACKNOWLEDGMENT AND AGREEMENT OF OTHER CREDIT PARTIES

Each of the undersigned Credit Parties with respect to the indebtedness of Preferred Restaurant Brands, Inc. and KCI Investments, LLC (collectively, the "**Borrower**") to CBC Partners I, LLC (as more fully defined in this Agreement, "**Lender**"), pursuant to the guarantees and security instruments executed in connection with Lender's loan to Borrower, (each, a "**Ancillary Document**," collectively, the "**Ancillary Documents**"), hereby (i) acknowledges receipt of this Agreement; (ii) consents to the terms and execution thereof; (iii) reaffirms all obligations to Lender pursuant to the terms of the Ancillary Documents; (iv) acknowledges that the debt remains due and owing pursuant to the terms of the promissory note evidencing the Applicable Assigned Debt and Secured Note; (v) acknowledges that the Secured Note remains secured and guaranteed pursuant to the Ancillary Documents; (vi) agrees to paragraphs 6 and 7; and (vii) acknowledges that the Ancillary Documents remain in full force and effect. Lender may amend, restate, extend, renew or otherwise modify the Secured Note and Ancillary Documents and any indebtedness or agreement of the Credit Parties, or enter into any agreement or extend additional or other credit accommodations, without notifying or obtaining the consent of the undersigned and without impairing the liability of the undersigned under the Ancillary Documents for all of the Credit Parties' present and future indebtedness to Lender.

Dated as of the 2nd day of December, 2016.



Kenneth Antos



Shelia Antos

KENNETH & SHELIA ANTOS LIVING TRUST

By: 

Kenneth M. Antos, Trustee

By: 

Shelia M. Neuman-Antos, Trustee

KCI RESTAURANT I, LLC

By: KCI INVESTMENTS, LLC, its
Managing Member

By: _____
Name: Gary Decker
Its: Authorized Signatory

KCI RESTAURANT II, LLC

By: KCI INVESTMENTS, LLC, its
Managing Member

By: _____
Name: Gary Decker
Its: Authorized Signatory

PRBI, LLC

By: KCI INVESTMENTS, LLC, its
Managing Member

By: _____
Name: Gary Decker
Its: Authorized Signatory

EXHIBIT "A"

[FORM ASSIGNMENT]

ASSIGNMENT OF DEBT REPLACEMENT NOTE

For valuable consideration, the receipt of which is hereby acknowledged, CBC Partners I, LLC, a Washington limited liability company ("**Seller**"), hereby assigns to Southridge Partners II LP, a Delaware limited partnership ("**Purchaser**"), on the terms set forth in that certain Debt Purchase Agreement dated as of December 2, 2016, by and among Seller, Purchaser, Preferred Restaurant Brands, Inc. ("**PRBI**") and KCI Investments, LLC ("**KCI**," and together with PRBI, "**Borrower**") ("**Agreement**"), all of Seller's right, title, interest, and remedies in, to, under, and with respect to that certain Assigned Debt Replacement Note dated as of December 2, 2016, in the stated principal amount of Fifteen Thousand and 00/100 Dollars (\$15,000.00), executed by PRBI in favor of Seller (without regard to whether such document(s) is described as original or copy).

CBC PARTNERS I, LLC, a Washington limited liability company

By: _____
Name: John Otter
Its: Authorized Manager Representative

EXHIBIT "B"

[FORM OF NOTE]

ASSIGNED DEBT REPLACEMENT NOTE

NEITHER THE ISSUANCE NOR SALE OF THE SECURITIES REPRESENTED BY THIS CERTIFICATE NOR THE SECURITIES INTO WHICH THESE SECURITIES ARE CONVERTIBLE HAVE BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, OR APPLICABLE STATE SECURITIES LAWS. THE SECURITIES MAY NOT BE OFFERED FOR SALE, SOLD, TRANSFERRED OR ASSIGNED (I) IN THE ABSENCE OF (A) AN EFFECTIVE REGISTRATION STATEMENT FOR THE SECURITIES UNDER THE SECURITIES ACT OF 1933, AS AMENDED, OR (B) AN OPINION OF COUNSEL (WHICH COUNSEL SHALL BE SELECTED BY THE HOLDER), IN A GENERALLY ACCEPTABLE FORM, THAT REGISTRATION IS NOT REQUIRED UNDER SAID ACT OR (II) UNLESS SOLD PURSUANT TO RULE 144 OR RULE 144A UNDER SAID ACT. NOTWITHSTANDING THE FOREGOING, THE SECURITIES MAY BE PLEDGED IN CONNECTION WITH A BONA FIDE MARGIN ACCOUNT OR OTHER LOAN OR FINANCING ARRANGEMENT SECURED BY THE SECURITIES.

PREFERRED RESTAURANT BRANDS, INC.
\$15,000.00 NOTE
TEN PERCENT (10%) CONVERTIBLE NOTE
DATED: DECEMBER 2, 2016

THIS NOTE (the "Note") is a duly authorized Convertible Note of PREFERRED RESTAURANT BRANDS, INC. a Florida corporation (the "Company").

FOR VALUE RECEIVED, the Company promises to pay SOUTHRIDGE PARTNERS II LP, a Delaware limited partnership, as assignee from CBC PARTNERS I, LLC, a Washington limited liability company (the "Holder"), the principal sum of Fifteen Thousand Dollars and No Cents (\$15,000.00) (the "Principal Amount") or such lesser principal amount following the conversion or conversions of this Note in accordance with Paragraph 2 (the "Outstanding Principal Amount") on December 31, 2017 (the "Maturity Date"), and to pay interest on the Outstanding Principal Amount ("Interest") in a lump sum on the Maturity Date, at the rate of ten percent (10%) per Annum (the "Rate") from the date of issuance.

I. Accrual of Interest shall commence on the date of this Note and continue until the Company repays or provides for repayment in full the Outstanding Principal Amount and all

accrued but unpaid Interest. Accrued and unpaid Interest shall bear Interest at the Rate until paid, compounded monthly. The Outstanding Principal Amount of this Note is payable on the Maturity Date in such coin or currency of the United States as at the time of payment is legal tender for payment of public and private debts, at the address last appearing on the Note Register of the Company as designated in writing by the Holder from time to time. The Company may prepay principal and interest on this Note at any time before the Maturity Date. The Company will pay the Outstanding Principal Amount of this Note on the Maturity Date, free of any withholding or deduction of any kind to the Holder as of the Maturity Date and addressed to the Holder at the address appearing on the Note Register.

This Note is subject to the following additional provisions:

2. All payments on account of the Outstanding Principal Amount of this Note and all other amounts payable under this Note (whether made by the Company or any other person) to or for the account of the Holder hereunder shall be made free and clear of and without reduction by reason of any present and future income, stamp, registration and other taxes, levies, duties, cost, and charges whatsoever imposed, assessed, levied or collected by the United States or any political subdivision or taxing authority thereof or therein, together with interest thereon and penalties with respect thereto, if any, on or in respect of this Note (such taxes, levies, duties, costs and charges being herein collectively called "Taxes").

3. The Holder of this Note is entitled, at its option, at any time after the issuance of this Note, to convert all or any lesser portion of the Outstanding Principal Amount plus accrued but unpaid Interest into Common Stock at a conversion price per share of Common Stock equal to fifty percent (50%) the lowest closing bid price during the 30 trading days prior to the day that the Holder requests conversion, unless otherwise modified by mutual agreement between the Parties (the "Conversion Price"); provided that if the closing bid price for the common stock on the Clearing Date (defined below) is lower than that used for the Conversion Price, then the Conversion Price shall be adjusted such that the Discount shall be taken from the closing bid price on the Clearing Date, and the Company shall issue additional shares to Holder to reflect such adjusted conversion price. Upon the exercise of any conversion, the Holder shall notify the Issuer whether principal or interest is being converted (The Common stock into which the Note is converted shall be referred to in this agreement as "Conversion Shares.") If the Issuer's Common stock is chilled for deposit at DTC, becomes chilled at any point while this Agreement remains outstanding or deposit otherwise additional fees due to a Yield Sign, Stop Sign or other trading restrictions, an additional 10% discount will be attributed to the Conversion Price defined hereof and the conversion dollar amount per conversion shall be reduced by a flat fee of \$1,500.00 shall be charged to the Issuer to cover costs associated with the deposit of chilled stocks for each conversion. For purpose of this Section, the closing bid price of the Common Stock shall be the closing bid price as reported by the Nasdaq Stock Market, or on the over-the-counter market or, if the Common Stock

is listed on another stock market or exchange, the closing bid price on such exchange as reported by Bloomberg LP. In the event that holder elects to convert this Note in part, the conversion price for each conversion event shall be calculated at the time of conversion in part. The Holder may convert this Note into Common Stock by delivering a conversion notice, the form of conversion notice attached to the Note as Exhibit B, executed by the Holder of the Note evidencing such Holder's intention to convert the Note. For purposes of this Agreement, the Clearing Date shall be on the date in which the conversion shares are deposited into the Holder's brokerage account and Holder's broker has confirmed with Holder the Holder may execute trades of the conversion shares. The Clearing Date will be reported to Issuer, and Issuer will issue reset shares if needed. The Company shall bear any and all miscellaneous expenses that may arise as a result of conversion and delivery of shares of common stock in respect of the Note, including but are not limited to the cost of the issuance of a Rule 144 legal opinion, transfer agent fees, equity issuance and deposit fees, etc. At Holder's option, any accrued costs paid by Holder may be subtracted from the dollar amount of any conversion of the Note.

The Company will not issue fractional shares or script representing fractions of shares of Common Stock on conversion, but the Company will round the number of shares of Common Stock issuable up to the nearest whole share. The date on which a Notice of Conversion is given shall be deemed to be the date on which the Holder notifies the Company of its intention to so convert by delivery, by facsimile transmission, email, or otherwise, of a copy of the Notice of Conversion. Notice of Conversion may be sent by email to the Company, Attn: Gary Decker, Chief Executive Officer. At the Maturity Date, subject to Section 13 below, the Company will pay any unconverted Outstanding Principal Amount and accrued Interest thereon, at the option of the Holder, in either (a) cash or (b) Common Stock valued at a price equal to the Conversion Price determined as if the Note was converted in accordance with its terms into Common Stock on the Maturity Date.

Without in any way limiting the Holder's right to pursue other remedies, including actual damages and/or equitable relief, the parties agree that if delivery of the Common Stock issuable upon conversion of this Note is not delivered by the Deadline (3 Trading days) the Borrower shall pay to the Holder \$1,000 per day in cash, for each day beyond the Deadline that the Borrower fails to deliver such Common Stock. Such cash amount shall be paid to Holder by the fifth day of the month following the month in which it has accrued or, at the option of the Holder (by written notice to the Borrower by the first day of the month following the month in which it has accrued), shall be added to the principal amount of this Note, in which event interest shall accrue thereon in accordance with the terms of this Note and such additional principal amount shall be convertible into Common Stock in accordance with the terms of this Note. The Borrower agrees that the right to convert is a valuable right to the Holder. The damages resulting from a failure, attempt to frustrate, interfere with such conversion right are difficult if not impossible to quantify. Accordingly, the parties acknowledge that the liquidated damages provision contained in this Section are justified.

If, by the relevant Delivery Date, the Company fails, unless such failure is due to causes beyond the Company's reasonable control or that of its Transfer Agent, for any reason to deliver the Shares to be issued upon conversion of the Note and after such Delivery Date, the Holder of the Note being converted (a "Converting Holder") purchases, in an arm's length open market transaction or otherwise, shares of Common Stock (the "Covering Shares") in order to make delivery in satisfaction of a sale of Common Stock by the Converting Holder (the "Sold Shares"), which delivery such Converting Holder anticipated to make using the Shares to be issued upon such conversion (a "Buy-In"), the Converting Holder shall have the right, to require the Company to pay to the Converting Holder, in addition to and not in lieu of the amounts due hereunder (but in addition to all other amounts contemplated in other provisions of the Transaction Agreements, and not in lieu of any such other amounts), the Buy-In Adjustment Amount (as defined below). The "Buy-In Adjustment Amount" is the amount equal to the excess, if any, of (x) the Converting Holder's total purchase price (including brokerage commissions, if any) for the Covering Shares over (y) the net proceeds (after brokerage commissions, if any) received by the Converting Holder from the sale of the Sold Shares. The Company shall pay the Buy-In Adjustment Amount to the Company in immediately available funds immediately upon demand by the Converting Holder. By way of illustration and not in limitation of the foregoing, if the Converting Holder purchases shares of Common Stock having a total purchase price (including brokerage commissions) of \$11,000 to cover a Buy-In with respect to shares of Common Stock it sold for net proceeds of \$10,000, the Buy-In Adjustment Amount which Company will be required to pay to the Converting Holder will be \$1,000.

4. No provision of this Note shall alter or impair the obligation of the Company, which is absolute and unconditional, to the payment of the Outstanding Principal Amount of this Note at the Maturity Date, and in the coin or currency herein prescribed. This Note and all other Notes now or hereafter issued on similar terms are direct obligations of the Company. In the event of any liquidation, reorganization, winding up or dissolution, repayment of this Note shall not be subordinate in any respect to any other indebtedness of the Company outstanding as of the date of this Note or hereafter incurred by the Company.

Such non-subordination shall extend without limiting the generality of the foregoing, to all indebtedness of the Company to banks, financial institutions; other secured lenders, equipment lessors and equipment finance companies, but shall exclude trade debts. Any warrants, options or other securities convertible into stock of the Company issued before the date hereof shall rank *pari passu* with the Note in all respects

5. If at any time or from time to time after the date of this Note, the Common Stock issuable upon the conversion of the Note is changed into the same or different numbers of shares of any class or classes of stock, whether by recapitalization or otherwise, then in each such event the Holder shall have the right thereafter to convert the Note into the kind of security receivable in

such recapitalization, reclassification or other change by holders of Common Stock, all subject to further adjustment as provided herein. In such event, the formulae set forth herein for conversion and redemption shall be equitably adjusted to reflect such change in number of shares or, if shares of a new class of stock are issued, to reflect the market price of the class or classes of stock issued in connection with the above described transaction.

6. This Note shall be governed by and construed in accordance with the laws of the State of Connecticut. Each of the parties consents to the jurisdiction of the state or Federal courts of the State of Connecticut residing in Fairfield County in connection with any dispute arising under this Note and hereby waives, to the maximum extent permitted by law, any objection, including any objection based on *forum non conveniens*, to the bringing of any such proceeding in such jurisdictions. Each of the parties hereby waives the right to a trial by jury in connection with any dispute arising under this Note.

7. The following shall constitute an "Event of Default":

- a. The Company shall default in the payment of principal and interest on this Note and same shall continue for a period of five (5) days; or
- b. Any of the representations or warranties made by the Company herein, in any certificate or financial or other written statements heretofore or hereafter furnished by the Company in connection with the execution and delivery of this Note shall be false or misleading in any material respect at the time made; or
- c. The Company shall fail to perform or observe, in any material respect, any other covenant, term, provision, condition, agreement or obligation of any Note and such failure shall continue uncured for a period of thirty (30) days after written notice from the Holder of such failure; or
- d. The Company fails to authorize or to cause its Transfer Agent to issue shares of Common Stock upon exercise by the Holder of the conversion rights of the Holder in accordance with the terms of this Note, fails to transfer or to cause its Transfer Agent to transfer any certificate for shares of Common Stock issued to the Holder upon conversion of this Note and when required by this Note, and such transfer is otherwise lawful, or fails to remove any restrictive legend on any certificate or fails to cause its Transfer Agent to remove such restricted legend, in each case where such removal is lawful, as and when required by this Note, the Agreement, and any such failure shall continue uncured for ten (10) business days; or

- e. The Company shall make an assignment for the benefit of creditors or commence proceedings for its dissolution; or shall apply for or consent to the appointment of a trustee, liquidator or receiver for its or for a substantial part of its property or business; or
- f. A trustee, liquidator or receiver shall be appointed for the Company or for a substantial part of its property or business without its consent and shall not be discharged within sixty (60) days after such appointment; or
- g. Any governmental agency or any court of competent jurisdiction at the instance of any governmental agency shall assume custody or control of the whole or any substantial portion of the properties or assets of the Company and shall not be dismissed within sixty (60) days thereafter; or
- h. Any money judgment, writ or warrant of attachment, or similar process in excess of One Hundred Thousand (\$100,000) Dollars in the aggregate shall be entered or filed against the Company or any of its properties or other assets and shall remain unpaid, unvacated, unbonded or unstayed for a period of sixty (60) days or in any event later than five (5) days prior to the date of any proposed sale thereunder; or
- i. Bankruptcy, reorganization, insolvency or liquidation proceedings or other proceedings for relief under any bankruptcy law or any law for the relief of debtors shall be instituted by or against the Company and, if instituted against the Company, shall not be dismissed within sixty (60) days after such institution or the Company shall by any action or answer approve of, consent to, or acquiesce in any such proceedings or admit the material allegations of, or default in answering a petition filed in any such proceeding; or
- j. The Company shall have its Common Stock suspended or delisted from an exchange or over-the-counter market from trading for in excess of five trading days.

Then, or at any time thereafter, and in each and every such case, unless such Event of Default shall have been waived in writing by the Holder (which waiver shall not be deemed to be a waiver of any subsequent default) at the option of the Holder and in the Holder's sole discretion, the Holder may consider all obligations under this Note immediately due and payable within five (5) days of notice, without presentment, demand, protest or notice of any kinds, all of which are hereby expressly waived, anything herein or in any note or other instruments contained to the

contrary notwithstanding, and the Holder may immediately enforce any and all of the Holder's rights and remedies provided herein or any other rights or remedies afforded by law.

8. If one or more of the "Events of Default" as described above shall occur, the Company agrees to pay all costs and expenses, including reasonable attorney's fees, which the Holder may incur in collecting any amount due under, or enforcing any terms of, this Note.

9. Prepayment. At any time that the Note remains outstanding, upon three (3) business days' written notice (the "Prepayment Notice") to the Holder, the Company may pay 150% of the entire Outstanding Principal Amount of the Note plus any accrued but unpaid Interest. If the Company gives written notice of prepayment, the Holder continues to have the right to convert principal and interest on the Note into Conversion Shares until three (3) business days' elapses from the Prepayment Notice.

10. The Company covenants that until all amounts due under this Note are paid in full, by conversion or otherwise, unless waived by the Holder or subsequent Holder in writing, the Company shall:

give prompt written notice to the Holder of any Event of Default or of any other matter which has resulted in, or could reasonably be expected to result in a materially adverse change in its financial condition or operations;

give prompt notice to the Holder of any claim, action or proceeding which, in the event of any unfavorable outcome, would or could reasonably be expected to have a Material Adverse Effect (as defined in the Note Purchase Agreement) on the financial condition of the Company;

at all times reserve and keep available out of its authorized but unissued Common Stock, for the purpose of effecting the conversion of this Note into Common Stock, such number of its duly authorized shares of Common Stock as shall from time to time be sufficient to effect the conversion of the Outstanding Principal Amount of this Note into Common Stock.

11. Upon receipt by the Company of evidence from the Holder reasonably satisfactory to the Company of the loss, theft, destruction or mutilation of this Note,

a. in the case of loss, theft or destruction, upon provision of indemnity reasonably satisfactory to it and/or its transfer agent, or

- b. (ii) in the case of mutilation, upon surrender and cancellation of this Note, then the Company at its expense will execute and deliver to the Holder a new Note, dated the date of the lost, stolen, destroyed or mutilated Note, and evidencing the outstanding and unpaid principal amount of the lost, stolen, destroyed or mutilated Note.

12. **Reservation of Shares.** Maker shall instruct its transfer agent to reserve at least ten million (10,000,000) shares of its Common Stock for issuance to Holder in connection with conversion of this Note, and shall provide Holder with a copy of such instruction letter.

13. This Note is unsecured.

14. The Holder may not convert this Note to the extent such conversion would result in the Holder, together with any affiliate thereof, beneficially owning (as determined in accordance with Section 13(d) of the Exchange Act and the rules promulgated thereunder) in excess of 9.99% of the then issued and outstanding shares of Common Stock held by such Holder after application of this Section. Since the Holder will not be obligated to report to the Company the number of shares of Common Stock it may hold at the time of a conversion hereunder, unless the conversion at issue would result in the issuance of shares of Common Stock in excess of 9.99% of the then outstanding shares of Common Stock without regard to any other shares which may be beneficially owned by the Holder or an affiliate thereof, the Holder shall have the authority and obligation to determine whether the restriction contained in this Section will limit any particular conversion hereunder and to the extent that the Holder determines that the limitation contained in this Section applies, the determination of which portion of the principal amount of Note are convertible shall be the responsibility and obligation of the Holder. If the Holder has delivered a Conversion Notice for a principal amount of Note that would result in the issuance of in excess of the permitted amount hereunder, without regard to any other shares that the Holder or its affiliates may beneficially own, the Company shall notify the Holder of this fact and shall honor the conversion for the maximum principal amount permitted to be converted on such Conversion Date and, at the option of the Holder, either retain any principal amount tendered for conversion in excess of the permitted amount hereunder for future conversions or return such excess principal amount to the Holder. The provisions of this Section may be waived by a Holder (but only as to itself and not to any other Holder) upon not less than 65 days' prior notice to the Company.

IN WITNESS WHEREOF, the Company has caused this instrument to be duly executed by an officer thereunto duly authorized, as of the date first written above.

PREFERRED RESTAURANT BRANDS, INC.

By: _____
Gary Decker, Chief Executive Officer

Exhibit B

NOTICE OF CONVERSION

The undersigned hereby elects to convert \$principal amount (plus accrued interest) of this Note into Shares of Common Stock of Preferred Restaurant Brands, Inc., (the "**Company**"), as of the date written below. No fee will be charged to the Holder or Holder's Custodian for any conversion, except for transfer taxes, if any.

Box Checked as to applicable instructions:

- ☐ The Borrower shall electronically transmit the Common Stock issuable pursuant to this Notice of Conversion to the account of the undersigned or its nominee with DTC through its Deposit Withdrawal Agent Commission system ("**DWAC Transfer**").

Name of DTC Prime Broker: _____

Account Number: _____

- ☐ The undersigned hereby requests that the Borrower issue a certificate or certificates for the number of shares of Common Stock set forth below (which numbers are based on the Holder's calculation attached hereto) in the name(s) specified immediately below:

Date of Conversion: _____

Conversion Price: \$ _____

Shares to Be Delivered: _____

Outstanding Shares: _____

Is this Conversion Below 9.99%: Yes/No

Remaining Principal Balance Due: \$ _____

Signature

Print Name: _____

EXHIBIT “K”

FORBEARANCE AGREEMENT

THIS FORBEARANCE AGREEMENT (this "**Agreement**") is entered into as of this 2nd day of December, 2016, by and among CBC Partners I, LLC, a Washington limited liability company ("**Lender**"), on the one hand, and KCI Investments, LLC, a Nevada limited liability company ("**KCI**"), and Preferred Restaurant Brands, Inc., a Florida corporation ("**PRB**," and together with KCI, jointly and severally, the "**Borrower**"), on the other hand. Where appropriate, Lender and Borrower will each be referred to as a "**Party**," or collectively as the "**Parties**."

RECITALS

A. Borrower is indebted to Lender under a commercial loan (the "**Loan**") evidenced, in part, by that certain Secured Promissory Note dated as of June 22, 2012, in the maximum stated principal amount of Two Million Nine Hundred Fifty Thousand Dollars (\$2,950,000) (as amended, modified, supplemented or restated from time to time, the "**Existing Note**"), which stated principal amount is reduced to \$2,935,000 pursuant to that certain Tenth Modification to Secured Promissory Note dated as of the date hereof (the "**Tenth Modification**"), the form of which is attached hereto as Exhibit A. The Existing Note, as amended, matured by its terms on June 29, 2015.

B. Borrower's obligations under the Existing Note are secured by, among other things, the following (collectively, the "**Collateral**");

(i) a security interest granted by Kenneth M. Antos and Sheila M. Neumann-Antos, Trustees of the Kenneth and Sheila Antos Living Trust dated April 26, 2007 (together with any other owners thereof, the "**Trust**") for the benefit of Lender in the real and personal property commonly known as 5148 Spanish Heights Drive, Las Vegas, NV 89148 (the "**Nevada Property**") pursuant to, and as more fully described in, that certain Deed of Trust, Assignment of Rents, Security Agreement and Fixture Filing dated as of December 17, 2014 (the "**Deed of Trust**"), and recorded December 29, 2014, in the Official Records of Clark County, Nevada under instrument number 20141229-0002856;

(ii) a security interest granted by KCI to Lender in substantially all of KCI's assets, including, without limitation, all of KCI's accounts receivable and other rights to payment, general intangibles, inventory and equipment (collectively, the "**KCI Collateral**"), pursuant to and as more fully described in that certain Security Agreement dated as of June 22, 2012 (the "**KCI Security Agreement**");

(iii) a security interest granted by Kenneth M. Antos ("**Antos**") to Lender in all of Antos' accounts, payment intangibles, general intangibles, instruments, contract rights, and rights to payment arising from that certain Settlement Agreement and Mutual Release dated as of September 1, 2012 (collectively, the "**Antos Collateral**"), pursuant to, and as more fully described in, that certain Security Agreement with Respect to Interest in Settlement Agreement and Mutual Release dated as of November 19, 2013 (the "**Antos Security Agreement**");

(iv) a security interest granted by PRB to Lender in substantially all of PRB's assets, including, without limitation, all of PRB's accounts receivable and other rights to payment, general intangibles, inventory and equipment (collectively, the "**PRB Collateral**"), pursuant to and as more fully described in that certain Security Agreement dated as of December 17, 2014 (the "**PRB Security Agreement**");

(v) a security interest granted by KCI Restaurant I LLC, a Delaware limited liability company, KCI Restaurant II LLC, a Delaware limited liability company, and PRB I LLC, a Delaware limited liability company (collectively, the "**Third-Party Grantors**") to Lender in substantially all of the Third Party Grantors' assets, including, without limitation, all of the Third Party Grantors' accounts receivable and other rights to payment, general intangibles, inventory and equipment (collectively, the "**Third-Party Grantor Collateral**"), pursuant to and as more fully described in that certain Security Agreement dated as of January 23, 2015 (the "**Third-Party Grantor Security Agreement**"); and

(vi) a security interest granted by KCI to Lender in all membership units, voting rights, membership rights, and other evidence of ownership of each of KCI's subsidiaries (collectively, the "**Membership Interests**"), pursuant to and as more fully described in that certain Pledge Agreement dated as of January 23, 2015 (the "**Pledge Agreement**").

C. Payment and performance of Borrower's obligations under the Loan are personally and unconditionally guaranteed by Antos, Sheila Antos, and Third-Party Grantors (collectively, the "**Guarantors**") pursuant to and in accordance with those certain Guarantees dated as of June 22, 2012 and January 23, 2015 (collectively, the "**Guarantees**").

D. This Agreement, all documents executed in connection herewith (including the Protective Advance Note (as defined below)), the Existing Note, Deed of Trust, KCI Security Agreement, Antos Security Agreement, PRB Security Agreement, Third-Party Grantor Security Agreement, Pledge Agreement, Guarantees, together with all other documents, instruments, amendments, modifications, and agreements relating to, and expressly referencing the Loan, but expressly excluding the Severed Note, are collectively referred to herein as the "**Loan Documents**." Capitalized terms used herein without definition shall have the meanings ascribed to them in the Loan Documents.

E. Borrower and Guarantors (hereinafter collectively referred to as the "**Credit Parties**") are in default under the Loan Documents as a result of Borrower's failure to (i) satisfy the unpaid principal balance plus all accrued interest and other amounts owing under the Existing Note at maturity on June 29, 2015 and (ii) to provide the certified resolutions and warrants of KCI Holding I, LLC in violation of Section 15 of that certain Ninth Modification to Secured Promissory Note and Waiver of Defaults dated as of April 30, 2015, by and between Borrower and Lender (collectively, the "**Existing Defaults**").

F. Borrower acknowledges that it is in default under the Loan Documents as a consequence of the Existing Defaults; that the Existing Defaults have not been cured, waived or excused by Lender at any time or in any manner; that Lender is under no obligation to make any further advances or provide additional credit accommodations to Borrower under the Existing Note or any other Loan Documents; and that there are no claims, demands, offsets or defenses at law or in equity that would defeat or diminish Lender's present and unconditional right to collect any outstanding borrowings under the Loan and to proceed to enforce the rights and remedies available to Lender as provided in any of the Loan Documents or otherwise at law.

G. The following amounts remain due and owing under the Loan Documents as of October 31, 2016, prior to the severance of the Severed Note (as defined below):

Principal Balance	Interest through October 31, 2016	Late Charges	Estimated Attorneys' Fees and Costs
\$2,950,000	\$838,396, plus a per diem of \$1,639	\$19,500	\$47,394

H. Borrower has requested that Lender provide a period of forbearance that will enable Borrower, at or prior to the expiration of such forbearance period, to satisfy the outstanding Loan Obligation to Lender in accordance with the terms hereof.

I. In response to Borrower's request, and in reliance upon Credit Parties' representations made to Lender in support thereof and the other terms and conditions of this Agreement, which include Lender's acceptance of that certain severed promissory note of even date herewith, executed by PRB in favor of Lender or its assigns, in the original principal amount of Fifteen Thousand Dollars (\$15,000), in form and substance acceptable to Lender in its sole discretion and attached hereto as Exhibit B (the "Severed Note"), Lender is willing to forbear from immediate enforcement of its rights and remedies under the Loan Documents for a limited period of time, subject to the foregoing terms and conditions, and only for the purposes set forth herein, all as more particularly set forth and described in this Agreement.

AGREEMENT

NOW, THEREFORE, intending to be legally bound, Borrower, in consideration of the matters described in the foregoing Recitals, which Recitals are incorporated herein and made a part hereof, and for other good and valuable consideration the receipt and sufficiency of which is acknowledged, hereby covenant and agree for the benefit of Lender and its successors, endorsees, transferees, participants and assigns, as follows:

1. Recitals. The recitals set forth above are true and correct and are incorporated as part of this Agreement.

2. **Forbearance Period.** Subject to the satisfaction and fulfillment of each and every term and condition set forth in this Agreement, and except as otherwise provided herein, Lender shall forbear from exercising its rights and remedies under the Loan Documents for a limited period (the "**Forbearance Period**") commencing upon Borrower's timely and full satisfaction of each of the conditions precedent set forth in Section 5 below, and automatically expiring on the earliest of (i) any breach or default by any Credit Party under this Agreement or the Loan Documents, now existing or occurring in the future, which is not an Existing Default specifically disclosed and acknowledged by Credit Parties under this Agreement; (ii) the existence of an enforcement action by any lienholder against any Credit Party under this Agreement, including, without limitation, any judicial or nonjudicial foreclosure proceeding, petition for the appointment of a receiver, or filing of a collection lawsuit, which is not stayed or dismissed within five (5) days of its commencement, (iii) the date of the filing of a voluntary or involuntary petition commencing a case wherein any Credit Party, is a debtor under the Bankruptcy Code (11 U.S.C. § 101, et seq.) or the filing of a complaint, petition or other pleading commencing a state or federal court receivership action or other insolvency proceeding wherein any Credit Party, or any real or personal property of theirs, is the subject of such action or proceeding; (iv) the failure of any condition precedent set forth in Section 5 below; (v) the date that any Credit Party's representations or warranties made in this Agreement proves to be untrue or inaccurate; (vi) a default by any Credit Party, or affiliate of any Credit Party under any loan agreement, promissory note, guaranty, or other agreement with Lender or TCA Global Credit Master Fund, LP; (vii) a default by any Credit Party under the Debt Purchase Agreement (as defined below); or (viii) **October 31, 2018**. Upon the expiration of the Forbearance Period, Lender's obligation to forbear as provided in this Section shall automatically cease, without the necessity of notice to Credit Parties, or any other person or entity. Upon expiration of the Forbearance Period, the Loan Documents, and all representations, warranties, covenants, releases, and obligations of Credit Parties under this Agreement, shall survive and remain valid, enforceable and in full force and effect, and Bank shall be immediately authorized to collect the outstanding Loan Obligation and enforce its remedies under this Agreement, the Loan Documents, and applicable law. Lender, in its sole discretion, may enforce its rights and remedies to the Collateral at any time after a default hereunder. All remedies hereunder, and under the Loan Documents are cumulative and may be exercised concurrently or separately from time to time. For the avoidance of doubt, the Forbearance Period set forth herein shall have no impact on the rights of Lender and its assignee under the Severed Note. Notwithstanding the preceding grant of forbearance and anything to the contrary herein, Credit Parties understand, acknowledge and agree that at any time during the Forbearance Period, Lender may, at its option, exercise its rights and remedies with respect to the Nevada Property, including, without limitation, the judicial or nonjudicial foreclosure of its Deed of Trust and/or the appointment of a receiver of such property. Lender further reserves the right to make protective advances in its sole discretion, which advances, if any, will accrue interest and be added to the Secured Obligations (as defined below).

3. **Protective Advance Note.** In consideration of the matters described herein and to protect its interest in the Collateral, Lender will make an additional advance(s) to

Borrower in the maximum principal amount of \$150,000 pursuant to that certain secured promissory note of even date herewith made payable to Lender or its assigns, executed by Borrower, in form and substance acceptable to Lender in its sole discretion and attached hereto as Exhibit C (the "**Protective Advance Note**" and, together with the Existing Note and the Severed Note, the "**Notes**"). The Protective Advance Note shall be and remain secured by the KCI Collateral, PRB Collateral, Third-Party Grantor Collateral and Membership Interests. The Liabilities (as defined in the Protective Advance Note) and the Liabilities (as defined in the Existing Note) shall be referred to as the "**Secured Obligations**," and collectively with the indebtedness and obligations evidenced by the Severed Note, the "**Obligations**."

3.1 Upon the Closing Date and satisfaction of all conditions set forth in the Debt Repurchase Agreement, the Severed Note is hereby severed and split from the Existing Note. The Existing Note, as modified by the Tenth Modification, reflecting the reduced maximum principal amount that may be advanced under the Existing Note following the severance of \$15,000 therefrom, remains in full force and effect, and shall be and remain secured by the Collateral, Guarantees, and all other applicable Loan Documents.

3.2 It is the intention of Borrower and Lender that the Severed Note is not in payment or satisfaction of such portion of the Existing Note, but rather substitutes one evidence of that portion of the debt for another without any intent to extinguish the old. Nothing contained in this Agreement or in the Severed Note shall be deemed to extinguish the indebtedness and obligations evidenced by the Existing Note or constitute a novation of the indebtedness evidenced by the Existing Note. The Severed Note and Existing Note shall be paid in accordance with the terms thereof.

3.3 Borrower understands and acknowledges that in connection with the Debt Purchase Agreement, or any future purchase agreement, it may be necessary or desirable, in Lender's sole and absolute discretion, to have the Borrower further sever, split, divide and apportion the Severed Note further to accomplish the sale of a portion of the Secured Obligations to Purchaser, as more specifically set forth in the Debt Purchase Agreement. In that regard, within no later than three (3) Business Days after request therefor is made by Lender to Borrower from time to time, the Borrower agrees to further sever, split, divide and apportion the Replacement Notes, or any of them (or any replacement notes issued in replacement thereof from time to time), and to execute and deliver such replacement notes to Lender within such time frames as required or requested by Lender from time to time.

4. Sale of the Severed Note; Covenant Not to Sue; Cooperation with Sale.

4.1 The Parties hereto acknowledge and agree that Lender is entering into this Agreement, in part, in connection with the contemplated sale of the indebtedness represented by the Severed Note to Southridge Partners II, LP, a Delaware limited partnership ("**Purchaser**") pursuant to the terms and conditions of a Debt Purchase Agreement (as amended, the "**Debt Purchase Agreement**") to be entered into promptly

after the execution of this Agreement between Purchaser, Lender and Borrower. In that regard, Credit Parties each hereby represent and warrant to Lender as follows, which representations and warranties shall be true and correct as of the date hereof, and which representations and warranties shall be deemed re-made and be true and correct as of the sale of the Severed Note (or any other severed or replacement notes issued in full or partial replacement of the Secured Obligations from time to time):

4.1.1 The Obligations, together with all other amounts of any nature or kind due and owing by Credit Parties to Lender under the Loan Documents and represented by the Notes or any other Loan Documents are bona fide Obligations against Credit Parties, respectively and as applicable, and are enforceable obligations of Credit Parties arising in the ordinary course of business, for services and financial accommodations rendered to Credit Parties by Lender in good faith. The Obligations are currently due and owing and are payable in full.

4.1.2 The amount of the Notes, respectively and as applicable, is the amount due to Lender with respect thereto as of the date hereof, and no Credit Party is entitled to any discount, allowance or other deduction with respect thereto. The aggregate amount of the indebtedness evidenced by the Existing Note and Severed Note was funded by Lender to Borrower at least one year preceding the date hereof.

4.1.3 The Obligations are not subject to dispute by Credit Parties, and Credit Parties are unconditionally obligated to pay the full amount of all Obligations without defense, counterclaim or offset.

4.1.4 Except for the Loan Documents, including this Agreement, there has been no modification, compromise, forbearance, or waiver (written or oral) entered into or given by Lender to any Credit Party with respect to the Obligations.

4.1.5 Lender has not filed or commenced any action against any Credit Party based on the Obligations, and no judgments based upon the Obligations have been previously entered in favor of Lender in any legal proceeding.

4.1.6 That each of the Loan Documents executed by Borrower, Guarantors, and the Trust, respectively and as applicable, and all obligations due and owing thereunder, are valid and binding obligations of said parties, respectively and as applicable, and enforceable against said parties in accordance with their respective terms.

4.2 Each Credit Party acknowledges and agrees that a portion of the Secured Obligations is being sold by Lender to Purchaser in accordance with the Debt Purchase Agreement, and that payment of the purchase price by Purchaser to Lender for such portion of the Secured Obligations may be conditioned upon the Borrower's strict compliance with the terms of certain agreements to be entered into between the Borrower and Purchaser (including the Debt Purchase Agreement, the "**Purchaser Agreements**"). If applicable, Borrower hereby covenants and agrees to strictly comply with each and every term and provision of the Purchaser Agreements, including, without limitation,

timely issuance and delivery of Common Stock to Purchaser upon conversion by Purchaser of any convertible notes then in Purchaser's possession.

4.3 Each Credit Party acknowledges and agrees as follows: (i) Lender has the right to the negotiation and consummation of the Debt Purchase Agreement and, on its own behalf, consents to Lender's exercise of said rights; (ii) Credit Parties will not interfere with, restrain, or object to, any aspect of any such sale of the Severed Note (or any other severed or replacement notes issued in replacement of some or all of the Secured Obligations from time to time) pursuant to and in accordance with the terms of the Debt Purchase Agreement, or any future purchase agreement, and waive any such rights to the fullest extent permitted by applicable law; (iii) Credit Parties will not file a bankruptcy petition or commence any other insolvency proceeding until after Lender has consummated any such sale; (iv) Lender and its attorneys and agents have complied with all applicable laws and Credit Parties covenant not to sue Lender, its agents, any trustee, or any purchaser, for any reason, including any presently existing, or future act or omission under common law, equity, or otherwise, relating to, or arising out of the Debt Purchase Agreement; and (v) Lender's sale of the Severed Note shall be deemed commercially reasonable.

4.4 Credit Parties covenant and agree to cooperate with Lender, Lender's agents, any trustee, and any transferee, in the consummation of the Debt Purchase Agreement, or any future purchase agreement, including, without limitation, to take all reasonable actions and execute all appropriate documents, at any time in the future, as deemed necessary under the Purchaser Agreements. Each Credit Party understands and acknowledges that Lender is relying on the representations, warranties and covenants of the Credit Parties set forth in this Agreement in order to enter into the Debt Purchase Agreement, and the foregoing representations, warranties and acknowledgements by Credit Parties are a material inducement for Lender to agree to a sale of a portion of the Secured Obligations to Purchaser, and without this acknowledgement, Lender would not have sold a portion of the Secured Obligations to Purchaser.

4.5 Consistent with the foregoing obligations, if any bankruptcy proceeding of or against any Credit Party is commenced before or after the consummation of the sale in contravention of this Agreement, Credit Parties jointly and severally agree that "cause" for termination of the automatic stay exists and that Lender shall be entitled, and Credit Parties hereby jointly and severally do and shall consent, to relief from the automatic stay imposed by Section 362 of the United States Bankruptcy Code (the "Code") and that, immediately upon the request of Lender, Credit Parties shall take all actions necessary to afford relief to Lender to enable it to exercise its rights and remedies, including, without limitation, the execution and filing of such documents as Lender may deem necessary or appropriate in its sole discretion to obtain stay relief and the abstention from filing any request for injunctive relief against Lender, whether under Section 105 of the Code or otherwise. Credit Parties further agree that their representations and warranties, the matters described in the Recitals, and otherwise shall be binding on Credit Parties in any bankruptcy or other insolvency proceeding.

4.6 Notwithstanding the severance from the Existing Note of the Severed Note, Borrower understands and acknowledges that all sums received by Lender in payment of the Existing Note and Protective Advance Note, or any one of them, shall be applied by Lender in its sole discretion. In the event payment is made on a Note that exceeds all amounts due thereunder, Lender shall be entitled, in its sole discretion, to apply such excess amount to the amounts due under the Existing Note, Protective Advance Note or other Loan Documents.

5. Conditions Precedent. Lender's accommodations under this Agreement (including but not limited to its forbearance obligations set forth in Section 2 above) are conditioned upon Borrower's full and timely satisfaction of each of the conditions precedent:

5.1 Closing Documents. Lender shall have received, in form and substance satisfactory to Lender, duly executed counterparts of each of the following:

- (i) This Agreement;
- (ii) The Guarantors' Consent, Reaffirmation and General Release attached hereto;
- (iii) The Consent, Reaffirmation and General Release of the Trust attached hereto;
- (iv) The Severed Note;
- (v) The Debt Purchase Agreement;
- (vi) The Tenth Modification;
- (vii) The Protective Advance Note;
- (viii) The Modification of the Deed of Trust (the "**DOT Modification**"); and
- (ix) Such other documents as Lender may require under any other section of this Agreement.

5.2 Accuracy of Representations and Warranties. Borrower's representations and warranties herein and in the Loan Documents shall be true and correct in all material respects.

5.3 Authorizing Resolutions. Borrower shall have received all necessary authority to enter into the transactions contemplated in this Agreement, and certified copies of all authorizing resolutions, in form and substance satisfactory to Lender, shall have been provided to Lender.

5.4 Title Insurance. First American Title Insurance Company shall be irrevocably committed to issue to Lender a modification endorsement, in form and substance acceptable to Lender, insuring the validity and priority of the Deed of Trust and Lender's lien with respect to the Nevada Property, following the recordation of the DOT Modification.

6. SEC Filings. On or before March 31, 2017, Borrower shall have filed all reports with the SEC, and have provided evidence thereof of such filings to Lender, including Form 10Q, Form 10K, and any other report required of Borrower in order to make Borrower current in its filings and compliant with the SEC's requirements for fully reporting companies. In that regard, Borrower shall file all required applications, reports, statements and all other documents, and pay all required fees and costs, necessary or required in order for Borrower to accomplish the foregoing requirements. So long as any Loan Obligation remains outstanding, Borrower shall (i) timely file all reports required to be filed with the SEC and Principal Trading Market and provide a copy thereof to the Lender promptly after such filing, (ii) take all reasonable action under its control to maintain the continued listing, quotation and trading of its Common Stock on the applicable principal trading market, and (iii) comply in all respects with the Borrower's reporting, filing and other obligations under the bylaws or rules of the applicable principal trading market and governmental authorities, as applicable.

7. Representations and Warranties. In addition to the representations and warranties set forth in Section 4 with respect to the Debt Purchase Agreement, each Credit Party hereby makes the following representations and warranties:

7.1 Authority. Each Credit Party hereby acknowledges and agrees that (i) the Loan Documents were and have been duly authorized, signed and delivered and are fully enforceable against Credit Parties in accordance with their terms; (ii) the parties and signatories hereto each have full legal power and authority to execute and deliver this Agreement (or acknowledgment attached hereto), the Severed Note, Tenth Modification, Protective Advance Note, DOT Modification, and all other documents executed in connection herewith; (iii) this Agreement, the Severed Note, Tenth Modification, Protective Advance Note, and all other documents executed in connection herewith constitute a valid and binding obligation of Credit Parties enforceable against Credit Parties in accordance with its terms; and (iv) neither the execution and delivery of this Agreement, the Severed Note, Tenth Modification, Protective Advance Note, and all other documents executed in connection herewith, nor the performance and observance of the provisions of this Agreement constitute a violation of, or conflict with, any law or regulation applicable to any Credit Party, or will result in a breach or contravention of any provision of, or constitute a default under, any agreement, instrument, or other document, law, or regulation binding upon or enforceable against any Credit Party.

7.2 Acknowledgments. Each Credit Party acknowledges and agrees that (i) the Loan is in default; (ii) all representations and warranties of any Credit Party in this Agreement, including the Recitals hereto, are true and correct as of the time of execution of this Agreement and shall survive the execution of this Agreement; (iii) the Obligations are due and owing without setoff, counterclaim, or defense; (iv) the Loan Documents properly set forth the Secured Obligations; (v) the Severed Note provided by Credit Parties hereunder solely restructures and amends the severed portion of the Secured Obligations; (vi) the Liabilities evidenced by the Existing Note were incurred for commercial purposes and the Existing Note, Severed Note, and Protective Advance Note constitute commercial obligations; (vii) the Existing Note shall be and remain secured by

the Collateral, Guarantees, and all other applicable Loan Documents; (viii) Credit Parties have no defenses, setoffs, or counterclaims to the Obligations or the Loan Documents; and (ix) the Existing Note, Severed Note and Protective Advance Note are enforceable in accordance with their terms without reference to this Agreement.

7.3 Guarantor Reaffirmations. Each Guarantor (i) reaffirms his/her/its obligations under the Guarantees; (ii) reaffirms his/her/its waivers of each and every one of the defenses to such obligations as set forth in the Guarantees; and (iii) reaffirms that his/her/its obligations under Guarantees are separate and distinct from the obligations of any other party under this Agreement and the other Loan Documents.

8. General Release. In consideration of the benefits provided to Credit Parties under the terms and provisions hereof, each Credit Party hereby agrees as follows ("**General Release**");

8.1 Each Credit Party hereby releases, acquits and forever discharges Lender, all of Lender's predecessors in interest and all of Lender's past and present officers, directors, attorneys, affiliates, employees and agents, of and from any and all claims, demands, obligations, liabilities, indebtedness, breaches of contract, breaches of duty or of any relationship, acts, omissions, misfeasance, malfeasance, causes of action, defenses, offsets, debts, sums of money, accounts, compensation, contracts, controversies, promises, damages, costs, losses and expenses, of every type, kind, nature, description or character, whether known or unknown, suspected or unsuspected, liquidated or unliquidated, each as though fully set forth herein at length (each, a "**Released Claim**" and collectively, the "**Released Claims**"), that any Credit Party now has or may acquire as of the later of: (i) the date this Agreement becomes effective; or (ii) the date that Credit Parties have executed and delivered this Agreement to Lender (hereafter, the "**Release Date**"), including without limitation, those Released Claims in any way arising out of, connected with or related to any and all prior credit accommodations, if any, provided by Lender, or any of Lender's predecessors in interest, to any Credit Party, and any agreements, notes or documents of any kind related thereto or the transactions contemplated thereby or hereby, or any other agreement or document referred to herein or therein, including, without limitation, the Loan Documents, this Agreement, and any documents executed in connection with this Agreement.

8.2 Each Credit Party hereby acknowledges, represents, and warrants to Lender that he/she/it agrees to assume the risk of any and all unknown, unanticipated or misunderstood defenses and Released Claims which are released by the provisions of this General Release in favor of Lender, and each Credit Party hereby waives and releases all rights and benefits which he/she/it might otherwise have under any state or local laws or statutes with regard to the release of such unknown, unanticipated or misunderstood defenses and Released Claims.

8.3 Each Credit Party acknowledges that he/she/it has read each of the provisions of this General Release. Each Credit Party fully understands that this General Release has important legal consequences and he/she/it realizes that he/she/it is releasing

any and all Released Claims that he/she/it may have as of the Release Date. Each Credit Party hereby acknowledges that he/she/it has had an opportunity to obtain a lawyer's advice concerning the legal consequences of each of the provisions of this General Release.

8.4 Each Credit Party hereby specifically acknowledges and agrees that: (i) none of the provisions of this General Release shall be construed as or constitute an admission of any liability on the part of Lender; (ii) the provisions of this General Release shall constitute an absolute bar to any Released Claim of any kind, whether any such Released Claim is based on contract, tort, warranty, mistake or any other theory, whether legal, statutory or equitable; and (iii) any attempt to assert a Released Claim barred by the provisions of this General Release shall subject each Credit Party to the provisions of applicable law setting forth the remedies for the bringing of groundless, frivolous or baseless claims or causes of action.

9. Lender's Conduct. As of the date hereof, each Credit Party hereby acknowledges and agrees that (i) Lender has acted in good faith and has fulfilled and fully performed all of its obligations under or in connection with the Loan Documents, and (ii) there are no other promises, obligations, understandings or agreements with respect to this Agreement or the Loan Documents, except as expressly set forth herein or in the Loan Documents.

10. Waiver of Statute of Limitations. Borrower hereby waives, and, to the extent a waiver is unenforceable, tolls any now existing or hereafter arising statute of limitations or other defense to the Obligations or enforcement of the Loan Documents in accordance with the terms hereof.

11. No Third-Party Beneficiaries. Credit Parties acknowledge and agree that this Agreement shall not create any obligations on the part of Lender to third-parties that may have claims of any kind against any Credit Party. Lender does not assume or agree to discharge any liabilities of any Credit Party to such third-parties. No person not a party to this Agreement shall have any "third-party beneficiary" status or other rights hereunder, and this Agreement shall not impact or modify any of Lender's rights or remedies against such third-party. This Agreement shall not impact or modify any obligation of any Credit Party under any loan other than the Obligations identified herein, or any agreement relating to any such unrelated loan.

12. Creditor/Debtor Relationship. Borrower acknowledges and agrees that the relationship between Lender and Borrower is solely that of creditor and debtor. Nothing contained herein or in any document referred to herein or executed or delivered in connection herewith shall be deemed or construed to create a partnership, tenancy-in-common, joint tenancy, joint venture or co-ownership by or between Lender and Borrower.

13. Additional Events of Default. In addition to the meaning ascribed to it in the Existing Note and other Loan Documents, any breach or default by Borrower or

Guarantors under this Agreement shall be deemed an immediate "Event of Default" under the Loan Documents, including, without limitation, (i) the failure by Borrower to consummate any and all of the Purchase Tranche Closings (as such term is defined in the Debt Purchase Agreement) as a result of any of the conditions described in Section 8 of the Debt Purchase Agreement; (ii) the failure by Purchaser to pay for any portion of the Applicable Purchase Price (as such term is defined in the Debt Purchase Agreement), for any and all of the Purchase Tranche Closings when due in accordance with the terms and provisions of the Debt Purchase Agreement and other applicable documents, regardless of whether such failure to pay was caused by any action, inaction, or omission of Borrower, Purchaser, or any other Person; (iii) the occurrence of any other facts, circumstances or events which result in Lender not receiving payment in full of the Applicable Purchase Price for any of the Purchase Tranche Closings within the time frames required thereby and under the Debt Purchase Agreement and other applicable documents, for any reason whatsoever; (iv) the failure by Borrower to pay when due any other amounts due to Lender under this Agreement, including, without limitation, the amounts due hereunder; (v) the failure of any Credit Party to comply with, satisfy or perform and term, provision, covenant or agreement of Borrower and Guarantors under this Agreement or any of the Purchase Agreements; and (vi) if any representation or warranty of any Credit Party made herein shall have been false or misleading or have contained an omission, or shall become false or misleading.

14. Remedies.

14.1 Upon the expiration of the Forbearance Period in accordance with Section 2 above, and without notice: (i) Lender's obligations under this Agreement shall automatically terminate and be of no further force or effect; (ii) the forbearance shall immediately terminate; (iii) the Secured Obligations and all additional interest and other fees due in connection therewith shall immediately be fully due and payable without notice of any kind; (iv) Lender shall immediately be entitled to enforce its rights and remedies under this Agreement, the Loan Documents, and applicable law; and (v) Borrower shall remain bound by all of the terms and conditions of this Agreement and the Loan Documents, including but not limited to the waivers and releases as provided herein. All remedies provided to Lender in this Agreement are cumulative and non-exclusive and shall be in addition to any and all other rights and remedies provided by law or in equity. No waiver of any provision of this Agreement or the Loan Documents, or any other documents executed in connection herewith, shall be construed as a waiver of any subsequent breach of the same provision. Lender's consent to or approval of any act by Borrower requiring further consent or approval shall not be deemed to waive or render unnecessary Lender's consent to or approval of any act by Lender requiring further consent or approval and shall not be deemed to waive or render unnecessary Lender's consent to or approval of any subsequent act.

14.2 Non-Interference. Upon the expiration of the Forbearance Period hereunder, neither Borrower nor any person or entity acting or claiming by, through, under, or in concert with or for the benefit of Borrower, shall interfere in any manner

with Lender's exercise of its rights and remedies hereunder, under applicable law, or in equity.

15. Miscellaneous.

15.1 Notices. Any notice to be given or other document to be delivered by any party to the other or others hereunder may be delivered in person to an officer of any party, or may be deposited in the United States mail, duly certified or registered, return receipt requested, with postage prepaid, or by Federal Express or other similar overnight delivery service, or by fax machine if concurrently delivered by another permissible method set forth in this section, and addressed to the party for whom intended, as follows:

To Lender:

CBC Partners I, LLC
777 108th Ave NE, Suite 1895
Bellevue, WA 98004
Attention: Alan Hallberg
Email: alan@cbcpartnersllc.com

With a copy to:

Lane Powell PC
1420 Fifth Avenue, Suite 4200
Seattle, WA 98101
Attention: Gregory R. Fox
Email: foxg@lanepowell.com

To Borrower:

KCI Investments, LLC
5035 Scholarship
Irvine, CA 92612
Attention: Gary Decker
Email: garydecker007@gmail.com

and

Preferred Restaurant Brands, Inc.
5035 Scholarship
Irvine, CA 92612
Attention: Gary Decker
Email: garydecker007@gmail.com

Any party hereto may from time to time, by written notice to the other, designate a different address which shall be substituted for the one above specified. Unless otherwise specifically provided for herein, all notices, payments, demands or other communications given hereunder shall be in writing and shall be deemed to have been duly given and received (i) upon personal delivery, or (ii) as of the third business day after mailing by United States registered or certified mail, return receipt requested, postage prepaid, addressed as set forth above, (iii) the immediately succeeding Business Day after deposit

with Federal Express or other similar overnight delivery system, or (iv) upon confirmation of electronic printed receipt if delivered by fax.

15.2 Survival. Credit Parties' covenants, representations, warranties and other agreements under this Agreement shall survive the consummation of the transactions contemplated by this Agreement, the expiration of the Forbearance Period and/or the termination of this Agreement, and remain until the Notes are satisfied in accordance with their terms or sold pursuant to the Debt Purchase Agreement.

15.3 Counterparts. This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which shall constitute one and the same instrument. The Parties hereto agree that signature transmitted by facsimile or pdf shall have the same effect as original signatures for this purpose.

15.4 Attorneys' Fees. Borrower shall be liable for all fees, costs and expenses of Lender incurred in connection with this Agreement, the documents executed and delivered in connection herewith, in connection with the Notes and the Loan Documents and in connection with any matters contemplated by the Notes or any Loan Document, including (without limitation) reasonable attorneys' fees and expenses for the preparation, modification, negotiation, examination, collection, and enforcement hereof and thereof. Without limiting the foregoing, Borrower shall be liable for all costs and expenses (including actual attorneys' fees and court costs) incurred by or on behalf of Lender in connection with the enforcement of this Agreement or the Notes against Borrower, and whether through courts of original jurisdiction or appellate jurisdiction, bankruptcy courts or other legal proceedings.

15.5 Further Assurances; Cooperation. Borrower hereby agrees to execute such other documents and to take such other action as may be reasonably necessary to further the purposes of this Agreement.

15.6 Time of Essence. Time is expressly declared to be of the essence in this Agreement and of every provision hereof in which time is an element.

15.7 Governing Law; Venue. This Agreement shall be governed by, and construed and enforced in accordance with, the laws of the State of Washington. If any suit or action is filed by any party to enforce this Agreement or otherwise with respect to the subject matter of this Agreement, venue shall be in the federal or state courts in King County, Washington; provided, however, that venue for in rem actions may be in the County in which the applicable collateral is located.

15.8 Benefit and Burden; Assignment. This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective heirs, representatives, successors and assigns.

15.9 Waiver and Amendment. No breach of any provision hereof can be waived unless in writing. Waiver of any one breach of any provision hereof shall not

be deemed to be a waiver of any other breach of the same or any other provision hereof. This Agreement may be amended only by a written agreement executed by the parties thereto at the time of the modification.

15.10 Captions and Interpretations. Titles or captions contained herein are inserted as a matter of convenience and for reference, and in no way define, limit, extend or describe the scope of this Agreement or any provision hereof. No provision in this Agreement is to be interpreted for or against either party because that party or his legal representative drafted such provision.

15.11 Integration. This Agreement constitutes the entire, final and integrated agreement between the parties hereto pertaining to the forbearance of the Existing Defaults. This Agreement fully supersedes any and all prior understandings, representations, warranties and agreements between the parties hereto, or any of them, pertaining to the subject matter hereof, and may be modified only by written agreement signed by all of the Parties hereto.

15.12 Severance. If any provision of this Agreement is determined by a court of competent jurisdiction to be illegal, invalid or unenforceable, such provision will be deemed to be severed and deleted from the agreement as a whole and neither such provision, nor its severance and deletion shall in any way affect the validity of the remaining provisions of this Agreement; provided, however, if the deletion of any such provision interferes with the material purpose of this Agreement, the entire agreement shall terminate.

15.13 Independent Advice of Counsel: Tax Consequences. Each Credit Party represents and warrants that it has fully reviewed this Agreement with its respective attorneys, understands the legal effects of this Agreement, and having such understanding, has freely and voluntarily consented to and authorized this Agreement. Each Credit Party represents and declares that in executing this Agreement, it relies solely upon its own judgment, belief and knowledge, and the advice and recommendations of its own independently selected counsel, concerning the nature, extent and duration of their rights and claims, and that it has not been influenced to any extent whatsoever in executing the same by any of the parties hereto or by any person representing them, or any of them. Each Credit Party acknowledges and agrees that there may be tax consequences from entering into this Agreement and the transactions contemplated hereunder, that Lender has not agreed to take any specific actions regarding its tax reporting and that Credit Parties are not relying on any representation from Lender regarding tax consequences.

15.14 Voluntary Agreement. The Parties hereto, and each of them, further represent and declare that they have carefully read this Agreement and the documents executed in connection herewith, and know the contents thereof, and that they sign the same freely and voluntarily.

15.15 Assignment. Lender may assign its rights under this Agreement, the Notes, other Loan Documents, and under all other documents, instruments or agreements referred to herein. All the covenants, agreements, conditions, and terms contained in this Agreement shall inure to the benefit of the successors, designees and assigns of Lender.

15.16 No Amendment. Except as expressly modified hereby, all of the terms and conditions of the Loan Documents remain in full force and effect in accordance with their express written terms.

15.17 Plural and Singular. The use of collective defined terms herein and in the documents relating hereto, shall individually and severally refer to each person, entity, property, or object included in the defined term, and shall also collectively and jointly refer to all persons, entities, properties, and objects included in the defined term.

**ORAL AGREEMENTS OR ORAL COMMITMENTS TO LOAN MONEY,
EXTEND CREDIT OR TO FORBEAR ENFORCING REPAYMENT OF A DEBT
ARE NOT ENFORCEABLE UNDER WASHINGTON LAW.**

[REMAINDER OF PAGE LEFT INTENTIONALLY BLANK; SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the parties have executed this Agreement as of the day and year first above written.

BORROWER:

KCI INVESTMENTS, LLC, a Nevada limited liability company

By: 

Name: Gary Decker

Title: Authorized Signatory

PREFERRED RESTAURANT BRANDS, INC.,
a Florida corporation

By: 

Name: Gary Decker

Title: Authorized Signatory

LENDER:

CBC PARTNERS I, LLC, a Washington limited liability company

By: _____

Name: John Otter

Title: Authorized Manager Representative

IN WITNESS WHEREOF, the parties have executed this Agreement as of the day and year first above written.

BORROWER:

KCI INVESTMENTS, LLC, a Nevada limited liability company

By: _____
Name: Gary Decker
Title: Authorized Signatory

PREFERRED RESTAURANT BRANDS, INC.,
a Florida corporation

By: _____
Name: Gary Decker
Title: Authorized Signatory

LENDER:

CBC PARTNERS I, LLC, a Washington limited liability company

By:  _____
Name: John Otter
Title: Authorized Manager Representative

GUARANTORS' CONSENT, REAFFIRMATION, AND GENERAL RELEASE

Each of the undersigned, as guarantors of the indebtedness of Borrower to Lender hereby: (i) consents to the foregoing Forbearance Agreement (the "Agreement"); (ii) consents to the Severed Note and Debt Purchase Agreement; (iii) reaffirms his/her/its obligations under his/her/its personal guaranty described in Recital C of the foregoing Agreement (each a "Guaranty"); (iv) reaffirms his/her/its waivers of each and every one of the defenses to such obligations as set forth in his/her/its Guaranty; (v) reaffirms that his/her/its obligations under his/her/its Guaranty are separate and distinct from the obligations of any other party under said Agreement and the other Loan Documents described therein; and (vi) agrees to join in and be bound to the terms of the Representations and Warranties contained in Sections 4 and 7, and the General Release contained in Section 8 of the Agreement.

ORAL AGREEMENTS OR ORAL COMMITMENTS TO LOAN MONEY, EXTEND CREDIT OR TO FORBEAR ENFORCING REPAYMENT OF A DEBT ARE NOT ENFORCEABLE UNDER WASHINGTON LAW.

Kenneth Antos

Shelia Antos

KCI RESTAURANT I, LLC

By: KCI INVESTMENTS, LLC, its
Managing Member

By: 
Name: Gary Decker
Its: Authorized Signatory

KCI RESTAURANT II, LLC

By: KCI INVESTMENTS, LLC, its
Managing Member

By: 
Name: Gary Decker
Its: Authorized Signatory

PRBI, LLC

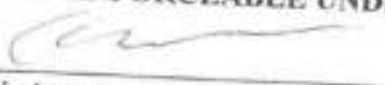
By: KCI INVESTMENTS, LLC, its
Managing Member

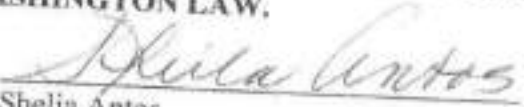
By: 
Name: Gary Decker
Its: Authorized Signatory

GUARANTORS' CONSENT, REAFFIRMATION, AND GENERAL RELEASE

Each of the undersigned, as guarantors of the indebtedness of Borrower to Lender hereby: (i) consents to the foregoing Forbearance Agreement (the "**Agreement**"); (ii) consents to the Severed Note and Debt Purchase Agreement; (iii) reaffirms his/her/its obligations under his/her/its personal guaranty described in Recital C of the foregoing Agreement (each a "**Guaranty**"); (iv) reaffirms his/her/its waivers of each and every one of the defenses to such obligations as set forth in his/her/its Guaranty; (v) reaffirms that his/her/its obligations under his/her/its Guaranty are separate and distinct from the obligations of any other party under said Agreement and the other Loan Documents described therein; and (vi) agrees to join in and be bound to the terms of the Representations and Warranties contained in Sections 4 and 7, and the General Release contained in Section 8 of the Agreement.

ORAL AGREEMENTS OR ORAL COMMITMENTS TO LOAN MONEY, EXTEND CREDIT OR TO FORBEAR ENFORCING REPAYMENT OF A DEBT ARE NOT ENFORCEABLE UNDER WASHINGTON LAW.


Kenneth Antos


Shelia Antos

KCI RESTAURANT I, LLC

By: KCI INVESTMENTS, LLC, its
Managing Member

By: _____
Name: _____
Its: Authorized Signatory

KCI RESTAURANT II, LLC

By: KCI INVESTMENTS, LLC, its
Managing Member

By: _____
Name: _____
Its: Authorized Signatory

PRBI, LLC


By: KCI INVESTMENTS, LLC, its
Managing Member

By: _____
Name: _____
Its: Authorized Signatory

CONSENT, REAFFIRMATION, AND GENERAL RELEASE OF THE TRUST

Each of the undersigned, as grantor of collateral securing all indebtedness of Borrower to Lender, hereby (i) consents to the foregoing Forbearance Agreement (the "Agreement"); (ii) consents to the Severed Note, Tenth Modification, and Debt Purchase Agreement; (iii) reaffirms the security interest granted to Lender pursuant to the Deed of Trust described in Recital B of the foregoing Agreement; (iv) acknowledges and agrees that such security interest secures all obligations of Borrower to Lender under the Loan Documents, including, without limitation, all obligations under the Existing Note described in Recital A of the foregoing Agreement; and (v) agrees to join in and be bound to the terms of the Representations and Warranties contained in Sections 4 and 7, and the General Release contained in Section 8 of the Agreement applicable as though the Trust were a Credit Party.

**ORAL AGREEMENTS OR ORAL COMMITMENTS TO LOAN MONEY,
EXTEND CREDIT OR TO FORBEAR ENFORCING REPAYMENT OF A DEBT
ARE NOT ENFORCEABLE UNDER WASHINGTON LAW.**


Kenneth M. Antos, as Trustee of the Kenneth and
Sheila Antos Living Trust dated April 26, 2007,
and any amendments thereto

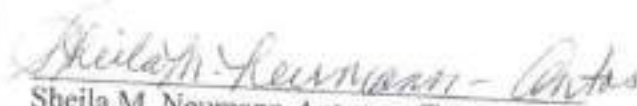

Sheila M. Neumann-Antos, as Trustee of the
Kenneth and Sheila Antos Living Trust dated
April 26, 2007, and any amendments thereto

EXHIBIT "A"
[TENTH MODIFICATION]

EXHIBIT "B"
[SEVERED NOTE]

EXHIBIT "C"

[PROTECTIVE ADVANCE NOTE]

EXHIBIT “L”

TENTH MODIFICATION TO SECURED PROMISSORY NOTE

THIS TENTH MODIFICATION TO SECURED PROMISSORY NOTE (this "Modification"), effective as of December 2, 2016, is entered into by and among KCI INVESTMENTS, LLC, a Nevada limited liability company ("KCI"), PREFERRED RESTAURANT BRANDS, INC., a Florida corporation ("PRB") and, together with KCI, each a "Borrower" and collectively, "Borrowers") and CBC PARTNERS I, LLC, a Washington limited liability company, or its assigns ("Lender").

RECITALS

WHEREAS, Borrowers are currently indebted to Lender pursuant to the terms and conditions of that certain Secured Promissory Note by and among Borrowers and Lender dated as of June 22, 2012, as modified from time to time, including pursuant to that certain Ninth Modification to Secured Promissory Note dated as of April 30, 2015 (the "Ninth Modification"), and as further amended from time to time (the "Note");

WHEREAS, Borrowers are currently in default under the terms of the Note as a result of (i) failing to satisfy the Note upon the maturity thereof and (ii) failing to provide the certified resolutions and warrants of KCI Holding 1, LLC ("Holdings") in violation of Section 15 of the Ninth Modification (collectively, the "Existing Defaults");

WHEREAS, Borrowers are indebted to Lender in the principal amount of \$2,950,000, plus late charges of \$19,500, and accrued interest as of October 31, 2016, of \$838,396 (together with all amounts accruing hereafter, the "Accrued Interest"), together with fees, costs and expenses; and

WHEREAS, Borrowers have asked that Lender forbear from exercising its remedies based upon the Existing Defaults under applicable law, and Lender has agreed to such requests pursuant to the terms of a Forbearance Agreement of even date herewith, including severing \$15,000 from the principal amount of the Note pursuant to a severed note executed contemporaneously with this Modification, in the principal amount of \$15,000 (the "Severed Note");

NOW, THEREFORE, for valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree that the Note shall be amended as follows:

1. Amended Principal Amount of Note. The principal amount of \$15,000 is hereby severed from the Note and is hereinafter evidenced by the Severed Note. The maximum principal amount that may be advanced under the Note and the face amount thereof are hereby decreased from \$2,950,000.00 to \$2,935,000.00. Such reduced principal obligation and all Accrued Interest, fees, costs and expenses remain due and owing pursuant to the terms of the Note, as amended hereby.

2. No Waiver. The execution of this Modification and the acceptance of all other agreements and instruments related hereto shall not be deemed to be a waiver of any amounts owing under the Note, and any default or Event of Default under the Note or a waiver of any

breach, default or event of default under the Note or any Ancillary Document. The parties agree that this Modification: (a) creates no obligations of any kind on Lender to make any future extensions or advances to any Borrower; (b) does not waive any Event of Default of a Borrower or any guarantor or under any term of the Note or any Ancillary Document; and (c) does not create any obligation on the part of Lender to forbear from exercising any of their rights and remedies under the Note or any Ancillary Document or applicable law.

3. No Other Changes. Except as explicitly amended by this Modification, all of the terms and conditions of the Note shall remain in full force and effect and shall apply to any Advance or Letter of Credit thereunder. So long as Borrower owes Lender any payments or performance under the Note or the Ancillary Documents, the security interests and liens in favor of Lender granted by Borrower are and shall remain valid, enforceable, perfected and first priority security interests against the real and personal property pledged to secure the Obligations (with the exception of the unsecured Severed Note).

4. Representations and Warranties. Each Borrower hereby represents and warrants to Lender as follows:

(a) Such Borrower has all requisite power and authority to execute this Modification and any other agreements or instruments required hereunder and to perform all of its obligations hereunder, and this Modification and all such other agreements and instruments has been duly executed and delivered by such Borrower and constitute the legal, valid and binding obligation of such Borrower, enforceable in accordance with its terms.

(b) The execution, delivery and performance by such Borrower of this Modification and any other agreements or instruments required hereunder have been duly authorized by all necessary corporate action and do not (i) require any authorization, consent or approval by any governmental department, commission, board, bureau, agency or instrumentality, domestic or foreign, (ii) violate any provision of any law, rule or regulation or of any order, writ, injunction or decree presently in effect, having applicability to such Borrower, or the governing documents of such Borrower, or (iii) result in a breach of or constitute a default under any indenture or loan or credit agreement or any other agreement, lease or instrument to which such Borrower is a party or by which it or its properties may be bound or affected.

(c) Borrower hereby acknowledges that (i) the Recitals are true and correct, (ii) as of the date hereof, and after the severance of \$15,000, the outstanding principal balance of the indebtedness evidenced by the Note is \$2,935,000, plus all Accrued Interest, fees, costs and expenses, (iii) such principal balance continues to accrue interest at the Default Rate, and (iv) as of the date hereof, it has no defenses, offsets, or claims against the enforceability of the Note, Severed Note and Ancillary Documents.

5. Fees and Expenses. Borrower's execution of this Modification shall constitute its agreement, regardless of whether the conditions precedent set forth in Section 6 below are satisfied, to pay from time to time and indemnify Lender for, upon demand, all fees, costs and expenses of Lender incurred in connection with this Modification, the documents executed and delivered in connection herewith, in connection with the Note and the Ancillary Documents and in connection with any matters contemplated by the Note or any Ancillary Document, including

(without limitation) reasonable attorneys' fees and expenses for the preparation, modification, negotiation, examination, collection, and enforcement hereof and thereof. Lender shall not be required to pay any premium, brokerage fee, loan broker fee, commission or similar compensation in connection with this transaction, and Borrower agrees to defend, indemnify, and hold Lender harmless from and against all claims asserted by any person on account of any such fee, commission or compensation, including attorneys' fees paid or incurred by Lender with respect to any such claim.

6. Conditions Precedent. The execution and performance of this Modification by Lender is subject to the following conditions precedent:

(a) Execution by each Borrower and delivery to Lender of this Modification, in form and substance satisfactory to Lender;

(b) Execution by each Borrower of the Severed Note;

(c) Execution by each Borrower of a Forbearance Agreement and Debt Purchase Agreement, in form and substance acceptable to Lender;

(d) Execution by each of the guarantors of the Acknowledgment and Agreement of Guarantors attached hereto, and to each of the above-referenced agreements;

(e) Delivery to Lender of a duly executed First Modification to Deed of Trust, Assignment of Rents, Security Agreement and Fixture Filing, by Kenneth M. Antos and Sheila M. Neumann-Antos, Trustees of the Kenneth and Sheila Antos Living Trust dated April 26, 2007, and any amendments thereto, as trustor, related to that certain Deed of Trust, Assignment of Rents, Security Agreement and Fixture Filing made December 17, 2014, and recorded in the Official Records of Clark County, Nevada on December 29, 2014, as instrument number 20141229-0002856;

(f) Lender's receipt from First American Title Insurance Company of a commitment to issue a modification endorsement, in form and substance acceptable to Lender, insuring the validity and priority of the Deed of Trust and Lender's lien with respect to the Nevada Property, following the recordation of the DOT Modification;

(g) Delivery to Lender of satisfactory evidence of corporate authority of Borrowers to take the action and execute the documents required by this Modification, in form and substance satisfactory to Lender; and

(h) The representations and warranties in Section 4 of the Note shall be true and correct as of the date of this Modification.

7. References. All references in the Note to "this Secured Promissory Note" shall be deemed to exclude the Severed Note, and refer to the Note as amended hereby, and any and all references in the Ancillary Documents to the Note shall be deemed to refer to the Note as amended hereby. All references to the "Loan Documents" in the Note and all Modifications to the Note (including this Modification) shall be deemed to refer to, collectively, the "Note" and

"Ancillary Documents," as such may be amended or modified. Any references to Ancillary Documents or the Note shall not include the Severed Note. Capitalized terms used herein and not defined herein shall have the meanings assigned thereto in the Note.

8. Event of Default. Failure by any Borrower or guarantor to strictly comply with the terms of this Modification shall constitute an Event of Default under the Note.

9. Miscellaneous. This Modification and the Acknowledgment and Agreement of Guarantors may be executed in any number of counterparts, each of which when so executed and delivered shall be deemed an original and all of which counterparts, taken together, shall constitute one and the same instrument. Electronic delivery of an original signature shall constitute an original signature.

10. General Release. Each Borrower and guarantor hereby absolutely and unconditionally release and forever discharge Lender, and any and all participants, parent corporations, subsidiary corporations, affiliated corporations, insurers, indemnitors, successors and assigns thereof, together with all of the present and former directors, officers, agents and employees of any of the foregoing, from any and all claims, demands or causes of action of any kind, nature or description, whether arising in law or equity or upon contract or tort or under any state or federal law or otherwise, which Borrower or any such guarantor has had, now has or has made claim to have against any such person for or by reason of any act, omission, matter, cause or thing whatsoever arising from the beginning of time to and including the date of this Modification, whether such claims, demands and causes of action are matured or unmatured or known or unknown.

11. Statutory Notice. ORAL AGREEMENTS OR ORAL COMMITMENTS TO LOAN MONEY, EXTEND CREDIT OR FORBEAR FROM ENFORCING REPAYMENT OF A DEBT ARE NOT ENFORCEABLE UNDER WASHINGTON LAW.

[REMAINDER OF PAGE LEFT INTENTIONALLY BLANK]

IN WITNESS WHEREOF, the parties hereto have caused this Modification to be duly executed as of the date first above written.

BORROWERS:

KCI INVESTMENTS, LLC, a Nevada limited liability company

By: 
Name: Gary Decker
Title: Authorized Signatory

Address: 5035 Scholarship
Irvine, CA 92612

PREFERRED RESTAURANT BRANDS, INC.,
a Florida corporation

By: 
Name: Gary Decker
Title: Authorized Signatory

Address: 5035 Scholarship
Irvine, CA 92612

LENDER:

CBC PARTNERS I, LLC, a Washington limited liability company

By: _____
Name: John Otter
Title: Authorized Manager Representative

Address: 777 108th Ave NE, Suite 1895
Bellevue, WA 98004
Facsimile: (425) 688-7003

IN WITNESS WHEREOF, the parties hereto have caused this Modification to be duly executed as of the date first above written.

BORROWERS: KCI INVESTMENTS, LLC, a Nevada limited liability company

By: _____
Name: Gary Decker
Title: Authorized Signatory

Address: 5035 Scholarship
Irvine, CA 92612

PREFERRED RESTAURANT BRANDS, INC.,
a Florida corporation

By: _____
Name: Gary Decker
Title: Authorized Signatory

Address: 5035 Scholarship
Irvine, CA 92612

LENDER: CBC PARTNERS I, LLC, a Washington limited liability company

By: 
Name: John Otter
Title: Authorized Manager Representative

Address: 777 108th Ave NE, Suite 1895
Bellevue, WA 98004
Facsimile: (425) 688-7003

ACKNOWLEDGMENT AND AGREEMENT OF GUARANTORS

Each of the undersigned guarantors of the indebtedness of KCI Investments, LLC, a Nevada limited liability company, and Preferred Restaurant Brands, Inc., a Florida corporation (each a "Borrower" and collectively, "Borrowers") to CBC Partners I, LLC ("Lender"), a Washington limited liability company, or its assigns, pursuant to his/her/its respective Guaranty dated June 22, 2012, and January 23, 2015, (each, a "Guaranty"), hereby (i) acknowledges receipt of the Tenth Modification to Secured Promissory Note (the "Modification"); (ii) consents to the terms and execution thereof; (iii) agrees and confirms that "Guaranteed Obligations" as defined in the Guaranty includes all indebtedness, obligations, and liabilities of Borrowers, as more fully described in the Guaranty; (iv) reaffirms all obligations to Lender pursuant to the terms of the Guaranty; (v) acknowledges that Lender may amend, restate, extend, renew or otherwise modify the Note and any indebtedness or agreement of Borrowers, or enter into any agreement or extend additional or other credit accommodations, without notifying or obtaining the consent of the undersigned and without impairing the liability of the undersigned under the Guaranty for all of Borrower's present and future indebtedness to Lender; and (vi) agrees to join in and be bound by all of the terms and provisions of the General Release contained in Section 10 thereof.

DATED effective as the 2nd day of December, 2016.

KCI RESTAURANT I LLC

Kenneth Antos

By KCI INVESTMENTS, LLC, its
Managing Member

By: _____

Name: Gary Decker

Its: Authorized Signatory

Shelia Antos

KCI RESTAURANT II LLC

By KCI INVESTMENTS, LLC, its
Managing Member

By: _____

Name: Gary Decker

Its: Authorized Signatory

PRB I LLC

By KCI INVESTMENTS, LLC, its
Managing Member

By: _____

Name: Gary Decker


Its: Authorized Signatory

ACKNOWLEDGMENT AND AGREEMENT OF GUARANTORS

Each of the undersigned guarantors of the indebtedness of KCI Investments, LLC, a Nevada limited liability company, and Preferred Restaurant Brands, Inc., a Florida corporation (each a "Borrower" and collectively, "Borrowers") to CBC Partners I, LLC ("Lender"), a Washington limited liability company, or its assigns, pursuant to his/her/its respective Guaranty dated June 22, 2012, and January 23, 2015, (each, a "Guaranty"), hereby (i) acknowledges receipt of the Tenth Modification to Secured Promissory Note (the "Modification"); (ii) consents to the terms and execution thereof; (iii) agrees and confirms that "Guaranteed Obligations" as defined in the Guaranty includes all indebtedness, obligations, and liabilities of Borrowers, as more fully described in the Guaranty; (iv) reaffirms all obligations to Lender pursuant to the terms of the Guaranty; (v) acknowledges that Lender may amend, restate, extend, renew or otherwise modify the Note and any indebtedness or agreement of Borrowers, or enter into any agreement or extend additional or other credit accommodations, without notifying or obtaining the consent of the undersigned and without impairing the liability of the undersigned under the Guaranty for all of Borrower's present and future indebtedness to Lender; and (vi) agrees to join in and be bound by all of the terms and provisions of the General Release contained in Section 10 thereof.

DATED effective as of the ____ day of November, 2016.


Kenneth Antos


Shelia Antos

KCI RESTAURANT I LLC

By KCI INVESTMENTS, LLC, its
Managing Member

By: _____

Name: _____

Its: Authorized Signatory

KCI RESTAURANT II LLC

By KCI INVESTMENTS, LLC, its
Managing Member

By: _____

Name: _____

Its: Authorized Signatory

PRB I LLC

By KCI INVESTMENTS, LLC, its
Managing Member

By: _____

Name: _____

Its: Authorized Signatory

EXHIBIT “M”

APN: 163-29-615-007

When recorded, return to:
LANE POWELL PC
601 SW Second Ave, Suite 2100
Portland, OR 97204
Attn: Skyler Tanner
FAX: 503 406 8777

Inst #: 20161219-0002739

Fee: \$22.00

M/C Fee: \$25.00

12/19/2016 01:07:02 PM

Receipt #: 2959842

Requestor:

FIRST AMERICAN COMMERCIAL N

Recorded By: GWC Pgs: 6

DEBBIE CONWAY

CLARK COUNTY RECORDER

**FIRST MODIFICATION TO
DEED OF TRUST, ASSIGNMENT OF RENTS,
SECURITY AGREEMENT AND FIXTURE FILING**

This First Modification to Deed of Trust, Assignment of Rents, Security Agreement and Fixture Filing (this "Modification") is made effective as of December 2, 2016, by Kenneth M. Antos and Sheila M. Neumann-Antos, Trustees of the Kenneth and Sheila Antos Living Trust, dated April 26, 2007, and any amendments thereto, as trustor ("Trustor"), having a notice address of 5148 Spanish Heights Drive, Las Vegas, NV 89148, and CBC Partners I, LLC, a Washington limited liability company, as beneficiary ("Beneficiary"), having a notice address of 777 108th Ave NE, Suite 1895, Bellevue, WA 98004.

WITNESSETH

A. This Modification modifies the Deed of Trust, Assignment of Rents, Security Agreement and Fixture Filing made December 17, 2014, and recorded in the Official Records of Clark County, Nevada on December 29, 2014, as instrument number 20141229-0002856, under which Trustor is the trustor, Lender is the beneficiary, and First American Title Insurance Company, a Nebraska corporation, having a notice address of 2 First American Way, Santa Ana, CA 92707, is the trustee (as amended, corrected, or modified, the "Deed of Trust"). The Deed of Trust covers the real property described in the Deed of Trust. Capitalized terms not defined herein shall have the meaning provided in the Deed of Trust.

B. Borrower and Lender have entered into modifications to the Note to sever a portion of the principal thereof into a separate note that is not secured by the Deed of Trust. As the Deed of Trust secures the Guarantors' Guaranty of the Note, Trustor and Lender wish to amend the terms of the Deed of Trust to reflect the reduced principal amount of the Note.

AGREEMENT

1. The paragraph labeled "One" immediately after the Heading "FOR THE PURPOSES OF SECURING:" commencing on page 4 of the Deed of Trust is amended and restated in its entirety to read as follows:

One: Payment of any and all amounts (collectively, the "Guaranteed Obligations") due and owing by Kenneth Antos and Sheila Antos (individually and collectively, "Guarantor") under that certain Guaranty dated June 22, 2012, in favor of Beneficiary (the "Guaranty"), guarantying, *inter alia*, the indebtedness



evidenced by that certain Secured Promissory Note (and any renewals, extensions, modifications and substitutions thereof) (collectively, the "Note"), by and among KCI Investments, LLC, a Nevada limited liability company, and Preferred Restaurant Brands, Inc., a Florida corporation (individually and collectively, "Borrower") and Beneficiary, dated June 22, 2012, as now or hereafter modified, in the maximum principal sum of TWO MILLION NINE HUNDRED AND SEVENTY-FIVE THOUSAND AND NO/100 DOLLARS (\$2,975,000.00), together with interest thereon, late charges and collection costs as provided in the Note.

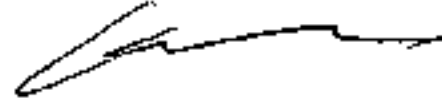
2. Except as amended hereby, the Deed of Trust remains in full force and effect, without waiver or amendment. The real property described in the Deed of Trust shall remain subject to the lien, charge or encumbrance created in the Deed of Trust and, except as expressly stated herein, nothing herein contained or done pursuant to this Modification shall affect or be construed to affect the liens, charges or encumbrances created in the Deed of Trust, or the priority thereof over other liens, charges or encumbrances, or to increase or affect the liability of any party or parties who may now or hereafter be liable under or on account of the Deed of Trust.

3. This Modification 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 when taken together shall constitute one and the same instrument.

Intentionally blank



IN WITNESS WHEREOF, these presents have been executed the day and year first above written.



Kenneth M. Antos, as Trustee of the Kenneth and Sheila Antos Living Trust dated April 26, 2007, and any amendments thereto



Sheila M. Neumann-Antos, as Trustee of the Kenneth and Sheila Antos Living Trust dated April 26, 2007, and any amendments thereto

CBC PARTNERS I, LLC,
a Washington limited liability company

By: John Otter
Its: Authorized Manager Representative

Notary acknowledgements follow



IN WITNESS WHEREOF, these presents have been executed the day and year first above written.

Kenneth M. Antos, as Trustee of the Kenneth
and Sheila Antos Living Trust dated April 26,
2007, and any amendments thereto

Sheila M. Neumann-Antos, as Trustee of the
Kenneth and Sheila Antos Living Trust dated
April 26, 2007, and any amendments thereto

CBC PARTNERS I, LLC,
a Washington limited liability company



By: John Otter
Its Authorized Manager Representative

Notary acknowledgements follow



STATE OF NEVADA

COUNTY OF CLARK

This instrument was acknowledged before me on ^{December 13th} ~~November~~ __, 2016, by Kenneth M. Antos, as Trustee of the Kenneth and Sheila Antos Living Trust dated April 26, 2007, and any amendments thereto. *DL*

[Signature]

Notary Public



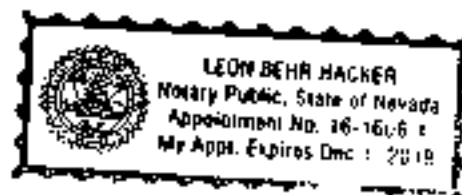
STATE OF NEVADA

COUNTY OF CLARK

This instrument was acknowledged before me on ^{December 13th} ~~November~~ __, 2016, by Sheila M. Neumann-Antos, as Trustee of the Kenneth and Sheila Antos Living Trust dated April 26, 2007, and any amendments thereto. *DL*

[Signature]

Notary Public



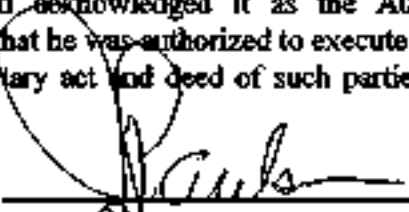
State of NEVADA
County of CLARK



STATE OF WASHINGTON)
) ss.
COUNTY OF KING)

I certify that I know or have satisfactory evidence that John Otter is the person who personally appeared before me, and said person acknowledged that he signed this instrument, and that he is authorized to execute the instrument, and acknowledged it as the Authorized Manager Representative of CBC Partners I, LLC, and that he was authorized to execute the instrument and that said instrument was the free and voluntary act and deed of such parties for the uses and purposes mentioned in this instrument.

DATED: November 30 2016


Print Name: Jodi A. Paulson
NOTARY PUBLIC for the State of Washington,
residing at Belleuve

My appointment expires: 1/3/2018



EXHIBIT “N”

Date : 7/21/2017 2:31:28 PM

From : "Gavin Ernstone" gavinernstone@gmail.com

To : "'Alan Hallberg'" alan@cbcpartnersllc.com, "'Ken Antos'" kantos@cox.net

Subject : FW: 5148 Spanish Heights Drive proposal for consideration

SHAC (Buyer) obligations:

- Service the existing 3rd lender debt (I would like to see the existing 3rd position Note) starting 90 days after SHAC possession of the premises,
- Effect repairs to the premises to bring it back to top quality standard and working repair (we estimate to be in excess of \$100,000.00 in repairs/improvements completed over the first 90 days).
- Maintain and provide for all costs related to the ongoing maintenance of the premises
- Pay all utilities
- Pay all insurance
- Pay all HOA dues
- Pay all property taxes (on a "go forward" basis)
- Pay all Landscaping
- Pay all Pool maintenance
- Pay all ongoing repairs to the premises
- Provide that portion of the judgment necessary as additional collateral to the 3rd lender to fully securitize 3rd lender's debt position where security from the property is deficient to do so
- At the earlier of 2 years or upon collection of the judgment proceeds, pay off in full the 3rd position loan against the property
- At the earlier of 2 years or upon collection of the judgment proceeds, either assume service of or retire either or both of the 1st and 2nd position lenders
- At the earlier of 2 years or upon collection of the judgment proceeds, pay off past due and accrued property tax assessments, if not already addressed by 1st or 2nd lender

3rd Lender obligations:

- Re-age any delinquency under its 3rd position Note to bring its Note current
- Amend the 3rd position Note to be "interest only" payments at 3.5% APR for 24 months
- Amend the 3rd position Note to reset the maturity of the 3rd position Note to 24 months
- Amend the 3rd position Note to provide for a balloon payment due at maturity in 24 months
- Continue to service the 1st and 2nd position Notes for a period of not more than 24 months, adding any protective advances past and future, to its 3rd position Note face balance

Owner (Seller) obligations:

- Convey all rights of possession of the premises
- Add SHAC as Joint Tenant w/ rights of survivorship on the Deed
- Provide quitclaim deed for the benefit of SHAC of Seller's interest in property to SHAC attorney to hold in escrow pending recordation upon satisfaction of 1st, 2nd and 3rd Deeds of Trust
- Agree to amend the 3rd position Note to be "interest only" payments at 3.5% APR
- Agree to amend the 3rd position Note to set the maturity to 24 months
- Agree to amend the 3rd position Note to provide for a balloon payment due at maturity in 24 months

When you have a moment, lets discuss this proposal, and your thoughts as to each of the Seller's and 3rd position lender's receptiveness to this offer.

My thought is that this proposal gets the 3rd lender:

- a full recovery of its Note balance plus all protective advances past and future,
- interim cash flow and
- provides interim additional full collateral where, given the current value of the property, the 3rd position lender is currently unsecured.

As to the Seller, he:

- gets out from under a potential deficiency judgment from the 3rd position lender and
- unburdens himself from any additional assets that may have been pledged.

I believe that the 1st and 2nd position lenders are not involved in the transaction and remain unaffected.

I look forward to speaking again tomorrow, if you are available.

All the Best,

Jay Bloom

Director

1st One Hundred

m [702.423.0500](tel:702.423.0500) | f [702.974.0284](tel:702.974.0284)

jbloom@f100llc.com | www.f100llc.com

AA2371

Corporate Headquarters
2485 Village View Drive, Suite 190
Henderson, NV 89074

Please consider the environment

CONFIDENTIALITY NOTICE: This message is for the named person's use only. It may contain sensitive and private proprietary or legally privileged information. If you are not the intended recipient, you are hereby notified that any review, dissemination, distribution or duplication of this communication is strictly prohibited and may be unlawful. If you are not the intended recipient, please notify the sender immediately by return e-mail and destroy this communication and all copies thereof, including all attachments.

EXHIBIT “O”

FORBEARANCE AGREEMENT

THIS FORBEARANCE AGREEMENT (the "Forbearance Agreement") is made and dated as of the 27th day of September 2017 by and among CBC Partners 1, LLC ("CBCI"), Kenneth & Sheila Antos Living Trust (the "Living Trust"), Kenneth M. Antos & Sheila M. Neumann-Antos Trust (the "K & S Trust"), Kenneth Antos and Sheila Neumann-Antos, as Trustees of the Living Trust and the K & S Trust, and as Personal Guarantors of the Secured Promissory Note described below., Spanish Heights Acquisition Company, LLC ("SHAC"), and SJC Ventures, LLC ("SJC")

RECITALS

A. The Parties and Background

1. CBCI is a Washington limited-liability company. CBCI is the holder of a certain Secured Promissory Note dated June 22, 2012; which has been amended, by ten subsequent Amendments; all of which have been executed by KCI Investments, LLC and Preferred Restaurant Brands, Inc. (collectively the "Amended Note").

2. The Amended Note is secured by certain Personal Guarantees signed by Kenneth Antos and Sheila Antos. The Amended Note is also secured by certain Security Agreements, Subsidiary Guarantees, and Intercreditor Agreements, Deeds of Trust, Assignment of Rents, and Fixture Filings (collectively, the "Security Agreements").

3. In particular, the Amended Note is secured by a certain DEED OF TRUST, ASSIGNMENT OF RENTS, SECURITY AGREEMENT AND FIXTURE FILING made as of December 17, 2014, by Kenneth M. Antos and Sheila M. Neumann-Antos, Trustees of the

Kenneth and Sheila Antos Living Trust dated April 26, 2007, and any amendments thereto, as trustor ("Trustor"), First American Title Insurance Company, a Nebraska corporation, as trustee ("Trustee"), for the benefit of CBCI. (the "2014 Deed of Trust"). Subsequently, the 2014 Deed of Trust was modified by a certain **FIRST MODIFICATION TO DEED OF TRUST, ASSIGNMENT OF RENTS, SECURITY AGREEMENT AND FIXTURE FILING** made effective as of November 30, 2016, by Kenneth M. Antos and Sheila M. Neumann-Antos, Trustees of the Kenneth and Sheila Antos Living Trust, dated April 26, 2007, and any amendments thereto, as trustor ("Trustor"), and CBCI ("Beneficiary") (collectively, the "Modified Deed of Trust") that encumbers the property commonly known as 5148 Spanish Heights Drive, Las Vegas, NV (the "Property"). The Property is owned by Kenneth M. Antos and Sheila M. Neumann-Antos, Trustees of the Kenneth and Sheila Antos Living Trust, dated April 26, 2007, and any amendments thereto (the "Antos Trust"). Agreement, Kenneth Antos, Sheila Antos and the Antos Trust may be collectively referred to as the "Antos Parties."

4. Several Events of Default (the "Identified Defaults") exist under the Amended Note, the Security Agreements, including the Modified Deed of Trust (collectively the "Loan Documents"). As a result of the Identified Defaults, CBCI is entitled to pursue certain remedies under the Loan Documents. Those remedies include, foreclosing on the Property in accordance with the Deed of Trust. Pursuant to the terms of this Forbearance Agreement, CBCI is willing to forbear from exercising its right to foreclose on the Property in accordance with the Deed of Trust, with respect to the Identified Defaults, during the "Forbearance Period" defined below.

5. Pursuant to the terms hereunder, the Antos Trust intends to convey the Property to SHAC. SHAC is a Nevada limited-liability company. The Members of SHAC are SJC Ventures, LLC ("SJC") and the Antos Trust. Pursuant to the terms hereunder, SHAC intends to acquire

the Property and make certain payments to CBC and other parties pursuant to the terms of this Forbearance Agreement.

3. SHAC is a Nevada limited-liability company. The Members of SHAC are SJCVC and the Antos Parties. Pursuant to the terms hereunder, SHAC intends to acquire the Property and make certain payments to CBCI and other parties pursuant to the terms of this Forbearance Agreement.

4. SHAC intends to rent the Property to SJCVC. SJCVC is a Nevada limited liability company. SJCVC owns a 24.912% Membership Interest in 1st One Hundred Holdings, LLC. 1st One Hundred Holdings, LLC, is the judgment creditor in possession of a final judgment in the amount of \$2.2 billion (the "Judgment"). The majority owner of 1st One Hundred Holdings, LLC is Tangled Web Family Trust. Jay Bloom is the Managing Member of 1st One Hundred Holdings LLC. Tangled Web Family Trust is the sole-member of SJCVC. Mr. Bloom is a trustee and beneficiary of the Tangled Web Family Trust. Mr. Bloom is also the Manager of SJCVC (the "SJCVC Parties." As a material term of the Forbearance Agreement, which forms the basis of the bargain, Mr. Bloom, as the Managing Member of 1st One Hundred Holdings, and as the Manager of SJCVC, have agreed that SJCVC will execute the "Security Agreement" described herein; and that 1st One Hundred Holdings will acknowledge its consent that SJCVC execute the Security Agreement, which will require 1st One Hundred Holdings and SJCVC to guaranty the obligations of SHAC and SJCVC under this Forbearance

B. The Amended Note and the Events of Default

1. Obligations Owning from Antos Parties to CBCI. As of August 21, 2017, the Antos Parties are indebted as follows to CBCI: (i) in the amount of \$2,935,001.14 for unpaid principal (the "Principal Balance"); (ii) certain Protection Payments (as defined in Exhibit "B") made by

CBCI prior to the effective date of this Forbearance Agreement in the amount of \$397,872.65 (the "Pre-Forbearance Protection Payments" as defined in Exhibit "B," (iii) in the amount of \$1,315,105.24 in interest accrued at the rate of 20%; and (iv) in additional amounts for accrued and accruing interest, recoverable costs (including reasonable attorneys' fees), certain indemnities, Post-Forbearance Protection Payments and other "Note Expenses" as described below.

2. The Modified Deed of Trust. As part of the security for satisfaction of the Amended Note, CBCI holds the valid and perfected Modified Deed of Trust. Pursuant to the Modified Deed of Trust, CBCI is entitled to foreclose on the Property.

3. The Antos Parties and the SJCV Parties have no defenses, offsets, counterclaims, or adverse claims of any kind or amount with respect to the Loan Documents, including the Amended Note, the Modified Deed of Trust, and/or other collateral interests held by CBCI as security for satisfaction of the Note.

4. Identified Defaults. The Identified Defaults existing under the Loan Documents; including the Modified Deed of Trust are clearly set forth in the Loan Documents and are incorporated herein by reference.

C. Request for Forbearance.

1. The Antos Parties and the SJCV Parties have requested that, notwithstanding the existence of the Identified Defaults, CBCI forbear from exercising their rights and remedies with respect to the Identified Defaults through August 31, 2019.

2. Although CBCI is under no obligation to do so, CBCI is willing to agree to forbear pursuant to the terms and conditions of this Forbearance Agreement. The forbearance is being

provided by CBCI to allow SHAC to secure replacement financing to satisfy the amount owed to CBCI pursuant to the Note.

NOW, THEREFORE, in consideration of the mutual covenants and agreements set forth herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereby agree as follows:

AGREEMENT

1. Accuracy of Recitals. The Antos Parties and the SJCV parties acknowledge that the Recitals set forth above are true, accurate and correct. The Recitals are incorporated into this Forbearance Agreement without any difference or distinction between the two (2) segments of this Forbearance Agreement.

2. Reaffirmation of Loans. Except as modified by this Forbearance Agreement, the Antos Parties and the SJCV Parties reaffirm all obligations due to CBCI under the Amended Note and Modified Deed of Trust.

3. INTENTIONALLY LEFT BLANK

4. Forbearance. Provided that the Antos Parties and the SJCV Parties satisfy all the conditions described in Exhibit "B" to this Forbearance Agreement, CBCI agrees to forbear from exercising its rights and remedies with respect to the Identified Defaults from the effective date of the Forbearance Agreement through August 31, 2019 (the "Forbearance Period").

As further consideration for CBCI's agreement, in addition, the forbearance provided by CBCI to the Antos Parties and the SJCV Parties are limited as follows:

4.1 Forbearance Limited to Identified Defaults. CBCI's forbearance is limited solely to the suspended exercise of its respective rights and remedies arising under the Amended Note and Modified Deed of Trust as a result of the Identified Defaults, and CBCI shall not be

deemed to have suspended or waived any rights or remedies it may have with respect to any other existing breach, default, or Event of Default under the Loan Documents, including the Amended Note and the Modified Deed of Trust.

4.2 No New Events of Default. During the Forbearance Period, there shall occur no new Event of Default or an event which, with the passage of time or the giving of notice or both, would constitute an Event of Default under the Amended Note and Modified Deed of Trust or this Forbearance Agreement, nor shall there be a breach or failure of any warranty, representation or covenant as described in this Forbearance Agreement.

4.3 Agreement in the Nature of Forbearance Only. The Antos Parties and SJCY Parties acknowledge that CBCI's obligations under this Forbearance Agreement are in the nature of a conditional forbearance only, and that CBCI has made no agreement or commitment to provide additional forbearance, to modify or to extend the Amended Note and Modified Deed of Trust beyond the Forbearance Period. Antos Parties and the SJCY Parties also acknowledges that the Identified Defaults are not cured as a result of this Forbearance Agreement.

4.4 Termination of the Forbearance Period. The Forbearance Period shall end on the first to occur of the following:

4.4.1 Upon the expiration of the Forbearance Period.

4.4.2 A breach by the Antos Parties and the SJCY Parties of any of the covenants, representations, and/or warranties set forth in this Forbearance Agreement.

4.4.3 The occurrence of any new Event of Default under any of the Loan Documents, including the Amended Note and Modified Deed of Trust, or the occurrence of any event which, with the passage of time or giving of notice or both, would constitute an Event of Default thereunder.

4.4.4 The filing of a bankruptcy petition by or against any Obligated Party.

4.4.5 Any Obligated Party makes any assignment for the benefit of its creditors, or a receiver is appointed for any Obligated Party's business.

4.5 Exercise of Rights and Remedies Upon Termination of Forbearance Period. If upon termination of the Forbearance Period, the Note has not been satisfied as part of the transactions described in Exhibit "B," CBCI is free to exercise all of its rights and remedies under the Amended Note and Modified Deed of Trust, including but not limited to, the rights and remedies available to CBCI as a result of the Identified Defaults.

5. Conditions to Forbearance. In addition to all other conditions set forth in Section 4 above, the forbearance provided by CBCI under this Forbearance Agreement is strictly conditioned upon satisfaction by Antos Parties and the SJCV Parties of the following:

5.1 No New Defaults. That during the Forbearance Period, there will occur no new event which would allow CBCI with or without notice to accelerate the Loan Documents, including the Amended Note and Modified Deed of Trust, or to exercise any rights or remedies against any collateral for provided for in the Loan Documents including the Amended Note and Modified Deed of Trust, or an event which, with the passage of time or the giving of notice or both, would constitute an Event of Default under any one or more of the Loan Documents, including the Amended Note and Modified Deed of Trust, or a default occurs under the Forbearance Agreement (collectively, an "Incipient Default"), and there will be no breach or failure of any warranty, representation or covenant contained in this Forbearance Agreement.

5.2 Forbearance by Other Lenders. That during the Forbearance Period, no other lender, creditor, or lessor (collectively "Other Lender(s)") undertakes efforts to enforce its rights or remedies relating to any default committed by the Antos Parties or SJCV Parties under

any loan agreement, lease, security agreement, or other financial agreement. If any Other Lender undertakes such efforts, CBCI may immediately terminate this Forbearance Agreement.

5.3 Delivery of Outstanding Items. By the time of execution of the Forbearance Agreement, the Antos Parties and the SJCVC Parties will have delivered to CBCI any outstanding property, agreements, or other documents relating to the Property, or which are required to be provided pursuant to the Amended Note and Modified Deed of Trust or this Forbearance Agreement, including the agreements described in Exhibit "B" hereto.

5.4 Delivery of Consents. As evidenced by its signature below, any Guarantor which has guaranteed the obligations of the Antos Parties and the SJCVC Parties, expressly consents to the terms, and conditions of this Forbearance Agreement, and confirms that its guarantee shall remain in full force and effect. This provision shall survive the termination of this Forbearance Agreement.

5.5 Pursuit of Certain Sales, Financings, and Collection of the Judgment. Upon execution of the Forbearance Agreement, Antos Parties and the SJCVC Parties will undertake efforts to obtain financing to satisfy the Note prior to the termination of the Forbearance Period. Such efforts shall include: (1) efforts to obtain alternative financing; and (2) SJCVC's efforts to collect on the Judgment described in Exhibit "B" and to use any monies collected to pay the Amended Note in accordance with the terms of the Judgment/Lien Pledge Agreement described in Exhibit "B."

5.7 Full Cooperation with Consultants. During the Forbearance Period, the Antos Parties and the SJCVC Parties will cooperate fully with consultants engaged by CBCI to assess and address matters germane to Antos Parties and the SJCVC Parties' performance under the Amended Note and Modified Deed of Trust or this Forbearance Agreement.

5.8 Capital Expenditures. During the Forbearance Period, and unless otherwise agreed to in writing by CBCI, the Antos Parties and the SJCVC Parties will not incur any liability or expend cash for capital expenditures or improvements over and above the amount of \$125,000 without the prior written approval of CBCI.

5.9 Additional Collateral. As additional security for satisfaction of the obligations of their obligations herein, the Antos Parties and SJCVC Parties grant to CBCI the additional collateral described in Exhibit "B" (collectively, the "Additional Collateral").

5.10 Financial Information/Other Information. The Antos Parties and the SJCVC parties will comply with reasonable requests made by CBCI to provide information about the Property; including information relating to the Antos Parties and SJCVC Parties efforts to comply with their obligations under section 5.5 of this Forbearance Agreement.

5.11 Negative Covenants. During the term of the Forbearance Period:

Except as is otherwise provided in this Forbearance Agreement, the Antos Parties and the SJCVC Parties will not incur any additional debt in excess of \$25,000. Notwithstanding the foregoing, the Antos Parties and the SJCVC Parties may incur debt from affiliated companies, or the principals of the Obligated Companies ("Affiliate Debt") so long as: (i) the Affiliate Debt is on terms acceptable to CBCI; (ii) the Affiliate Debt is subordinated in priority and payment to the Note; and (iii) no payments are made by the Antos Parties and the SJCVC Parties with respect to the Affiliate Debt unless and until all amounts due under the Amended Note are paid in full. In addition, the Antos Parties and the SJCVC Parties will not make any capital contributions, loans, or other advances to any of its affiliated companies outside of the ordinary course of business.

5.11.1 The Antos Parties and the SJCV Parties will not make any payments of any kind (including principal, interest, or other amounts owed) on any existing or future loans from the principals of the Antos Parties and the SJCV Parties.

5.11.2 Except for Liens arising under the Amended Note and Modified Deed of Trust, the Antos Parties and the SJCV Parties will not allow any new liens to be secured by property which is owned or hereafter acquired by Antos Parties and the SJCV Parties or any of their affiliated companies.

5.11.3 Subordination of other Obligations.

(a) For purposes of this Forbearance Agreement, "Senior Obligations" means (i) all principal, interest, fees, reimbursements, indemnifications, and other amounts, now or hereafter owed by the Antos Parties, or the SJCV Parties to CBCI under or in connection with this Forbearance Agreement and of the other Agreements that are required to be executed pursuant to the terms of this Forbearance Agreement.

(b) For purposes of this Forbearance Agreement, "Senior Lien" means any and all Liens securing any of the Senior Obligations in favor of CBCI.

(c) For purposes of the Forbearance Agreement, a "Subordinate Creditor" is any party who extends credit to the Antos Parties and the SJCV parties that is a "Subordinated Debt" as defined in this Forbearance Agreement.

(c) For purposes of this Forbearance Agreement, "Subordinated Debt" means all present and future indebtedness, liabilities, and obligations of any kind owed by the Antos Parties and/or the SJCV Parties to any Subordinated Creditor.

(d) For purposes of this Forbearance Agreement, "Subordinated Lien" means any lien, secured by property of the Antos Parties and/or the SJCV Parties, that is intended to secure the repayment of all or any portion of the Subordinated Debt.

(e) Unless and until the Senior Obligations shall have been irrevocably paid in full; (i) any Subordinated Debt shall be subordinate to all Senior Debt; and (ii) any Subordinated Lien shall be subordinate to the Senior Lien.

(f) Unless and until the Senior Obligations shall have been irrevocably paid in full, there shall be no payments of any kind, direct or indirect, on the Subordinated Debt, unless expressly agreed to in a writing that is subject to CBCI's approval, which CBCI may withhold in its sole and absolute discretion.

(g) Notwithstanding subsection (f) above, if no Default or Event of Default is continuing or would be caused thereby, the Debtor may make regularly-scheduled payments of interest and principal with respect to a Subordinated Debt (such payments being referred to herein as "Permitted Payments"). The Subordinated Creditor shall consult with the Antos Parties, or SJCV Parties, as necessary, for the purpose of determining that each Permitted Payment to the Subordinated Creditor shall not cause a Default or Event of Default when made and the Subordinated Creditor shall bear the risk that the making of any Permitted Payments to the Subordinated Creditor violates the foregoing restriction. If at any time there shall occur a Default or Event of Default the Antos Parties, and the SJCV Parties, shall not make any payments with respect to any Subordinated Debt until the earlier of (i) the cure of the Default or Event of Default to the satisfaction of CBCI; or (ii) the irrevocable payment in full of the Senior

Obligations. The Antos Parties and the SJCV Parties shall give any and all Subordinated Creditor(s) prompt notice of any such Default or Event of Default.

(h) If there shall exist an event of default, however denominated, with respect to the Subordinated Debt, the Subordinated Creditor shall not take any action with respect to such event of default until the earlier of (a) the irrevocable payment in full of the Senior Debt; or (b) the receipt of written consent from CBCI to commence Remedial Action.

(i) Upon any distribution to creditors of SHAC, the Antos Parties, or the SJCV Parties (the "Debtor Parties"), in a liquidation or dissolution of any of the Debtor Parties, or in any Insolvency Proceeding with respect to any of the Debtor Parties, or any of their assets, all amounts due with respect to the Senior Obligations, shall be irrevocably paid in full before the Subordinated Creditor shall be entitled to collect or receive any payment with respect to the Subordinated Debt. Until CBCI has received all amounts due to CBCI, with respect to the Senior Debt in cash, or such payment is duly provided for, any distribution from the Debtor Parties or their assets to which the Subordinated Creditor should otherwise be entitled shall be made to CBCI.

(k) Any payments received by a Subordinated Creditor in violation of this Agreement shall be held by the Subordinated Creditor in trust for the benefit of CBCI and shall be immediately turned over to CBCI in the form received (together with any necessary endorsements) for application to the Senior Obligations, to the extent necessary to pay the Senior Debt in full.

(l) Other than a Subordinated Lien, the Subordinated Creditor will not create, assume, or suffer to exist any lien, security interest, or assignment of collateral securing the repayment of the Subordinated Debt. Any lien, security interest, or assignment existing in

violation of the foregoing and the Subordinated Lien shall be fully subordinate to the Senior Lien. At the request of CBCI, the Subordinated Creditor and the Debtor Parties will take any and all steps necessary to fully effect the release of any such lien, security interest, assignment, or collateral. Any financing statement filed with respect to the Subordinated Lien shall contain the following statement, "The security interest described in this financing statement is fully subordinate to the security interest in favor of CBC Partners I, LLC.

(m) The Subordinated Creditor, the Antos Parties, and the SJC Parties agree to execute any and all other documents requested by the Agent to further evidence the subordination of the Subordinated Debt to the Senior Debt and/or the Subordinated Lien to the Senior Lien.

(n) Any Subordinated Creditor will cause all Subordinated Debt to be evidenced by a note, debenture, instrument, or other writing evidencing such Subordinated Debt and will inscribe a statement or legend thereon to the effect that such note, debenture, instrument, or other writing is subordinated to the Senior Obligations in favor of CBCI in the manner and to the extent set forth in this Agreement. The Subordinated Creditor shall inscribe a statement or legend on the Security Agreement to the effect that the security interest created thereby is fully subordinated to the security interest in favor of CBCI.

(o) The Subordinated Creditor shall not assign or otherwise transfer to any other person any interest in the Subordinated Debt unless the Subordinated Creditor causes the assignee or other transferee to execute and deliver to CBCI a subordination agreement acceptable to CBCI or otherwise acknowledges to the reasonable satisfaction of CBCI the subordination of the applicable Subordinated Debt in accordance with this Agreement.

5.11.5 The Antos Parties and the SJCV Parties will not declare or pay any dividends, bonuses, and Antos Parties and the SJCV Parties will not repurchase any of their Membership Interests.

6. Conditions Precedent. Before this Forbearance Agreement becomes effective and CBCI becomes obligated under it, and in addition to any other conditions stated in this Forbearance Agreement, all of the following conditions shall have been satisfied at Antos Parties and the SJCV Parties' sole cost and expense in a manner acceptable to CBCI:

6.1 Receipt of Documents. CBCI will have received fully executed originals of this Forbearance Agreement, the Additional Guarantees, and any other documents that CBCI may require or request in accordance with this Forbearance Agreement and the Amended Note and Modified Deed of Trust, all in such form as CBCI may require in its reasonable discretion. Without limiting the foregoing, the Antos Parties and SJCV Parties acknowledge and agree that they shall be obligated to deliver to CBCI, duly executed by all parties thereto as applicable and in form and substance satisfactory to CBCI, each of the following: (a) such corporate resolutions, incumbency certificates, trust certifications and other authorizing documentation as CBCI may request and (b) all of the agreements, opinions of counsel and other documentation provided for in Exhibit "B" hereto.

6.2 Reimbursement of CBCI's Costs and Expenses. CBCI will receive reimbursement of all reasonable costs and expenses incurred by CBCI relating to this Forbearance Agreement, including charges for legal fees and expenses of CBCI's counsel ("Reimbursable Costs"). Reimbursable Costs may include the allocated costs, incurred to date or in the future, for services for CBCI's counsel and inhouse staffs, such as legal and appraisal, and Reimbursable Costs will be added to the amount due under the CBCI Note.

8. Antos Parties and the SJCVC Parties' Representations and Warranties. The Antos Parties and the SJCVC Parties represent and warrant to CBCI as follows:

8.1 Accuracy of Representations in Forbearance Agreement and Amended Note and Modified Deed of Trust. All representations and warranties made and given by Antos Parties and the SJCVC Parties in this Forbearance Agreement and in the Amended Note and Modified Deed of Trust are accurate and correct.

8.2 No Default. Other than the Identified Defaults, no Event of Default has occurred and/or is continuing under the Amended Note and Modified Deed of Trust, and no event has occurred and is continuing which, with notice or the passage of time or both, would be an Event of Default.

8.3 Property. To the extent applicable, the Antos Parties and the SJCVC Parties lawfully possess and hold a 100% ownership interest in the Property and Collateral for this Forbearance Agreement. The Antos Parties and the SJCVC Parties own all the Collateral for the Amended Note and Modified Deed of Trust free and clear of any defects, reservations of title and conditional sales contracts, and free and clear of any Liens, and security interest other than the liens and security interests in favor of CBCI. There is no financing statement affecting any Collateral for the obligations of the Antos Parties and the SJCVC Parties in any public office except for financing statements in favor of CBCI.

8.4 Disclosure with Respect to SJCVC's Judgment Interest. As is described above, SJCVC is a Member of 1st 100 Holdings LLC. 1st One Hundred Holdings, LLC is responsible for the payment of certain "Collection Attorneys" who may be owed fees relating to the collection of the Judgment. 1st 100 Holdings, LLC is obligated to pay the fees of the the Collection Attorneys prior to distribution to SJCVC. 1st One Hundred Holdings, also has about \$16,000,000

in obligations to repay from collection of the Judgment prior to distributions to Members, including SJC.V.

8.5 Good Standing. SHAC is duly organized, validly existing and in good standing under the laws of the jurisdiction of its incorporation.

8.6 Authorization. This Forbearance Agreement, and any instrument or agreement required hereunder, are within Antos Parties and the SJC.V Parties' powers, have been duly authorized, and do not conflict with any of its organizational papers.

8.7 Enforceable Amended Note and Modified Deed of Trust/No Conflicts. The Amended Note and Modified Deed of Trust and the Forbearance Agreement, are legal, valid and binding agreements of Antos Parties and the SJC.V Parties, enforceable in accordance with their respective terms, and any instrument or agreement required hereunder or thereunder, when executed and delivered, is (or will be) similarly legal, valid, binding, and enforceable. This Forbearance Agreement does not conflict with any law, agreement, or obligation by which Antos Parties and the SJC.V Parties is bound.

9. Antos Parties and the SJC.V Parties Acknowledgments. The Antos Parties and the SJC.V Parties hereby acknowledge and agree that:

9.1 No Breach By CBCI. CBCI has not breached any duty to the Antos Parties and the SJC.V Parties relating to the Forbearance Agreement or the Amended Note and Modified Deed of Trust, and CBCI has fully performed all obligations it may have had or now has to Antos Parties and the SJC.V Parties.

9.2 Interest, Fees, and Other Charges. All interest, fees, or other charges imposed, accrued, or collected CBCI under the Amended Note and Modified Deed of Trust or this Forbearance Agreement, and the method of computing the interest, fees, or other charges, were

and are reasonable, proper, and agreed to by Antos Parties and the SJCVC Parties and were properly computed and collected.

9.3 No Waiver. By entering into this Forbearance Agreement, CBCI does not waive any existing defaults (including the Identified Defaults) or any defaults hereafter occurring, and CBCI does not become obligated to waive any condition or obligation in any agreement between or among any of the parties hereto.

9.4 No Future Obligations. CBCI have no obligation to make any additional loan or extension of credit to or for the benefit of the Antos Parties and the SJCVC Parties, and CBCI has no obligation to provide additional forbearance or to extend further accommodations to the Antos Parties and the SJCVC Parties.

9.5 No Third-Party Beneficiaries. This Forbearance Agreement is not intended for, and shall not be construed to be for, the benefit of any person not a signatory hereto.

9.6 Loan Balances. The outstanding balances owing on the Note, as described in this Forbearance Agreement, are true and correct.

9.7 Fair Consideration. All payments made and security granted by Antos Parties and the SJCVC Parties to CBCI under the Amended Note and Modified Deed of Trust and this Forbearance Agreement are for fair consideration and reasonably equivalent value.

9.8 Notice of Identified Defaults. The Antos Parties and SJCVC Parties have received or waives all notice required from CBCI under the Amended Note and Modified Deed of Trust with respect to the Identified Defaults; and, subject to the terms this Forbearance Agreement, CBCI is free to exercise all of its rights and remedies under the Note and 3rd Mortgage as a result of the Identified Defaults committed by Antos Parties and the SJCVC Parties.

10. Release of CBCI. In consideration of the agreements of CBCI set forth in this herein, the Antos Parties and the SICV Parties, and all their respective heirs, personal representatives, predecessors, successors, and assigns (the "Releasors"), hereby fully release, remise, and forever discharge CBCI, the parents of CBCI and all other affiliates and predecessors of CBCI, and all past and present officers, directors, agents, employees, servants, partners, shareholders, attorneys and managers of CBCI, for, from, and against any and all claims, counterclaims, liens, demands, causes of action, controversies, offsets, obligations, losses, damages and liabilities of every kind and character whatsoever, including, without limitation, any action, omission, misrepresentation or other basis of liability founded either in tort or contract and the duties arising thereunder, that the Releasors, or any one of more of them, has had in the past, or now has, whether known or unknown, whether asserted or unasserted, by reason of any matter, cause, or thing set forth in, relating to or arising out of, of in any way connected with or resulting from, the Amended Note and Modified Deed of Trust, this Forbearance Agreement, and any other agreement executed in connection this Forbearance Agreement.

11. No Prejudice; Reservation of Rights. Except for the limited forbearance specifically set forth herein, this Forbearance Agreement shall not prejudice any rights or remedies of CBCI under the Amended Note and Modified Deed of Trust. Except for the limited forbearance specifically set forth herein, CBCI reserves, without limitation, all its rights against any Obligated Party, indemnitor, guarantor, or endorser of any of the Amended Note and Modified Deed of Trust and any other party liable in any way for satisfaction of the Amended Note and Modified Deed of Trust or other losses suffered by CBCI.

12. No Impairment/Security. Except as otherwise specifically set forth herein, the Amended Note and Modified Deed of Trust remain unaffected by this Forbearance Agreement, and the Amended Note and Modified Deed of Trust shall remain in full force and effect. The Antos Parties and the SJCV Parties payment and performance of their various obligations to CBCI under the Amended Note and Modified Deed of Trust, including all extensions, amendments, renewals, or replacements thereof, continue to be and shall be secured by any and all liens arising under the Amended Note and Modified Deed of Trust. Nothing contained herein shall be deemed a waiver of any of the rights and remedies that CBCI may have against the Antos Parties and the SJCV Parties, or any other party, or of any of CBCI's rights and remedies arising out of the Amended Note and Modified Deed of Trust.

13. INTENTIONALLY LEFT BLANK

14. Purpose and Effect of CBCI's Approval. CBCI's approval of any matter in connection with the Amended Note and Modified Deed of Trust shall be for the sole purpose of protecting CBCI's security, rights, and remedies under the Note and Other 3rd Mortgage Documents. No such approval shall result in a waiver of any default of the Antos Parties and the SJCV Parties. In no event shall CBCI's approval be a representation by CBCI regarding the matter being approved.

15. Integration. The Amended Note and Modified Deed of Trust and this Forbearance Agreement and its exhibits: (a) integrate all the terms and conditions mentioned in or incidental to the 3rd Mortgage Documents; (b) supersede all oral negotiations and prior and other writings with respect to their subject matter; and (c) are intended by the parties as the final expression of the agreement with respect to the terms and conditions set forth in those documents and as the complete and exclusive statement of the terms agreed to by the parties. If there is any conflict

between the terms, conditions and provisions of this Forbearance Agreement and the terms, conditions, or provisions of any other agreement or instrument, including any of the other Amended Note and Modified Deed of Trust, the terms, conditions, and provisions of this Forbearance Agreement shall prevail. No modification of this Forbearance Agreement or the Amended Note and Modified Deed of Trust shall be effective unless in writing and signed by the applicable parties to be bound thereby.

16. **Notices.** All notices, reports, and other communications provided for herein (collectively, for purposes of this paragraph 16, "notices") will be in writing and will be delivered: (a) in person; (b) by telecopier, telefax, or other facsimile communication; or (c) by overnight courier, postage prepaid, addressed as follows:

CBC Partners I, LLC 777 108th Ave NE Suite 1895, Bellevue, WA 98004 With a copy to: The Law Office of Vernon Nelson 9480 S. Eastern Ave., Suite 252 Las Vegas, NV 89123	Spanish Heights Acquisition Company, LLC c/o Maier Gutierrez & Associates 8816 Spanish Ridge Ave, Las Vegas, NV 89148
Kenneth & Sheila Antos Living Trust	SJC Ventures, LLC c/o Maier Gutierrez & Associates 8816 Spanish Ridge Ave, Las Vegas, NV 89148
Kenneth M. Antos & Sheila M. Neumann-Antos Trust	Sheila Antos
Kenneth Antos	

17. Counterparts. This Forbearance Agreement and any attached consents or exhibits requiring signatures may be executed in as many counterparts as necessary or convenient, and by the different parties on separate counterparts each of which, when so executed, shall be deemed an original, but all such counterparts shall constitute but one and the same agreement.

18. Invalidity. If any court of competent jurisdiction determines any provision of this Forbearance Agreement or any of the Amended Note and Modified Deed of Trust to be invalid, illegal or unenforceable, that portion shall be deemed severed from the rest, which shall remain in full force and effect as though the invalid, illegal, or unenforceable portion had never been a part of the Forbearance Agreement or the Amended Note and Modified Deed of Trust.

19. Governing Law, Venue, Forbearance of Jury Trial. To the extent possible, this Forbearance Agreement shall be governed by and construed according to the laws of the State of Washington. The Antos Parties and the SJCV Parties hereby submit to jurisdiction and venue in King County, Washington, and, to the extent possible, agree that any and all pending or future litigation, arbitration, or bankruptcy proceedings relating to the Amended Note and Modified Deed of Trust may be venued and maintained in King County, Washington. The parties recognize that certain proceedings related to the possession of the Property may be required to be conducted in Clark County, Nevada and the parties submit to jurisdiction and venue in Clark County, Nevada. In the event of judicial proceedings relating to disputes arising under this Forbearance Agreement, the Antos Parties and the SJCV Parties agree that all issues (including defenses, cross-claims and counter-claims) shall be resolved by a judge and not a jury; and, therefore, the Antos Parties and the SJCV Parties waive their rights to a jury trial which it otherwise would have had.

20. Successors and Assigns. This Forbearance Agreement shall be binding upon and

inure to the benefit of the parties hereto and their respective successors and assigns; provided, however, Antos Parties and the SJCV Parties may not transfer its rights under the Forbearance Agreement or the Amended Note and Modified Deed of Trust without the prior written consent of CBCI. CBCI may transfer its rights under this Forbearance Agreement or the Amended Note and Modified Deed of Trust to any successor in interest.

21. Construction. As used herein, the word "include(s)" means "include(s), without limitation", and the word "including" means "including, but not limited to".

22. Default. The failure of Antos Parties and the SJCV Parties to comply with any provision of this Forbearance Agreement or the failure of Antos Parties and the SJCV Parties to comply with the terms and conditions of the Amended Note and Modified Deed of Trust (other than the Identified Defaults) shall constitute an Event of Default and shall entitle CBCI to exercise all of its rights and remedies under the Amended Note and Modified Deed of Trust and this Forbearance Agreement.

23. No Waiver. No failure to exercise, and no delay in exercising any right, power or remedy under any of the Amended Note and Modified Deed of Trust or under this Forbearance Agreement shall impair any right, power, or remedy that CBCI may have, nor shall such delay be construed to be a waiver of any of such rights, powers or remedies. No waiver of any default or breach of Antos Parties and the SJCV Parties shall be a waiver of any other default or breach or of any default or breach subsequently occurring. CBCI shall not be deemed to have waived any right, power, or remedy except in writing signed by an officer of CBCI expressly stating that it is a waiver of same right, power or remedy.

24. No Consent. Except as specifically provided in this Forbearance Agreement, no

express or implied consent to any further forbearance or modifications involving any of the matters set forth in this Forbearance Agreement or otherwise shall be inferred or implied by CBCI's execution of this Forbearance Agreement or any other action of CBCI. CBCI's execution of this Forbearance Agreement shall not constitute a waiver, either express or implied, of the requirement that any further forbearance or modification of the Amended Note and Modified Deed of Trust shall require the express written approval of CBCI. CBCI must provide any consent required from the CBCI under this Forbearance Agreement.

25. Cumulative Remedies. The rights and remedies of CBCI under this Forbearance Agreement and the Amended Note and Modified Deed of Trust are cumulative and not exclusive of any rights or remedies that CBCI would otherwise have, and may be pursued at any time and from time to time and in such order as CBCI shall determine in its sole discretion.

26. Mutual Agreement. The parties hereto agree that the terms and provisions of this Forbearance Agreement embody their mutual intent and that such terms and provisions are not to be construed more liberally in favor, or more strictly against, any party. This Forbearance Agreement shall not be construed as if it had been prepared by one of the parties, but rather as if it had been prepared by all of the parties.

27. Time is of the Essence. Time is of the essence of this Forbearance Agreement and the Amended Note and Modified Deed of Trust.

28. Headings. Section headings are for reference only and shall not affect the interpretation or meaning of any provisions of this Forbearance Agreement.

29. Further Performance. The Antos Parties and the SJCV Parties, whenever and as often as shall be requested by CBCI, shall execute, acknowledge, and deliver, or cause to be executed, acknowledged, and delivered such further instruments and documents and to do any


and all things as may be requested by CBCI in order to carry out the intent and purpose of this Forbearance Agreement and the Amended Note and Modified Deed of Trust.

30. Survival. The representations, warranties, acknowledgments, and agreements set forth herein shall survive the date of this Forbearance Agreement.

31. Binding Effect. This Forbearance Agreement shall be binding upon and inure to the benefit of CBCI, the Antos Parties and SJCV Parties, and their respective successors and assigns.

IN WITNESS WHEREOF, the parties hereto have caused this Forbearance Agreement to be executed on the dates set forth below to be effective as of the day and year set forth above.


CBC Partners I, LLC

BY: 

Its: President

Print
Name: John Otter

Kenneth & Sheila Antos Living Trust


BY: 
Kenneth Antos, Trustee

BY: 
Sheila Antos, Trustee

Kenneth M. Antos & Sheila M. Neumann-
Antos Trust


BY: 
Kenneth Antos, Trustee

BY: 
Sheila Antos, Trustee


Kenneth Antos, Individually


Sheila Antos, Individually,

SJC Ventures, LLC

BY: 
Its: Manager

Print
Name: Jay Blum

STATE of NEVADA
STATEMENT and RESIGNATION of a LISTED MEMBER
A LIMITED LIABILITY COMPANY

The undersigned, a listed Member of SPANISH HEIGHTS ACQUISITION COMPANY, LLC, who was included as a Member on the originally filed Articles of Organization for the Limited Liability Company, with the Nevada Secretary of State withdraws and resigns as a member of the limited liability company. The only remaining members of the limited liability company are:

Name and Address of each individual member:

SIC VENTURES HOLDINGS, LLC
5148 SPANISH HEIGHTS DR.
LAS VEGAS, NV 89148

KENNETH ANTOS AND SHEILA NEUMANN-ANTOS TRUST,
KENNETH ANTOS AND SHEILA NEUMANN-ANTOS AS TRUSTEES
4968 MOUNTAIN FOLIAGE DR.
LAS VEGAS NV 89148

The undersigned, as listed as a Member in the Articles of Organization, is not intended to be a Member of the LLC.

As such, the undersigned does hereby tender its resignation as originally listed Member on the Articles of Organization for the LLC, and from any and all involvement with or authority over the LLC, as a Member thereto, real or perceived, effective on the date of formation of the LLC.

Dated August 9, 2017



CBC PARTNERS LLC
Alan Hallberg
Chief Credit Officer

STATE of NEVADA
STATEMENT and RESIGNATION of a LISTED MEMBER
A LIMITED LIABILITY COMPANY

The undersigned, a listed Member of SPANISH HEIGHTS ACQUISITION COMPANY, LLC, who was included as a Member on the originally filed Articles of Organization for the Limited Liability Company, with the Nevada Secretary of State withdraws and resigns as a member of the limited liability company. The only remaining member of the limited liability company are:

Name and Address of each individual member:

KENNETH ANTOS AND SHEILA NEUMANN-ANTOS TRUST,
KENNETH ANTOS AND SHEILA NEUMANN-ANTOS AS TRUSTEES
4968 MOUNTAIN FOLIAGE DR.
LAS VEGAS NV 89148

The undersigned, as listed as a Member in the Articles of Organization, is not intended to be a Member of the LLC.

As such, the undersigned does hereby tender its resignation as originally listed Member on the Articles of Organization for the LLC, and from any and all involvement with or authority over the LLC, as a Member thereto, real or perceived, effective on the date of formation of the LLC.

Dated August 10, 2017



SJC VENTURES HOLDINGS, LLC
Jay Bloom
Manager

Articles of Organization

A set of formal documents filed with the Secretary of State to legally document the creation of a new business entity.



BARBARA K. CEGAVSKI
Secretary of State
202 North Carson Street
Carson City, Nevada 89701-4281
(775) 684-5708
Website: www.sosnv.gov



058106

Articles of Organization Limited-Liability Company

(PURSUANT TO NRS CHAPTER 91)

Piled in the office of <i>Barbara K. Cegavski</i> Barbara K. Cegavski Secretary of State State of Nevada	Document Number 20170336306-50 Filing Date and Time 08/04/2017 4:32 PM Entry Number E0370732017-7
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USE BLACK INK ONLY - DO NOT HIGHLIGHT

(This document was filed electronically.)

ABOVE SPACES FOR OFFICE USE ONLY

1. Name of Limited-Liability Company: (Must contain approved limited-liability company wording; see instructions)	SPANISH HEIGHTS ACQUISITION COMPANY LLC		Check box if a Series Limited- Liability Company <input type="checkbox"/>	Check box if a Restricted Limited- Liability Company <input type="checkbox"/>
2. Registered Agent for Service of Process: (check only one box)	<input checked="" type="checkbox"/> Commercial Registered Agent: LEGALINC CORPORATE SERVICES INC. Name <input type="checkbox"/> Noncommercial Registered Agent (name and address below) OR <input type="checkbox"/> Office or Position with Entity (name and address below) Name of Noncommercial Registered Agent OR Name of Title of Office or Other Position with Entity Street Address City Nevada Zip Code Mailing Address (if different from street address) City Nevada Zip Code			
3. Dissolution Date: (optional)	Latest date upon which the company is to dissolve (if existence is not perpetual):			
4. Management: (required)	Company shall be managed by: <input type="checkbox"/> Manager(s) OR <input checked="" type="checkbox"/> Member(s) (check only one box)			
5. Name and Address of each Manager or Managing Member: (attach additional page if more than 3)	1) SJC VENTURES LLC Name 5148 SPANISH HEIGHTS DR LAS VEGAS NV 89148 Street Address City State Zip Code 2) CBC PARTNERS LLC Name 777 108TH AVE NE STE 1095 BELLEVUE WA 98004 Street Address City State Zip Code 3) KENNETH & SHEILA ANTOS LIVING TRUST Name 11512 BELMONT LAKE DR UNIT 102 LAS VEGAS NV 89135 Street Address City State Zip Code			
6. Name, Address and Signature of Organizer: (attach additional page if more than 1 organizer)	I declare, to the best of my knowledge under penalty of perjury, that the information contained herein is correct and acknowledge that pursuant to NRS 209.336, it is a category C felony to knowingly offer any false or forged instrument for filing in the Office of the Secretary of State. MARSHA SITHA X MARSHA SITHA Name Organizer Signature 17300 STATE HWY 249 STE 220 HOUSTON TX 77064 Address City State Zip Code			
7. Certificate of Acceptance of Appointment of Registered Agent:	I hereby accept appointment as Registered Agent for the above named Entity. X LEGALINC CORPORATE SERVICES INC. Authorized Signature of Registered Agent or On Behalf of Registered Agent Entity Date: 8/4/2017			

This form must be accompanied by appropriate fees.

Nevada Secretary of State / NRS 91A.010 DULG Articles
Revised: 11-1-16

AA2402

SECRETARY OF STATE



LIMITED LIABILITY COMPANY CHARTER

I, Barbara K. Cegavska, the Nevada Secretary of State, do hereby certify that **SPANISH HEIGHTS ACQUISITION COMPANY LLC** did on August 4, 2017, file in this office the Articles of Organization for a Limited Liability Company, that said Articles of Organization are now on file and of record in the office of the Nevada Secretary of State, and further, that said Articles contain all the provisions required by the laws governing Limited Liability Companies in the State of Nevada.



IN WITNESS WHEREOF, I have hereunto set my hand and affixed the Great Seal of State, at my office on August 4, 2017.

Barbara K. Cegavska

Barbara K. Cegavska
Secretary of State

Certified By: Electronic Filing
Certificate Number: 020170804-1835
You may verify this certificate
online at <http://www.nvsos.gov/>



BARBARA K. CEGAVSKE
 Secretary of State
 202 North Carson Street
 Carson City, Nevada 89701-4201
 (775) 684-5708
 Website: www.nvsos.gov
www.nvsilverflume.gov

Instructions for Initial List/Annual List and State Business License Application

ATTENTION: You may now file your Initial/Annual List and State Business License online at www.nvsilverflume.gov

IMPORTANT: READ ALL INSTRUCTIONS CAREFULLY BEFORE COMPLETING FORM.

TYPE or PRINT the following information on the Annual List:

1. The **NAME** and **ENTITY NUMBER** of the entity **EXACTLY** as it is registered with this office.
2. The **FILING PERIOD** is the month and year of filing TO the month and year 12 months from that date. Example: If the entity date was 1/12/98 the filing period would be 1/1999 to 1/2000.
3. The name and addresses as required on the list should be entered in the boxes provided on the form.
4. If qualified for a statutory exemption from the State Business License, enter the applicable code in the area provided. If claiming exemption, a Declaration of Eligibility for State Business License Exemption must accompany annual list. Entities claiming exemption cannot file online.
5. **NRS Chapter 91 - Nonprofit:** Entities which are under Unit-owners' association or Religious, charitable, fraternal or other organization that qualifies as a tax-exempt organization pursuant to 26 U.S.C. § 501(c) are excluded from the requirement to obtain a state business license. Please indicate if this entity falls into one of these categories by marking the appropriate box. If the entity does not meet either of these categories please submit \$200.00 for the state business license.
6. The **SIGNATURE**, including signer's title and date signed **MUST** be included in the area provided at the bottom of the form. Signature may be that of an officer or equivalent or that of another person authorized by the entity to sign the list.
7. Completed **FORM, FEES** and applicable **PENALTIES** must be returned to the Secretary of State. Pursuant to NRS 225.885, all Initial and Annual Lists must be in the care, custody and control of the Secretary of State by the close of the business on the due date. Lists received after the due date will be returned unfiled, and will require any associated fees and penalties as a result of being late. Trackable delivery methods such as Express Mail, Federal Express, UPS Overnight may be acceptable if the package was guaranteed to be delivered on or before the due date yet failed to be timely delivered.

FILING FEES: The annual filing fee for corporations will be based on the amount represented by the total number of shares provided for in the articles. See fee schedule or contact our office. Annual lists for nonprofit corporations without shares are \$50.00. Nonprofit corporations and corporations sole are not required to maintain a State Business License or pay the additional fee.

ADDITIONAL FORMS may be obtained on our website at www.nvsos.gov or by calling 775-684-5708.

FILE STAMPED COPIES: To receive one file stamped copy, please mark the appropriate check box on the list. Additional copies require \$2.00 per page and appropriate order instructions.

CERTIFIED COPIES: To order a certified copy, enclose an additional \$38.00 and appropriate instructions. A copy fee of \$2.00 per page is required for each copy generated when ordering 2 or more certified copies.

EXPEDITE FEE: Filing may be expedited for an additional \$125.00 fee for 24-hour service, \$300.00 for 2-hour service and \$1688.00 for 1-hour service.

Filing may be submitted at the office of the Secretary of State or by mail at the following addresses:

MAIN OFFICE:
Regular and Expedited Filings

Secretary of State
 Status Division
 202 North Carson Street
 Carson City NV 89701-4201
 Phone: 775-684-5708
 Fax: 775-684-7123

SATELLITE OFFICE:
Expedited Filings Only

Secretary of State - Las Vegas
 Commercial Recordings Division
 965 East Washington Ave, Suite 5200
 Las Vegas NV 89101
 Phone: 702-486-2888
 Fax: 702-486-2888

Nevada Secretary of State List Instructions
 Revised: 10-1-15

INITIAL/ANNUAL LIST OF MANAGERS OR MANAGING MEMBERS AND STATE BUSINESS LICENSE APPLICATION OF:

SPANISH HEIGHTS ACQUISITION COMPANY LLC

FILE NUMBER



E9370732017-7

NAME OF LIMITED-LIABILITY COMPANY

FOR THE FILING PERIOD OF **AUG, 2017** TO **AUG, 2018. Due by Sep 30, 2017**

USE BLACK INK ONLY - DO NOT HIGHLIGHT

****YOU MAY FILE THIS FORM ONLINE AT www.nvabiverturne.gov****

☐ Return one file stamped copy. (If filing not accompanied by order instructions, the stamped copy will be sent to registered agent.)

IMPORTANT: Read instructions before completing and returning this form

1. Print or type names and addresses, other residence or business, for all manager or managing members. A Manager, or if none, a Managing Member of the LLC must sign the form. FORM WILL BE RETURNED IF UNDESIGNED.

2. If there are additional managers or managing members, attach a list of these to this form.

3. Return completed form with the filing fee of \$150.00. A \$75.00 penalty must be added for failure to file this form by the deadline. An annual fee received more than 90 days before its due date shall be deemed an amended fee for the previous year.

4. State business license fee is \$200.00. Effective 2/1/2010, \$100 must be added for failure to file form by deadline.

5. Make your check payable to the Secretary of State.

6. **Certified Copies:** If requested, one file stamped copy will be returned at no additional charge. To receive a certified copy, enclose an additional \$30.00 per certification. A copy fee of \$1.00 per page is required for each additional copy generated when ordering 2 or more file stamped or certified copies. Appropriate instructions must accompany your order.

7. Return the completed form to: Secretary of State, 202 North Carson Street, Carson City, Nevada 89701-4201, (775) 684-4709.

8. Form must be in the possession of the Secretary of State on or before the first day of the first month following the incorporation/initial registration date. (Postmark date is not accepted as receipt date.) Forms received after due date will be returned for additional fees and penalties. Failure to include initial fee and business license fee will result in rejection of filing.

GLUED FEE: \$150.00 LATE PENALTY: \$75.00 (if late)

BUSINESS LICENSE FEE: \$200.00 LATE PENALTY: \$100.00 (if late)

CHECK ONLY IF APPLICABLE AND ENTER EXEMPTION CODE IN BOX BELOW

☐ Pursuant to NRS Chapter 70, this entity is exempt from the business license fee. Exemption code:

NRS 70.020 Exemption Codes

001 - Governmental Entity

006 - NRS 690B.020 Insurance Co.

NOTE: If claiming an exemption, a certified Declaration of Eligibility form must be attached. Failure to attach the Declaration of Eligibility will result in rejection.

NAME

MANAGER OR MANAGING MEMBER

ADDRESS

CITY

STATE

ZIP CODE

NAME

MANAGER OR MANAGING MEMBER

ADDRESS

CITY

STATE

ZIP CODE

NAME

MANAGER OR MANAGING MEMBER

ADDRESS

CITY

STATE

ZIP CODE

NAME

MANAGER OR MANAGING MEMBER

ADDRESS

CITY

STATE

ZIP CODE

None of the managers or managing members identified in the list of managers and managing members has been identified with the fraudulent intent of concealing the identity of any person or persons exercising the power or authority of a manager or managing member in furtherance of any unlawful conduct.

I declare, to the best of my knowledge under penalty of perjury, that the information contained herein is correct and acknowledge that pursuant to NRS 209.236, it is a category C felony to knowingly offer any false or forged instrument for filing in the Office of the Secretary of State.

X

Signature of Manager, Managing Member or
Other Authorized Signature

Title

Date



BARBARA K. CECAYVKE
Secretary of State
202 North Carson Street
Carson City, Nevada 89701-4201
(775) 684-5708
Website: www.nvsec.gov

**ATTACH FORM ONLY IF CLAIMING A
STATE BUSINESS LICENSE EXEMPTION**



270104

**Declaration of Eligibility for State
Business License Exemption**

(This form must be notarized)

USE BLACK INK ONLY - DO NOT HIGHLIGHT

ABOVE SPACE IS FOR OFFICE USE ONLY

This form must accompany the List of Officers only if claiming exemption from the State Business License. Please provide the information requested only for the exemption for which you claim eligibility. Failure to provide the requested information or to notarize this document will result in a rejected filing, which could result in late fees.

Entity Name:

NV Business
ID. Number:

001 - Governmental Entity

- ☐ This entity is an incorporated or unincorporated agency or instrumentality of the United States government or any state government; a corporation wholly owned by the United States government; or county, city, district, or other political subdivision of a state.

002 - 501(c) Nonprofit Entity

- ☐ This entity is qualified as a 501(c) Nonprofit Entity pursuant to Title 26 U.S.C. Section 501(c). Please provide the Internal Revenue Service (IRS) issued Federal Employer Identification Number (FEN)

006 - NRS 688B.020 Insurance Company

Are the activities of this entity regulated through a license or certificate of authority granted by the Division of Insurance pursuant to NRS Title 67?

☐ Yes

☐ No

If yes, provide license or certificate of authority number

I declare under penalty of perjury, as a representative authorized by statute to file on behalf of the above named entity, that the declarations indicated above are true and correct.

X

Signature

Title

Date

State of _____ County of _____

Subscribed and sworn to before me this _____ 20____

by _____
(Print name of Signer)

Notary Signature _____

LIMITED LIABILITY COMPANY AGREEMENT

OF

Spanish Heights Acquisition Company, LLC

This Limited Liability Company Agreement (this "Agreement") of Spanish Heights Acquisition Company, LLC (the "Company"), a limited liability company organized pursuant to the Nevada Liability Company Act (the "Act"), is hereby entered into by and among SJC Ventures Holdings, LLC, LLC (hereinafter referred to as, the "Investor" or the "Investor Member"), and ANTOS, KENNETH & SHEILA LIV TR, KENNETH M ANTOS SHEILA M, NEUMANN-ANTOS TRUST, Kenneth Antos and Sheila Neumann-Antos as Trustees (hereinafter referred to as, the "Seller" or the "Seller Member").

INTRODUCTION

WHEREAS, the Company has been formed to, among other things, purchase that real property otherwise known as 5148 Spanish Heights Drive, Las Vegas, NV 89148 (the "Property"); and

WHEREAS, the Investor Member, Lender Member and Seller Member desire to enter into this Agreement to set forth their respective rights and obligations with respect to the Company and one another,

NOW, THEREFORE, in consideration of the mutual covenants herein expressed, the parties hereto hereby agree as follows:

ARTICLE I

DEFINITIONS

Certain defined terms used in this Agreement are set forth in Exhibit A.

ARTICLE II

ORGANIZATION

2.01. Formation.

The Company has been organized as a Nevada (the "State of Formation") limited liability company by the filing of its Certificate of Formation with the Nevada Secretary of State on August 4, 2017.

2.02. Name.

The name of the Company is "Spanish Heights Acquisition Company, LLC" and all Company business shall be conducted under that name or such other names as comply with applicable law that the Manager (as defined in Section 6.01(a)) may select from time to time.

2.03. Registered Agent; Registered Office.

The registered agent of the Company shall be Maier Gutierrez and Associates PLLC, and the registered office of the Company in the State of Formation shall be 8816 Spanish Ridge Ave, Las Vegas, NV 89148 or such other office (which need not be a place of business of the Company) as the Manager may designate from time to time in the manner provided by law.

2.04. Principal Office; Other Offices.

The principal office of the Company shall be at such place as the Manager may designate from time to time, which need not be in the State of Formation. The initial principal office of the Company shall be at 2485 Village View Dr., Suite 190, Henderson, NV 89074. The Company may change its principal office or have such other offices as the Manager may designate from time to time.

2.05. Purposes.

The purposes of the Company (the "Purposes") are to hold ownership of that certain real property otherwise known as 5148 Spanish Heights Drive, Las Vegas, NV 89148, (i) perfect the Company's interest in such property, (ii) hold, monitor and maintain the Company's Property, and (iv) engage in any activity in furtherance of, related to or necessary to support the Company's investment in, or subsequent disposition of its investment in, the Property, in each case, as determined by the Manager.

2.06. Term.

The Company and this agreement shall continue in perpetuity, unless sooner terminated in accordance with the provisions of this Agreement.

2.07. Powers.

The Company shall possess and may exercise any and all the powers and privileges granted by the Act or by any other applicable law to limited liability companies or by this Agreement, together with any powers incidental thereto, so far as such powers and privileges are necessary or convenient to the conduct, promotion or attainment of the purposes of the Company, in each case as determined by the Manager.

2.08. No State Law Partnership.

The Members intend that the Company shall not be a partnership or joint venture, and that no Member shall be a partner or joint venturer of any other Member, for any purpose other than federal, state, and local tax purposes, and the provisions of this Agreement shall not be construed otherwise.

2.09. Liability to Third Parties.

No Member shall be liable for the debts, obligations, or liabilities of the Company, except to the extent required under the Act with respect to amounts distributed to the Member at a time when the Company was insolvent or was rendered insolvent by virtue of the distribution.

ARTICLE III

**MEMBERS; CAPITAL CONTRIBUTIONS AND
COMMITMENTS; CAPITAL ACCOUNTS;
REVALUATIONS; PRE-EMPTIVE RIGHTS**

3.01. Classes of Units; Members.

(a) The authorized Units shall consist of Class A Units, which shall have the terms set forth in this Agreement. The Class A Units shall have voting rights, and shall be held by the Investor Member and the Selling Member.

(b) The name and address of the Investor Member is set forth on Exhibit B attached hereto, and the Investor Member (i) has made a Commitment (as defined in Section 3.02(b)) to make Capital Contributions in the amounts set forth opposite the name of the Investor Member on Exhibit B and (ii) holds the number of Class A Units set forth opposite the name of the Investor Member on Exhibit B. The Investor Member has been issued the number of Class A Units set forth opposite its name on Exhibit B in exchange for the Commitment set forth opposite the Investor Member's name on Exhibit B.

(c) The Seller Member holds the number of Class A Units set forth opposite the Seller Member's name on Exhibit B. The address of the Seller Member is set forth on Exhibit B.

(e) The number of Units held by the Members may be updated by the Company in good faith from time to time to reflect, among other things, additional Capital Contributions, the admission of new Members and redemptions of Membership Interests. The number of Units of a class may be split, combined or otherwise re-classified by the Manager, provided that a proportionate adjustment is made to all then outstanding Units of such class.

3.02. Additional Members; Capital Contributions in respect of the Commitments; Additional Capital Contributions.

(a) No Person shall be admitted to the Company as an additional Member without the approval of the Manager, which approval may be granted or withheld in the sole and absolute discretion of the Manager. The approval of the Manager shall be required to accept Capital Contributions to the Company from any non-member, in any amount.

(b) The Investor Member has made a commitment (each, a "Commitment") to fund the amount of Capital Contributions in the amount set forth opposite its name on Exhibit B attached hereto. The Investor Member shall make Capital Contributions to the Company in an amount equal to its Commitment (the "Initial Capital Contributions") at the execution of this Agreement, provided that the Required Funding Condition (as defined in Section 3.02(c)) has been satisfied.

Capital Contributions in respect of the Commitments from the Investor Member shall be used solely to fund (x) the payment by the Company of Lender Member's debt held against the property, (y) the payment of utilities used at the Property and (z) expenses associated with Property; provided, however, in no event shall the Company be responsible for funding, or shall any Capital Contributions in respect of the Commitments be used to fund, the overhead of, or any costs and expenses incurred by, any of the Members in providing services pursuant to the this Agreement, in excess of those commitments contemplated by this transaction. The Investor Member shall not be required to make Capital Contributions in excess of its Commitment.

(c) No Member shall be obligated to make any Capital Contributions to the Company, except for the obligation of the Investor Member to make the Initial Capital Contributions as provided in Section 3.02(b) above. However, if a new or existing Member shall make additional Capital Contributions to the Company hereafter, which may be done only as permitted by the Manager and subject to compliance with this Agreement (including Section 3.02(a)), then (y) the number and class of Units of Membership Interest credited in recognition of such Capital Contribution shall be based upon, as determined by the Manager, in its sole discretion, the fair market value of the new Capital Contribution relative to the fair market value of the Company in its entirety (including the new Capital Contribution), determined after giving effect to a revaluation of Company assets to reflect Gross Asset Value pursuant to Section 3.05 and (z) an appropriate adjustment shall be made to the percentages set forth in Sections 5.01(b)(II) and (III) of this Agreement so that the percentages to be issued in respect of such new Capital Contributions shall dilute, pro rata, the percentages attributable to the outstanding Class A Units immediately prior to such additional Capital Contributions. The Company will update its records to reflect the issuance of any additional Units and the admission of any new Member in accordance with the terms of this Agreement.

3.03. Return of Capital Contributions; Special Rules.

Except as otherwise expressly provided herein, (i) no Member shall be entitled to the return of any part of its Capital Contribution or to be paid interest in respect of its Capital Account balance or its Capital Contribution, (ii) neither the Manager nor any Member, its agents,

affiliates, officers, directors, assigns, successors or heirs shall have any personal liability for the return of the Capital Contribution of any other Member and (iii) no Member shall have any priority over any other Member with respect to the return of any Capital Contribution.

3.04. Capital Accounts.

A Capital Account shall be established and maintained for each Member in accordance with the following provisions:

(a) To each Member's Capital Account, there shall be credited such Member's Capital Contributions, such Member's distributive share of Net Profits, any items in the nature of income or gain that are specially allocated pursuant to this Agreement, and the amount of any liabilities of the Company that are assumed by such Member, or that are secured by any assets of the Company distributed to such Member.

(b) From each Member's Capital Account, there shall be debited the amount of cash and the Gross Asset Value of any Company assets distributed to such Member pursuant to any provision of this Agreement, such Member's distributive share of Net Losses, any items in the nature of expenses or losses that are specially allocated pursuant to this Agreement, and the amount of any liabilities of such Member assumed by the Company or that are secured by any property contributed by such Member to the Company.

(c) If ownership of any Membership Interest in the Company is assigned in accordance with the terms of this Agreement, the assignee shall succeed to the Capital Account of the assignor to the extent it relates to the assigned Membership Interest.

(d) In determining the amount of any liability for purposes of Sections 3.04(a) and (b) above, there shall be taken into account Code Section 752(c) and any other applicable provisions of the Code and Regulations.

(e) To each Member's Capital Account, there shall be debited or credited, as the case may be, adjustments which are necessary to reflect a revaluation of Company assets to reflect the Gross Asset Value of all Company assets, as required by Regulations Section 1.704-1(b)(2)(iv)(f) and Section 3.05.

The foregoing provisions and the other provisions of this Agreement relating to the maintenance of Capital Accounts are intended to comply with Code Section 704 and Regulations Section 1.704-1(b) and shall be interpreted and applied in a manner consistent with such Regulations. The Company shall make any adjustments that are necessary or appropriate to maintain equality between the Capital Accounts of the Members and the amount of Company capital reflected on the Company's balance sheet as computed for book purposes in accordance with Regulations Section 1.704-1(b)(2)(iv)(g).

3.05. Gross Asset Value.

The Gross Asset Value of any asset of the Company shall be equal to the asset's adjusted basis for federal income tax purposes, except as follows:

(a) The initial Gross Asset Value of any asset contributed by a Member to the Company shall be the gross fair market value of such asset, as determined by the contributing Member and the Company.

(b) The Gross Asset Values of all Company assets shall be adjusted to equal their respective gross fair market values in connection with (and to be effective immediately prior to) the following events: (i) the acquisition of an additional Membership Interest in the Company by any new or existing Member in exchange for more than a *de minimis* Capital Contribution; (ii) the distribution by the Company to a Member of more than a *de minimis* amount of property (including cash) as consideration for an interest in the Company; or (iii) the liquidation of the Company within the meaning of Regulations Section 1.704-1(b)(2)(ii)(g); *provided, however*, that an adjustment pursuant to clauses (i) or (ii) above shall be made only if the Manager reasonably determines that such adjustment is necessary or appropriate to reflect the relative economic interests of the Members in the Company.

(c) The Gross Asset Value of any Company asset distributed to any Member shall be the gross fair market value of such asset on the date of distribution.

(d) The Gross Asset Values of Company assets shall be increased (or decreased) to reflect any adjustments to the adjusted bases of such assets pursuant to Code Section 734(b) or Code Section 743(b), but only to the extent that such adjustments are taken into account in determining Capital Accounts pursuant to Regulations Section 1.704-1(b)(2)(iv)(m) and ARTICLE IV; *provided, however*, that Gross Asset Values shall not be adjusted pursuant to this Section 3.05(d) to the extent they were adjusted pursuant to Section 3.05(b) above in connection with a transaction that otherwise would result in an adjustment pursuant to this section.

(e) If the Gross Asset Value of an asset has been determined or adjusted pursuant to this Section 3.05, such Gross Asset Value shall thereafter be adjusted by the Depreciation taken into account with respect to such asset for purposes of computing Net Profits and Net Losses.

3.06. Pre-Emptive Rights.

(a) The Company hereby grants to each Member the right to purchase, in accordance with the procedures set forth in this Section 3.06, the Member's Percentage Interest of any New Units which the Company (acting through its Manager) may, from time to time, propose to sell and issue (hereinafter referred to as the "Preemptive Right").

(b) In the event that the Company proposes to issue and sell New Units, the Company shall notify each Member in writing (the "New Units Notice"). Each New Units Notice shall set forth: (i) the number and class of New Units proposed to be issued by the Company and the per Unit purchase price; (ii) such Member's Percentage Interest of the New Units; and (iii) any other material terms including, if known, the expected date of consummation of the purchase and sale of the New Units.

(c) Each Member shall be entitled to exercise its right to purchase such New Units by delivering an irrevocable written notice to the Company within fifteen (15) days from the date of receipt of any such New Units Notice specifying the number of New Units to be subscribed at the price and on the terms and conditions specified in the New Units Notice.

(d) The Company and each Member shall work together, in good faith, to consummate the closing of the purchase and sale of any New Units that a Member has elected to subscribe for and purchase within fifteen (15) days following the expiration of the notice period set forth in Section 3.06(c) above.

(e) The Company may amend this Agreement in connection with the issuance of New Units in accordance with this Section 3.06 to the extent necessary to set forth the rights, preferences and privileges of the New Units, but only to the extent such amendment has been approved by the Investor Member.

ARTICLE IV

ALLOCATION OF PROFITS AND LOSSES

4.01. Allocation of Profits and Losses.

(a) Allocations of Net Profits and Net losses. Except as otherwise provided in Section 4.01(b) or Section 4.01(c), Net Profits and Net Losses for any Fiscal Year or other period shall be allocated among the Members in such a manner that, as of the end of such Fiscal Year or other period, the Capital Account of each Member shall equal (a) the amount that would be distributed to such Member determined as if the Company were to (i) liquidate the assets of the Company for an amount equal to their respective book values and (ii) distribute the proceeds of such liquidation pursuant to Section 10.02, minus (b) the amount of such Member's share of Company Minimum Gain (as determined according to Regulations Section 1.704-2(g)) and such Member's share of Member Nonrecourse Debt Minimum Gain (as determined according to Regulations Section 1.704-2(i)(5)).

(b) Regulatory Allocations. Notwithstanding any other provision of this Agreement, the following allocations shall be made prior to any other allocations under this Agreement:

(i) Minimum Gain Chargeback. Except as otherwise provided in Regulations Section 1.704-2(f), notwithstanding any other provision of this Section 4.01, if there is a net decrease in Company Minimum Gain during any Fiscal Year or other period, each Member shall be specially allocated items of Company income and gain for such Fiscal Year or period (and, if necessary, subsequent Fiscal Years or periods) in an amount equal to such Member's share of the net decrease in Company Minimum Gain, determined in accordance with Regulations Section 1.704-2(g). Allocations pursuant to the previous sentence shall be made in proportion to the respective amounts required to be allocated to each Member pursuant thereto. The items to be so allocated shall be determined in accordance with Regulations Sections 1.704-2(f)(6) and 1.704-2(j)(2). This Section 4.01(b)(i) is intended to comply with the minimum gain

chargeback requirement in Regulations Section 1.704-2(f) and shall be interpreted consistently therewith.

(ii) Member Minimum Gain Chargeback. Except as otherwise provided in Regulations Section 1.704-2(i)(4), notwithstanding any other provision of this Section 4.01, if there is a net decrease in Member Nonrecourse Debt Minimum Gain attributable to a Member Nonrecourse Debt during any Fiscal Year or other period, each Member who has a share of the Member Nonrecourse Debt Minimum Gain attributable to such Member Nonrecourse Debt, determined in accordance with Regulations Section 1.704-2(i)(5), shall be specially allocated items of Company income and gain for such Fiscal Year or other period (and, if necessary, subsequent Fiscal Years or other periods) in an amount equal to such Member's share of the net decrease in Member Nonrecourse Debt, determined in accordance with Regulations Section 1.704-2(i)(4). Allocations pursuant to the previous sentence shall be made in proportion to the respective amounts required to be allocated to each Member pursuant thereto. The items to be so allocated shall be determined in accordance with Regulations Sections 1.704-2(i)(4) and 1.704-2(j)(2). This Section 4.01(b)(ii) is intended to comply with the minimum gain chargeback requirement in Regulations Section 1.704-2(i)(4) and shall be interpreted consistently therewith.

(iii) Qualified Income Offset. In the event any Member unexpectedly receives any adjustments, allocations, or distributions described in Regulations Sections 1.704-1(b)(2)(ii)(d)(4), 1.704-1(b)(2)(ii)(d)(5) or 1.704-1(b)(2)(i)(d)(6), items of Company income and gain shall be specially allocated to such Member in an amount and manner sufficient to eliminate, to the extent required by the Treasury Regulations, the Adjusted Capital Account Deficit of the Member as quickly as possible, provided that an allocation pursuant to this Section 4.01(b)(iii) shall be made only if and to the extent that the Member would have an Adjusted Capital Account Deficit after all other allocations provided for in this Section 4.01 have been tentatively made as if this Section 4.01(b)(iii) were not in this Agreement. This Section 4.01(b)(iii) is intended to comply with the qualified income offset requirement of Regulations Section 1.704-1(b)(2)(i)(d).

(iv) Nonrecourse Deductions. Nonrecourse Deductions for any Fiscal Year or other period shall be specially allocated to the Members in any manner permitted under applicable Regulations, as reasonably determined by the Manager.

(v) Member Nonrecourse Deductions. Any Member Nonrecourse Deductions for any Fiscal Year or other period shall be specially allocated to the Member who bears the economic risk of loss with respect to the Member Nonrecourse Debt to which such Member Nonrecourse Deductions are attributable in accordance with Regulations Section 1.704-2(i)(1).

(vi) Net Losses. Notwithstanding Section 4.01(b), no Net Losses (or items of Net Loss or deduction) shall be allocated to a Member to the extent such allocation would increase or cause such Member to have an Adjusted Capital Account Deficit. Any such Net Losses (or items of Net Loss or deduction) shall be specially allocated to the other Members

to the extent that such allocation will not cause such other Members to have an Adjusted Capital Account Deficit.

(c) Curative Allocations.

(i) To the extent necessary to avoid any economic distortions that may result from application of Section 4.01(b) (the "Regulatory Allocations"), future items of income, gain, loss, and deduction shall be allocated as appropriate in the reasonable discretion of the Manager in order to remedy any economic distortions that the Regulatory Allocations might otherwise cause. In exercising its discretion under this Section 4.01(c)(i), the Manager shall take into account future Regulatory Allocations that, although not yet made, are likely to offset other Regulatory Allocations previously made under Section 4.01(b).

(ii) Modifications to Preserve Underlying Economic Objectives. If there is a change in the U.S. federal income tax laws, or the allocations provided for in this Agreement do not comply with the substantial economic effect and capital account rules set forth under Code Section 704 and the Regulations thereunder, or otherwise do not properly reflect the economic interests of the Member, then the Manager acting in its reasonable discretion after consultation with tax advisors to the Company, shall make such modifications to the allocation provisions of this Agreement as are necessary to preserve the underlying economic objectives of the Members and to comply with such provisions of the Code and the Regulations. In this regard, it is intended that prior to a distribution of the proceeds from a liquidation of the Company, the positive Capital Account balance of each Member shall be equal to the amount that such Member is entitled to receive pursuant to Section 10.02 hereof. Accordingly, notwithstanding anything to the contrary herein, to the extent permissible under Code Section 704(b) and the Regulations promulgated thereunder, Net Profits and Net Losses and, if necessary, items of gross income and gross deductions, of the Company for the year of liquidation of the Company shall be allocated among the Members so as to bring the positive Capital Account balance of each Member as close as possible to the amount that such Member would receive if the Company were liquidated and all the proceeds were distributed in accordance with the provisions of Section 10.02 hereof.

(d) Tax Allocations. For U.S. federal, state and local income tax purposes, items of income, gain, loss, deduction and credit shall be allocated to the Members in accordance with the allocations of the corresponding items for Capital Account purposes under this Section 4.01, except that items with respect to which there is a difference between tax and book basis will be allocated in accordance with Code Section 704(c) and the Regulations thereunder (using the traditional method with curative allocations, but curative allocations will be limited to the allocation of gains or losses to overcome a ceiling limitation in a prior taxable year, consistent with Regulations Section 1.704-3(c)(3)(ii)).

(e) All elections, decisions and other matters concerning the allocation of income, gains, expenses and losses among the Members, and accounting procedures not specifically and expressly provided for by the terms of this Agreement, shall be determined by the Manager in its sole discretion and shall be final and conclusive as to all Members.

ARTICLE V

DISTRIBUTIONS

5.01. Distributions.

(a) Distributions, if any, shall be made from the Company to the Members at such times as the Manager may determine.

(b) All distributions shall be made to the Members in the following manner and order of priority:

(1) One hundred percent (100%) to the Investor Member.

5.02. Distributions of Proceeds Upon Sale of Membership Interests.

Notwithstanding anything in this Agreement to the contrary, any sale of Units permitted under this Agreement, or a merger, in each case, in connection with a Sale Transaction, as a result of which the Members, rather than the Company, receive the proceeds of such sale or merger: (a) subject to any holdback or reserve described in clause (b) of this Section 5.02, the Members, as a group, hereby agree to apportion and, upon the closing of such sale or merger, pay over the proceeds among those Members participating in such Sale Transaction so that, as nearly as possible, the payments to each Member shall correspond to and be in accordance with the distribution provisions set forth in Section 5.01; and (b) the Company shall have the right to withhold, and each of the Members agrees to contribute and pay over from the proceeds received or receivable by such Member, a portion of the proceeds payable in any such transaction equal to an amount necessary, as reasonably determined by the Manager, to satisfy any post-transaction indemnification, purchase price adjustment or other similar escrow or holdback obligation; provided, however, that in no event shall a Member be obligated to make a contribution to the Company pursuant to the foregoing in excess of its pro rata portion of such proceeds. Any amount withheld pursuant to clause (b) of this Section 5.02 shall be held in a separate account for the ratable benefit of the Members participating in the transaction giving rise to such proceeds, and may be used, as determined by the Manager, to satisfy any such post-transaction obligation described in clause (b); provided, however, that none of the Company, the Managers nor any of their respective officers, directors, employees, partners, members, shareholders, agents or Affiliates, shall have any liability with respect to amounts so withheld or paid, except for fraud, gross negligence or willful misconduct.

ARTICLE VI

MANAGEMENT

6.01. Management.

(a) Management and control of the Company shall be vested exclusively and irrevocably with the Investor Member. Authority to sell the property rests exclusively in a Manager (the "Manager"), and while the business and affairs of the Company

shall be managed by the Investor Member, any sale is solely under the direction of the Manager. The Investor Member shall retain always the authority to make management decisions notwithstanding any delegation of duties by the Manager to (y) employees, officers or agents or (z) the Investor Member (if any duties are expressly delegated to the Investor Member). Notwithstanding the foregoing or anything contained herein to the contrary, the approval of the Manager shall be required to take any of the actions set forth in Section 6.01(h) of this Agreement. The officers of the Company serve at the sole discretion of the Manager, and such officers (or other agents) who are appointed by the Manager may be removed, at any time or from time to time, by the Manager, with or without cause upon unanimous consent of the Manager. No Member of the Company shall have any rights, powers or duties in respect of the management of the Company, except as otherwise expressly set forth in this Agreement.

The bank account of the Company shall be controlled by the Investor Member, and the Investor Member shall have sole authority to make withdrawals from the bank account and to write checks on behalf of the Company, except as otherwise provided in the last sentence of Section 6.01(i) of this Agreement. Notwithstanding, at the sole discretion of the Investor Member, a third party Lender, holding a receivable due from the Selling Member, who is secured by the property, may be a signer on the account as well, and is authorized to make payments to itself under the modified terms of its debt held against the property that may be due and payable, which have not been made from this account by the Investor Member.

(b) A Manager may resign at any time by giving written notice to the other Managers (the "Resignation Notice"). The resignation of such Manager shall take effect upon delivery of the Resignation Notice or at such later time as shall be specified in the Resignation Notice and, unless otherwise specified therein, the acceptance of such resignation by the Company or the other Managers shall not be necessary to make it effective. The resignation of a Manager shall not affect the resigning Manager's rights, if any, as a Member and shall not constitute such resigning Manager's resignation as a Member, if applicable. The Person or Persons having the right to appoint a Manager shall have the sole right to fill any vacancy as a result of such removal or resignation, except as otherwise provided in Section 6.01(c).

(c) Unless waived by the Managers, each Member shall be given at least forty-eight (48) hours notice of any meeting (which notice shall state the date, hour and location of the meeting and all actions to be considered at the meeting), and each Member shall be permitted to participate in any meeting by telephone or similar communications equipment. Any Manager may call a meeting of the Manager. Any action may be taken by the Manager without a meeting if authorized by the written consent of the Members necessary to authorize the action as specified in Section 6.01(f) below. Notice of a meeting need not be given to any Manager who signs a waiver of notice or a consent to holding the meeting or an approval of the minutes thereof, whether before or after the meeting, or who attends the meeting without protesting, prior thereto or at its commencement, the lack of notice to such Manager. No action may be taken at any meeting of the Manager unless such action was specified in the notice of such meeting that was delivered to the Managers in accordance with this Section 6.01(e).

(d) A Person shall cease to serve as a Manager upon (i) his or her death, (ii) his or her resignation in accordance with Section 6.01(d) above or (iii) the removal of such Manager in accordance with Section 6.01(c) or Section 6.01(d).

(e) Managers shall not receive any fee or other compensation for services rendered on behalf of the Company as a Member of the Manager.

(f) The Manager may not take any of the following actions without the prior approval of the Seller Member's lender, CBC Partners:

- (1) Create, incur, assume or make any payment in respect of any borrowed money indebtedness or guarantee the borrowed money indebtedness of any other person or entity, unless such action results in the satisfaction of the Lender CBC Partners receivable secured by the property;
- (2) Directly permit to exist any lien or security interest on any of the asset of the Company, unless such action results in the satisfaction of the Lender CBC Partners receivable secured by the property;
- (3) Dispose of its properties or assets, unless such action results in the satisfaction of the Lender CBC Partners receivable secured by the property;
- (4) Declare or pay any dividend or distribution on any membership interest of the Company, unless such action results in the satisfaction of the Lender CBC Partners receivable secured by the property;
- (5) Purchase or redeem any membership interests of, or rights, options or warrants to acquire membership interests of, the Company, unless such action results in the satisfaction of the Lender CBC Partners receivable secured by the property;
- (6) Issue any additional membership interests of, or rights, options or warrants to acquire, membership interests of the Company, unless such action results in the satisfaction of the Lender CBC Partners receivable secured by the property;
- (7) Consummate, or enter into an agreement that results in, a sale of the Company (whether by merger, sale of assets, sale of Units or otherwise), unless such action results in the satisfaction of the Lender CBC Partners receivable secured by the property;
- (8) Enter into, or cause, suffer or permit to exist any transaction, arrangement or contract with any of its Managers, Members or any of their respective affiliates or family members, except for Capital Contributions from the Investor Member in respect of its Commitment as expressly provided in Section 3.02(b)

of this Agreement, unless such action results in the satisfaction of the Lender CBC Partners receivable secured by the property;

(9) Cause a material change in the strategic direction or the nature of the business of the Company, unless such action results in the satisfaction of the Lender CBC Partners receivable secured by the property; or

(10) Enter into any agreement to do any of the foregoing, unless such agreement results in the satisfaction of the Lender CBC Partners receivable secured by the property.

6.02. Liability of Parties.

No Member, Manager nor any Representative of a Member or a Manager shall be liable to the Company or to any other Member or Manager for (a) the performance of, or the omission to perform, any act or duty on behalf of the Company if, in good faith, such Person determined that such conduct was in the best interests of the Company, and such conduct did not constitute fraud, gross negligence, reckless or intentional misconduct or a breach of this Agreement or a breach by the Lender Member; (b) the termination of the Company and this Agreement pursuant to the terms hereof; or (c) the performance of, or the omission to perform, any act on behalf of the Company in good-faith reliance on the advice of legal counsel, accountants, or other professional advisors to the Company.

6.03. Indemnification of Manager and Officers.

The Company, its receiver, or its trustee, as the case may be, shall indemnify, defend, and hold each Manager, Director or Officer (collectively, the "Indemnified Parties") harmless from and against any expense, loss, damage, or liability incurred or connected with any claim, suit, demand, loss, judgment, liability, cost, or expense (including reasonable attorneys' fees) arising from or related to the Company or any act or omission of the Indemnified Parties on behalf of the Company and amounts paid in settlement of any of the foregoing; provided that the same were not the result of (i) fraud, gross negligence, or reckless or intentional misconduct on the part of the Indemnified Party against whom a claim is asserted, (ii) a breach of this Agreement by the Indemnified Party or (iii) a breach of the Agreement by the Investing Member. The Company shall advance to any Indemnified Party the costs of defending any claim, suit, or action against such Indemnified Party (other than any claims, suit or action consisting of allegations covered by clauses (i), (ii) or (iii) of the immediately preceding sentence) if the Indemnified Party undertakes to repay the funds advanced, with interest, should it later be determined that the Indemnified Party is not entitled to indemnification under this Section 6.03.

6.04. Conflicts of Interest.

Subject to compliance by each Member's Related Parties with Section 8.02, each Member of the Company and any Manager at any time and from time to time may engage in and possess interests in other business ventures of any and every type and description, independently

or with others, including ones in competition with the Company, with no obligation to offer to the Company or to any other Member the right to participate therein.

6.05. Waiver of Duties.

The Members waive, to the maximum extent permitted by applicable law, any fiduciary duties or obligations that the Managers may owe to the Members.

ARTICLE VII

RESTRICTIONS ON TRANSFERS

7.01. Restrictions on Transfers.

Except as otherwise expressly permitted in this ARTICLE VII, no Member may Transfer all or any portion of its Membership Interest in the Company without the prior consent of the Manager, which consent may be granted or withheld in the sole and absolute discretion of the Manager. Members may not Transfer all or any portion of its Class A Units, except pursuant to a Transfer permitted by Sections 7.02, 7.09 or 7.10. Any Transfer (whether voluntary or involuntary) or attempted Transfer by a Member in violation of the immediately preceding sentence shall result in the automatic voiding of any such unauthorized transfer.

7.02. Permitted Transfers.

A Member shall be free at any time to Transfer all or any portion of its Membership Interest to: (a) in the case of a Member that is a natural person, any one or more of an existing Member's Family Members or a trust or estate for the benefit of such Family Members; (b) to any Affiliate of the Member or any Family Member of such Affiliate or to any limited partner or investor or Affiliate thereof in any investment vehicle managed by the Member or its Affiliates; or (c) to a wholly-owned subsidiary of the Member. Notwithstanding the foregoing sentence, without the prior written consent of the non transferring Member, a Member may not Transfer its Units pursuant to clause (b) of the immediately preceding sentence to a non-Affiliated Person that, at the time of the proposed Transfer, is actively engaged in litigation with, or has previously been engaged in litigation with, the Investor Members. A Member that is a natural person also may Transfer all or any portion of his or her Membership Interest upon his or her death or involuntarily by operation of law. For purposes of this ARTICLE, a Member's "Family Members" shall mean the Member's spouse, ancestors, issue (including adopted children and their issue) and trusts or custodianships for the primary benefit of the Member himself or such spouse, ancestors, or issue (including adopted children and their issue). Notwithstanding the foregoing, in the case of any Transfer permitted under this Section 7.02, it shall be a condition to such Transfer that such transferee agrees (y) to be bound by this Agreement by executing a joinder agreement in a form acceptable to the Manager and (z) that the Units acquired by such transferee may not be subsequently Transferred except in strict accordance with the terms of this Agreement.

7.03. Conditions to Transfer.

Notwithstanding any other provision of Section 7.01 or 7.02, no Transfer shall be permitted, except in the case of a Transfer on death or involuntarily by operation of law, unless the following additional conditions precedent are satisfied (or waived by the Manager in its sole and absolute discretion):

(a) The transferor and transferee shall execute and deliver to the Company such documents and instruments of conveyance as may be necessary or appropriate in the opinion of counsel to the Company to effect such Transfer and to confirm the agreement of the transferee to be bound by the provisions of this Agreement (including this ARTICLE VII); and

(b) At the request of the Manager, the transferor shall provide an opinion of counsel satisfactory to the Company to the effect that such Transfer will not violate any applicable securities laws regulating the transfer of securities or any of the provisions of any agreement to which the Company is a party.

7.04. Admission of Transferee as Member.

Subject to the other provisions of this ARTICLE VII, a transferee of a Membership Interest may be admitted to the Company as a Member only upon satisfaction of all of the following conditions:

(a) The Membership Interest with respect to which the transferee is admitted was acquired by means of a Transfer permitted under Sections 7.01 and 7.02;

(b) The transferee becomes a party to this Agreement as a Member and executes such documents and instruments as the Manager reasonably may request as necessary or appropriate to confirm such transferee as a Member in the Company and such transferee's agreement to be bound by the terms and conditions hereof; and

(c) The transferee furnishes copies of all instruments effecting the Transfer, opinions of counsel and such other certificates, instruments, and documents as the Manager may reasonably require.

7.05. Effect of Disposition.

Following any Transfer of a Member's entire Membership Interest, the Member shall have no further rights as a Member of the Company. In addition, following any permitted Transfer of a portion of a Member's Membership Interest, the Member shall have no further rights as a Member of the Company with respect to that portion Transferred.

7.06. Rights of Unadmitted Transferee.

A transferee of a Membership Interest who is not admitted as a Member pursuant to Sections 7.03 and 7.04 shall be entitled to allocations and distributions attributable to the

Membership Interest Transferred to the same extent as if the transferee were a Member, but shall have no right to vote or give a consent on any matter, if any, calling for the approval or consent of the Members (and notwithstanding anything in this Agreement to the contrary any requisite percentage or majority shall be computed as if the Transferred Membership Interest did not exist), shall have no right to any information or accounting of the affairs of the Company, shall not be entitled to inspect the books or records of the Company, and shall not have any of the other rights of a Member under the Act or this Agreement. For the avoidance of doubt, if a Member Transfers or attempts to Transfer any Class A Units in violation of Section 7.01 of this Agreement, then such transfer shall automatically be voided.

7.07. Prohibited Transfers.

Any purported Transfer that is not permitted under this ARTICLE VII shall be null and void and of no effect whatsoever. In the case of a Transfer or attempted Transfer that is not such a permitted Transfer, the parties engaging or attempting to engage in such Transfer shall be liable to indemnify and hold harmless the Company and the other Members from all cost, liability, and damage that any of such indemnified persons may incur (including incremental tax liability and attorneys' fees and expenses) as a result of such Transfer or attempted Transfer and efforts to enforce the indemnity granted hereby.

7.08. [reserved]

7.09. Tag-Along Rights.

(a) In the event that the Investor Member desires to Transfer (other than a Transfer pursuant to Section 7.02 or a Transfer in accordance with Section 7.10) all or any portion of its Class A Units (the Units to be Transferred are hereinafter referred to as the "Third Party Purchaser Units") to a bona fide, non-Affiliated third party (a "Third Party Purchaser"), then the Investor Member shall promptly notify the other Members (the "Other Members"), in writing (the "Tag-Along Sale Notice"), specifying the price per Unit to be Transferred and the other material terms and conditions of the proposed Transfer to the Third Party Purchaser (the "Third Party Terms"). The Other Members shall have the right (to be exercised as described in this Section 7.09), but not the obligation, to participate in the proposed Transfer to the Third Party Purchaser (hereinafter referred to as the "Tag-Along Right") on the Third Party Terms, as modified by the terms set forth in this Section 7.09 (including Section 7.09(g)).

(b) Each Other Member that desires to exercise its Tag-Along Right shall deliver to the Investor Member a written notice (the "Tag-Along Acceptance Notice") within fifteen (15) days of such Other Member's receipt of the Tag-Along Sale Notice (the "Tag-Along Acceptance Period"). The Tag-Along Acceptance Notice shall state the number of Units being sold by the Investor Member that such Other Member proposes to include in such Transfer to the proposed Third Party Purchaser. The Tag-Along Acceptance Notice given by the Other Member shall constitute the Other Member's binding agreement to sell the number of Units specified in the Tag-Along Acceptance Notice on the Third Party Terms, as modified by the terms set forth in this Section 7.09 (including Section 7.09(g)).

(c) If a Tag-Along Acceptance Notice from an Other Member is not received by the Investor Member within fifteen (15) days of delivery by the Investor Member of the Tag-Along Sale Notice, the Investor Member shall have the right to consummate the sale without the participation of such Other Member, but only if the per Unit purchase price is no more favorable to the Investor Member than as stated in the Tag-Along Sale Notice and only if such sale occurs on a date within the one hundred twenty (120) day period (the "Sale Period") following the expiration of the Tag-Along Acceptance Period. If such sale does not occur within the Sale Period, the Units that were to be subject to such sale thereafter shall continue to be subject to all of the restrictions contained in this Section 7.09.

(d) In connection with any Transfer of Units to the Third Party Purchaser pursuant to this Section 7.09, each of the Investor Member and the Other Members shall have the right to sell to the Third Party Purchaser a number of Units equal to its pro rata portion (based on the number of Units held by the Members, which shall only include the Class A Units to the extent provided in Section 7.09(h) below) of the Third Party Purchaser Units.

(e) At the closing of the Transfer to any Third Party Purchaser of any Third Party Purchaser Units pursuant to this Section 7.09, the Third Party Purchaser shall remit to the Investor Member and the Other Members participating in such sale the aggregate consideration payable to the Investor Member and the Other Members for the Units sold pursuant to Section 7.09 hereof (less any such Member's pro rata share of the consideration to be escrowed or held back, if any, as described below), against delivery by such Member of the Units being sold by it, free and clear of all liens, claims and encumbrances (other than encumbrances imposed by this Agreement), as evidenced by such documentation as the Third Party Purchaser reasonably requests, and the compliance by the Investor Member and the Other Members with any other conditions to closing requested by the Third Party Purchaser.

(f) The consummation of the proposed Transfer triggering the Tag-Along Right shall be subject to the sole discretion of the Investor Member, who shall have no liability or obligation whatsoever to the Other Members for not consummating such proposed Transfer other than its obligations as set forth in this Section 7.09. The Other Members shall receive the same form of consideration received by the Investor Member from the Third Party Purchaser, subject to Section 7.09(g) below. To the extent that the parties are to provide any indemnification or otherwise assume any other post-closing liabilities in favor of the Third Party Purchaser, the Investor Member shall seek to have such indemnification or post-closing liabilities be on a several but not joint basis (and on a pro rata basis in accordance with the proceeds received by such Member) to the extent permitted by the Third Party Purchaser; provided, however, in no event shall any Member's respective potential liability thereunder exceed the proceeds received by such Member. To the extent any such indemnification or post-closing liabilities are made on a joint and several basis and a Member bears more than its pro rata share (based on the proceeds to be received by such Member) of such indemnification or post-closing liabilities, then the other Member(s) shall contribute such Member such amount as is necessary to cause each Member to bear its pro rata share of such indemnification or post-closing liabilities.

(g) The aggregate net proceeds of any Transfer of Units pursuant to this Section 7.09 shall be allocated among the Members participating in such Transfer in accordance with the distribution provisions of Section 5.01(b) of this Agreement.

(h) The Seller Member shall only be entitled to include Class A Units in any Transfer pursuant to this Section 7.09 if, prior to such Transfer, the Investor Member has received the full distribution preference it is entitled to receive under Section 5.01(b)(1) of this Agreement.

7.10. Drag-Along.

If the Manager and the Investor Member approve a Sale Transaction to a non-Affiliated third party (a "Third Party Transferee"), then the Investor Member shall have the right, but not the obligation, to require the Seller Member to consent to and approve the Sale Transaction and, if the Sale Transaction is structured as a sale of Units by the Members, to require the Seller Member to Transfer to the same Third Party Transferee all of the Units held by the Seller Member on the same terms and conditions as the Investor Member, subject to the last sentence of this Section 7.10. In connection therewith, upon request of the Investor Member, the Seller Member shall (i) consent to and raise no objections against such Sale Transaction and (ii) execute and deliver a definitive purchase and sale agreement, in substantially the same form and substance as the definitive agreement executed and delivered by the Investor Member; provided, that, to the extent that the parties are to provide any indemnification or otherwise assume any other post-closing liabilities, the Investor Member shall seek to have such indemnification or post-closing liabilities be on a several but not joint basis (and on a pro rata basis in accordance with the proceeds received by such Members) to the extent permitted by the Third Party Transferee; provided, however, in no event shall any Member's respective potential liability thereunder exceed the proceeds received by such Member in connection with such Sale Transaction. Subject to compliance with the proviso set forth in the immediately preceding sentence, if the Seller Member shall fail to execute and deliver such definitive agreement, the Company and the Investor Member shall have a power of attorney (which may be relied upon by the purchaser(s) in any such sale) and for that purpose the Seller Member, without any further action or deed, shall be deemed to have appointed the Company and the Investor Member as the Seller Member's agent and attorney-in-fact, with full power of substitution, for the purpose of executing and delivering the definitive agreement in the name and on behalf of the Seller Member and performing all such action as may be necessary or appropriate to consummate the sale of the Seller Member's interest pursuant to that agreement. Each Member shall bear its pro rata share of the costs of any transaction pursuant to this Section 7.10 (based on the net proceeds to be received by each Member in connection with the Sale Transaction) to the extent such costs are incurred for the benefit of all Members and are not otherwise paid by the Company or the acquiring party. The aggregate net proceeds of any Sale Transaction pursuant to this Section 7.10 shall be allocated among the Members in accordance with Section 5.01(b) of this Agreement.

ARTICLE VIII

MEMBER COVENANTS

8.01. Confidentiality.

Each Member agrees that Confidential Information will be furnished to it or its Representatives in connection with (i) such Member's ownership of Units in the Company and/or (ii) such Member's designee(s) serving as a Manager or, in the case of the Investor Member, the provision of services by the Investor Member to the Company. Each Member agrees that it shall use, and that it shall cause its Representative to use, the Confidential Information only in connection with its investment in the Company and not for any other

purpose. Each Member further acknowledges and agrees that it shall not disclose any Confidential Information to any Person, except that Confidential Information may be disclosed:

(a) to such Member's Representatives in the normal course of the performance of their duties or to any financial institution providing credit to such Member;

(b) to the extent required by applicable law, rule or regulation (including complying with any oral or written questions, interrogatories, requests for information or documents, subpoenas, civil investigative demand or similar process to which a Member is subject, provided that such Member agrees to give the Company prompt notice of such request(s), to the extent practicable, so that the Company may seek an appropriate protective order or similar relief (and such Person shall cooperate with such efforts by the Company, and shall in any event make only the minimum disclosure required by such law, rule or regulation));

(c) to any Person to whom such Member is contemplating a transfer of its Units, provided that such Transfer would not be in violation of the provisions of this Agreement and such potential transferee is advised of the confidential nature of such information and agrees to be bound by a confidentiality agreement consistent with the provisions of this Section 8.01;

(d) to any regulatory authority or rating agency to which the Member or any of its Affiliates is subject or with which it has regular dealings, as long as such authority or agency is advised of the confidential nature of such information;

(e) to any Representative to the extent related to the tax treatment of the Units held by such Member, or

(f) if the prior written consent of the Manager shall have been obtained.

Nothing contained herein shall prevent the use of Confidential Information in connection with the assertion or defense of any claim by or against any Member.

8.02. Investor Member Covenants.

The Investor Member hereby covenants, acknowledges and agrees with the Company and the Seller Member and Lender Member as follows:

(a) Investor Member shall:

(i) Provide for the funding of a annual expense reserve account in the amount of \$150,000.00 within ninety days of the execution of this Agreement, from which non member CBC Partners is authorized to issue payment against its obligations due from Seller Member should Investor Member fail to effect such payments in a timely fashion.

- (ii) Provide for a second funding of an annual expense reserve account one year later in the additional amount of \$150,000.00 within ninety days of the first anniversary of the execution of this Agreement, from which non Member CBC Partners is authorized to issue payment against its Note should Investor Member fail to effect such payments in a timely fashion.
- (iii) Cause the Company to service the non Member CBC Partners receivable against the subject property commencing 90 days after the closing of this Agreement, under the modified terms and conditions thereto, as agreed upon by the Investor Member.
- (iv) Cause the Company to effect repairs to the premises to bring it back to top quality standard and working repair
- (v) Cause the Company to maintain and provide for all costs related to the ongoing maintenance of the property
- (vi) Cause the Company to pay all utilities
- (vii) Cause the Company to pay for all real property insurance
- * (viii) Cause the Company to pay all HOA assessments and fines
- (ix) Cause the Company to pay for all landscaping
- (x) Provide for its benefit from that portion of its judgment proceeds distributions from its interest in 1st One Hundred Holdings to serve as additional collateral to further securitize Lending Member's Note against any deficiency in the existing real property serving as collateral prior to this Agreement
- (xi) At the earlier of 2 years or upon collection of the judgment proceeds, pay off in full the CBC receivable as relates to the property
- (xii) At the earlier of 2 years or upon collection of the judgment proceeds, either assume service of or retire either or both of the 1st and 2nd position lenders
- (xiii) At the earlier of 2 years or upon collection of the judgment proceeds, pay off past due and accrued property tax assessments, if not already addressed by 1st or 2nd lender

(xiv) Utilize its lawyers to effectuate a Quiet Title action for the purposes of extinguishing any and all judgment creditor liens against the property.

(b) the Company shall comply, at all times, with the terms and conditions of the Agreement.

(c) the execution, delivery and performance of this Agreement by the Investor Member does not conflict with or constitute a breach of or a default under the Articles of Organization of the Investor Member, the Operating Agreement of the Investor Member or any contract, agreement, instrument or debenture to which the Investor Member is a party or to which any of its assets are subject.

8.03 Seller Member Covenants

The Seller Member hereby covenants, acknowledges and agrees with the Company and the Seller Member and Investor Member as follows:

(a) Seller Member shall:

(i) Convey all rights of Possession to the Investor Member

(ii) Upon payment in full of the CBC Partners receivable secured against the premises, transfer its Membership Interest in the Company to Investor Member.

(iii) At execution of this Operating Agreement Execute a Deed of Sale conveying ownership of the premises to the Company

(iv) To execute those amendments to the Lender Member Note as necessary

(b) the Seller Member shall comply, at all times, with the terms and conditions of the Agreement.

(c) the execution, delivery and performance of this Agreement by the Seller Member does not conflict with or constitute a breach of or a default under any contract, agreement, instrument or debenture to which the Investor Member is a party or to which any of his assets are subject.

ARTICLE IX WITHDRAWAL

9.01. Restrictions on Withdrawal

A Member does not have the right to withdraw from the Company as a Member or to terminate its Membership Interest, except to the extent expressly provided herein.

ARTICLE X

DISSOLUTION, LIQUIDATION, AND TERMINATION

10.01. Dissolution.

(a) The Company shall be dissolved automatically and its affairs shall be wound up upon the first to occur of the following:

(i) at any time upon the written consent of the Investor Member, so long as the Manager shall have also consented in writing thereto, or upon the written consent of the sole remaining Member; or

(ii) ninety (90) days after the date on which the Company no longer has at least one (1) Member, unless a new Member is admitted to the Company during such ninety (90) day period.

10.02. Liquidation.

(a) Upon a dissolution of the Company requiring the winding-up of its affairs, the Manager shall wind up its affairs. The assets of the Company shall be sold within a reasonable period of time to the extent necessary to pay or to provide for the payment of all debts and liabilities of the Company, and may be sold to the extent deemed practicable and prudent by the Manager.

(b) The net assets of the Company remaining after satisfaction of all such debts and liabilities and the creation of any reserves under Section 10.02(d), shall be distributed to the Members in accordance with Section 5.01(b) of this Agreement, after giving effect to all contributions, distributions and allocations for all periods, including the period during which such liquidation occurs. Any property distributed in kind in the liquidation shall be valued at fair market value.

(c) Distributions to Members pursuant to this ARTICLE X shall be made by the end of the taxable year of the liquidation, or, if later, ninety (90) days after the date of such liquidation in accordance with Regulations Section 1.704-1(b)(2)(ii)(g).

(d) The Manager may withhold from distribution under this Section 10.02 such reserves as are required by applicable law and such other reserves for subsequent computation adjustments and for contingencies, including contingent liabilities relating to pending or anticipated litigation or to Internal Revenue Service examinations. Any amount withheld as a reserve shall reduce the amount payable under this Section 10.02 and shall be held in a segregated interest-bearing account (which may be commingled with similar accounts). The unused portion of any reserve shall be distributed with interest thereon pursuant to this Section 10.02 after the Manager shall have determined that the need therefor shall have ceased.

(e) Deficit Capital Accounts. If a Member has a deficit balance in its Capital Account after giving effect to all contributions, distributions, and allocations for all taxable years, including the year in which the liquidation occurs, the Member shall have no obligation to make any contribution to the capital of the Company with respect to such deficit, and such deficit shall not be considered a debt owed by such Member to the Company or to any other Person, for any purpose whatsoever. Notwithstanding, Lender Member's secured note against the Property shall not be compromised under this provision.

ARTICLE XI

BOOKS AND RECORDS, ACCOUNTING, AND TAX ELECTIONS

11.01. Maintenance of Records.

The Company shall maintain true and correct books and records, in which shall be entered all transactions of the Company, and shall maintain all other records necessary, convenient, or incidental to recording the Company's business and affairs, which shall be sufficient to record the allocation of Net Profits and Net Losses and distributions as provided for herein. All decisions as to accounting principles, accounting methods, and other accounting matters shall be made by the Manager. The Company shall keep a current list of all Members and their Capital Contributions, adjusted for any withdrawals, which shall be available for inspection by all Members. Each Member or its authorized representative may examine any of the books and records of the Company during normal business hours upon reasonable notice for a proper purpose reasonably related to the Member's interest in the Company.

11.02. Reports to Members.

As soon as practicable after the end of each Fiscal Year, the Company shall cause to be prepared and sent to each Member a report setting forth in sufficient detail all such information and data with respect to the Company for such Fiscal Year as shall enable each Member to prepare its income tax returns. Any financial statements, reports and tax returns required pursuant to this Section 11.02 shall be prepared at the expense of the Company.

11.03. Tax Elections; Determinations Not Provided for in Agreement.

The Manager shall be empowered to make or revoke any elections now or hereafter required or permitted to be made by the Code or any state or local tax law, and to decide in a fair and equitable manner any accounting procedures and other matters arising with respect to the Company or under this Agreement that are not expressly provided for in this Agreement. In this regard, the Members agree that the Company shall make a valid election under Code Section 754. Notwithstanding the foregoing, absent the unanimous consent of the Manager to the contrary, the Company and all Members shall take any steps that may be necessary to elect partnership status for purposes of the Code and any applicable state or local tax law.

11.04. Tax Matters Partner.

The Investor is hereby designated the "Tax Matters Partner" of the Company for purposes of the Code.

ARTICLE XII

GENERAL PROVISIONS

12.01. Notices.

Except as expressly provided in this Agreement, all notices, consents, waivers, requests, or other instruments or communications given pursuant to this Agreement shall be in writing, shall be signed by the party giving the same, and shall be delivered by hand; sent by registered or certified United States mail, return receipt requested, postage prepaid; or sent by a recognized overnight delivery service. Such notices, instruments, or communications shall be addressed, in the case of the Company, to the Company at its principal place of business and, in the case of any of the Members, to the address set forth in the Company's books and records; except that any Member may, by notice to the Company and each other Member, specify any other address for the receipt of such notices, instruments, or communications. Except as expressly provided in this Agreement, any notice, instrument, or other communication shall be deemed properly given when sent in the manner prescribed in this Section 12.01. In computing the period of time for the giving of any notice, the day on which the notice is given shall be excluded and the day on which the matter noticed is to occur shall be included. If notice is given by personal delivery, then it shall be deemed given on the date personally delivered to such Person. If notice is given by mail in the manner permitted above, it shall be deemed given three (3) days after being deposited in the mail addressed to the Person to whom it is directed at the last address of the Person as it appears on the records of the Company, with prepaid postage thereon. If notice is given by nationally recognized overnight courier delivery service, then it shall be deemed given on the date actually delivered to the address of the recipient by such nationally recognized overnight courier delivery service. If notice is given in any other manner authorized herein or by law, it shall be deemed given when actually delivered, unless otherwise specified herein or by law.

12.02. Interpretation.

(a) ARTICLE, Section, and Subsection headings are not to be considered part of this Agreement, are included solely for convenience of reference and are not intended to be full or accurate descriptions of the contents thereof.

(b) Use of the terms "herein," "hereunder," "hereof," and like terms shall be deemed to refer to this entire Agreement and not merely to the particular provision in which the term is contained, unless the context clearly indicates otherwise.

(c) Use of the word "including" or a like term shall be construed to mean "including, but not limited to."

(d) Exhibits and schedules to this Agreement are an integral part of this Agreement.

(e) Words importing a particular gender shall include every other gender, and words importing the singular shall include the plural and vice-versa, unless the context clearly indicates otherwise.

(f) Any reference to a provision of the Code, Regulations, or the Act shall be construed to be a reference to any successor provision thereof.

12.03. Governing Law; Jurisdiction; Venue.

This Agreement and all matters arising herefrom or with respect hereto, including, without limitation, tort claims (the "Covered Matters") shall be governed by, and construed in accordance with, the internal laws of State of Nevada, without reference to the choice of law principles thereof. The Members agree that any dispute between them or between any of them and the Company arising out of, or in connection with, the execution, interpretation, performance or non-performance of this Agreement (including the validity, scope and enforceability of these arbitration provisions) shall be settled by arbitration conducted in Clark County Nevada, in the English language, in accordance with the commercial arbitration rules of the American Arbitration Association ("AAA"), by a single arbitrator, designated by the AAA in accordance with the rules of the AAA. The decision of the AAA shall be final and binding on the Members and the Company, and not subject to further review, and judgment on the awards of the AAA may be entered in and enforced by any court having jurisdiction over the parties or their assets subject to the procedural requirements in such jurisdiction. The arbitration hearing shall be held solely in the State of Formation. Notwithstanding the foregoing agreement to arbitrate, the parties expressly reserve the right to seek (i) provisional relief from any court of competent jurisdiction to preserve their respective rights pending arbitration and (ii) equitable relief in any court of competent jurisdiction in the State of Formation. All costs of the arbitrator shall be split equally by the claimant, on the one hand, and the respondents, on the other hand; provided, however, the arbitrator shall have the right to apportion such costs in accordance with what the arbitrator deems just and equitable under the circumstances. The arbitrator shall have the authority to award reimbursement of attorneys' fees to the prevailing party in the arbitration.

12.04. Binding Agreement.

This Agreement shall be binding upon and inure to the benefit of the Members and the Managers and their respective heirs, executors, administrators, personal representatives, and successors.

12.05. Dispute Resolution.

In the event of a failure to reasonably resolve any issues among any of the Parties (or their owners, assigns, or successors), the disputes of those parties will be referred to binding arbitration for resolution thereof, and each party waives any right to litigation in favor of such resolution through binding arbitration. Arbitration shall be conducted under Nevada's Arbitration Rules). Judgment on the arbitrator's award may be entered in any court having

jurisdiction thereof. The arbitration shall be held in the City of Las Vegas and State of Nevada, and shall be conducted before a single arbitrator agreeable to the parties. The arbitrator shall make findings of fact and law in writing in support of his decision, and shall award reimbursement of attorney's fees and other costs of arbitration to the prevailing party as the arbitrator deems appropriate. The provisions hereof shall not preclude any party from seeking preliminary injunctive relief to protect or enforce its rights hereunder, or prohibit any court from making preliminary findings of fact in connection with granting or denying such preliminary injunctive relief after and in accordance with the decision of the arbitrator. No decision of the arbitrator shall be subject to judicial review or appeal; the parties waive any and all rights of judicial appeal or review of any decision of the arbitrator. Should any party initiate a civil proceeding against any other, notwithstanding the binding arbitration provision above, such party initiating civil litigation shall recognize that it has caused material damage and harm to the other by way of their breach of this agreement, and hereby agrees to an award, to each named defendant party, liquidated damages in the amount of any costs of defense incurred by the aggrieved party plus ten thousand dollars (\$10,000.00).

12.06. Severability.

Each item and provision of this Agreement is intended to be severable. If any term or provision of this Agreement is determined by a court of competent jurisdiction to be unenforceable for any reason whatsoever, that term or provision shall be modified only to the extent necessary to be enforced, such term or provision shall be enforced to the maximum extent permitted by law, and the validity of the remainder of this Agreement shall not be adversely affected thereby.

12.07. Entire Agreement.

This Agreement (including the exhibits hereto and the Services Agreement) supersedes any and all other understandings and agreements, either oral or in writing, between the Members with respect to the Membership Interests and constitutes the sole agreement between the Members with respect to the Membership Interests.

12.08. Further Action.

Each Member shall, upon the request of the Manager, execute and deliver all papers, documents, and instruments and perform all acts that are necessary or appropriate to implement the terms of this Agreement and the intent of the Members.

12.09. Amendment or Modification.

This Agreement (including the exhibits hereto) may be amended or modified from time to time only upon the written approval of the Company (acting through the Manager) and the Investor Member; provided, however, for so long as the Seller Member owns any Class A Units, the approval of the Seller Member shall be required to amend Section 5.01 of this Agreement (other than in connection with the issuance of New Units) or Section 6.01(b)(ii) of this Agreement. Notwithstanding the foregoing, no amendment shall create any personal

liability or personal obligation of any Member for the debts, obligations, or liabilities of the Company not otherwise provided under the Act without such Member's written consent.

12.10. Counterparts.

This Agreement may be executed in original or by facsimile in several counterparts and, as so executed, shall constitute one agreement, binding on all of the parties hereto, notwithstanding that all of the parties are not signatory to the original or to the same counterpart.

[Signature Pages Follow.]

IN WITNESS WHEREOF, the Members have executed and adopted this Limited Liability Company Agreement effective as of September 30, 2017.

MEMBERS:

Kenneth Antos (Seller Member)

By: _____

Name:

Title:

SJC Ventures Holdings, LLC (Investor Member)

By: _____

Name:

Title:

MANAGER:

Jay Bloom, as Manager SJC Ventures Holdings,
LLC

EXHIBIT A

DEFINITIONS

For purposes of this Agreement, the following terms shall have the following meanings:

"Adjusted Capital Account Deficit" means, with respect to any Person, the deficit balance, if any, in such Person's Capital Account as of the end of the relevant Fiscal Year or other period, after giving effect to the following adjustments:

(a) credit to such Capital Account any amounts which such Person is obligated to restore pursuant to any provision of this Agreement or is deemed to be obligated to restore pursuant to the next to the last sentence of Regulations Sections 1.704-2(g)(1) and 1.704-2(i)(5) after taking into account any changes during such year in Company Minimum Gain and Member Minimum Gain; and

(a) debit to such Capital Account the items described in Regulations Section 1.704-1(b)(2)(ii)(d)(4), (5) and (6).

The foregoing definition of Adjusted Capital Account Deficit is intended to comply with the provisions of Regulations Section 1.704-1(b)(2)(ii)(d) and shall be interpreted consistently therewith.

"Affiliate" means, with respect to any Person, a Person that directly or indirectly, through one or more intermediaries, controls, is controlled by or is under common control with the first mentioned Person. A Person shall be deemed to control another Person if such first Person possesses directly or indirectly the power to direct, or cause the direction of, the management and policies of the second Person, whether through the ownership of voting securities, by contract or otherwise.

"Business Day" means a day, other than a Saturday or Sunday, on which commercial banks in New York, NY are open for the general transaction of business.

"Capital Account" means, with respect to any Member, the Member's Capital Contributions, increased or decreased as provided in this Agreement.

"Capital Contribution" means, with respect to the Investor Member, the amount of money contributed to the Company by the Investor Member.

"Class A Units" means a class of Units that are denominated as "Class A Units".

"Code" means the Internal Revenue Code of 1986, as amended from time to time.

"Company Minimum Gain" has the meaning ascribed to the term "partnership minimum gain" in the Regulations Section 1.704-2(d).

"Confidential Information" means any information concerning the Company or the financial condition, business, operations, prospects or assets of the Company (including the terms of this Agreement), provided that the term "Confidential Information" does not include information that (i) is or becomes generally available to the public other than as a result of a disclosure by a Member or any of a Member's Representatives in violation of this Agreement, (ii) is or was available to such Member on a non-confidential basis prior to its disclosure by the Company to such Member or the Representatives of such Member or (iii) was or becomes available to such Member on a non-confidential basis from a source other than the Company, which source is or was (at the time of receipt of the relevant information) not, to such Member's knowledge, bound by a confidentiality agreement with (or other confidentiality obligation to) the Company or another Person.

"Depreciation" means an amount equal to the depreciation, amortization or other cost recovery deduction allowable with respect to an asset for the Fiscal Year or other period, except that if the Gross Asset Value of an asset differs from its adjusted tax basis at the beginning of the Fiscal Year or other period, Depreciation will be an amount which bears the same ratio to the beginning Gross Asset Value as the Federal income tax depreciation, amortization or other cost recovery deduction for the Fiscal Year or other period bears to the beginning adjusted tax basis; provided, however, that if the Federal income tax depreciation, amortization or other cost recovery deduction for the Fiscal Year or other period is zero, Depreciation will be determined by reference to the beginning Gross Asset Value using any reasonable method selected by the Manager.

"Fiscal Year" means the calendar year; but, upon the organization of the Company, "Fiscal Year" means the period from the first day of the term of the Company to the next following December 31, and upon dissolution of the Company, shall mean the period from the end of the last preceding Fiscal Year to the date of such dissolution.

"Gross Asset Value" means, with respect to any asset, the asset's adjusted basis for federal income tax purposes, adjusted as provided in this Agreement.

"Liquidation" has the meaning as set forth in Regulations Section 1.704-1(b)(2)(ii)(g).

"Manager" means each Person comprising the Manager in accordance with Section 6.01(b) of this Agreement. A Manager may be a natural person or an entity; a Member or a non-member.

"Member" means each Person executing this Agreement as a Member or hereafter admitted to the Company as a Member as provided in this Agreement, but does not include any Person who has ceased to be a Member of the Company. For purposes of interpreting this Agreement, references to the term "Member" in ARTICLE IV and ARTICLE V shall be deemed to refer to a transferee of an interest in the Company who is not admitted as a Member under Section 7.04 unless such interpretation is inconsistent with the provisions of Section 7.06.

"Member Nonrecourse Debt Minimum Gain" has the meaning ascribed to the term "partner nonrecourse debt minimum gain" in Regulations Section 1.704-2(i)(2).

"Member Nonrecourse Debt" has the meaning ascribed to the term "partner nonrecourse debt" in Regulations Section 1.704-2(b)(4).

"Member Nonrecourse Deduction" has the meaning ascribed to the term "partner nonrecourse deduction" in Regulations Section 1.704-2(i)(2).

"Membership Interest" means the entire interest of a Member in the Company, including, without limitation, rights to distributions (liquidating or otherwise), allocations, information, and the right to participate in the management of the business and affairs of the Company, including the right to vote on, consent to, or otherwise participate in any decision or action of or by the Members granted by this Agreement or the Act.

"Net Proceeds", with respect to a Sale Transaction, means the gross proceeds from the Sale Transaction less (i) the payment of any indebtedness for borrowed money of the Company, together with all interest, premiums and fees due and owing thereon, (ii) the payment of any transaction fees and expenses incurred by the Company that are directly related to the Sale Transaction and (iii) any holdback, reserve or escrow established by the Manager in connection with the Sale Transaction to satisfy any post-transaction indemnification, purchase price adjustment or similar obligation (and, once the Manager determines that the need for such holdback, reserve or escrow shall have ceased, any remaining proceeds shall be distributed to the Members in accordance with Section 5.01).

"Net Profits" and "Net Losses" means, for any Fiscal Year or other period, an amount equal to the Company's taxable income or loss for such year or period, determined in accordance with Code Section 703(a) (for this purpose, all items of income, gain, loss or deduction required to be stated separately pursuant to Code Section 703(a)(1) shall be included in taxable income or loss), with the following adjustments:

(a) Any income of the Company that is exempt from federal income tax and not otherwise taken into account in computing Net Profits or Net Losses shall be added to such taxable income or loss;

(b) Any expenditures of the Company described in Code Section 705(a)(2)(B) or treated as Code Section 705(a)(2)(B) expenditures pursuant to Regulations Section 1.704-1(b)(2)(iv)(i) and not otherwise taken into account in computing Net Profits or Net Losses shall be subtracted from Net Profits or Net Losses;

(c) Gains or losses resulting from any disposition of Company asset with respect to which gains or losses are recognized for federal income tax purposes shall be computed with reference to the Gross Asset Value of the Company asset disposed of, notwithstanding the fact that the adjusted tax basis of such Company asset differs from its Gross Asset Value;

(d) In lieu of the depreciation, amortization and other cost recovery deductions taken into account in computing the taxable income or loss, there will be taken into account Depreciation; and

(e) If the Gross Asset Value of any Company asset is adjusted pursuant to the definition of "Gross Asset Value," the amount of the adjustment will be taken into account as gain or loss from the disposition of the asset for purposes of computing Net Profits or Net Losses.

Notwithstanding any other provision of this subsection, any items of income, gain, loss or deduction that are specially allocated under Section 4.01(b) or any other Section of this Agreement shall not be taken into account in computing Net Profits or Net Losses.

"New Units" mean any Units issued by the Company after the date hereof or any Units issuable by the Company upon exercise, exchange or conversion of any exercisable, exchangeable or convertible securities issued after the date hereof.

"Nonrecourse Deductions" has the meaning set forth in Regulations Sections 1.704-2(b) and (c).

"Other SPV" means a special purpose entity formed by the Company and an Investor to pursue the Purposes and which special purpose entity is funded solely by such Investor.

"Percentage Interest" means, as of any date of determination, with respect to the Investor Member, the percentage interest determined by dividing (x) the number of Class A Units owned by the Investor Member by (y) the aggregate number of Class A Units owned by all of the Members. The sum of the outstanding Percentage Interests of the Members shall at all times equal one hundred percent (100%).

"Permitted States" means States with an HOA "Super Priority" or "Safe Harbor" provision codified in its statutes, and any other such other states as may be approved by the Manager.

"Person" means an individual, corporation, association, partnership, joint venture, limited liability company, estate, trust, or any other legal entity.

"Regulations" means the Treasury Regulations promulgated under the Code, as such Regulations may be amended from time to time.

"Regulatory Allocations" has the meaning set forth in Section 4.01(c)(i).

"Representative" of a Person means that Person's directors, officers, general partners, members, managers, employees, and agents.

"Sale Transaction" (i) a sale of all or substantially all of the issued and outstanding Units of the Company or (ii) the sale of all or substantially all of the assets of the Company (including by means of merger, consolidation, other business combination, exclusive license, equity exchange or other reorganization) to a third party.

"Services Agreement" means that certain Services Agreement, dated as of January 20, 2015, between the Company and the Seller Member.

"Transfer" means, as a noun, any voluntary or involuntary transfer, sale, pledge, hypothecation, gift, or other disposition and, as a verb, voluntarily or involuntarily to transfer, sell, pledge, hypothecate, give, or otherwise dispose of.

"Unit" means a denomination of a Membership Interest.

"Members Related Party" means each of the Members, their respective Representatives (including Jay Bloom) and any of its or their respective Affiliates.

EXHIBIT B

Name and Address of Member	Commitment	% Membership Interest	
Seller Member Kenneth Antos Fax: Attn: with a copy to: Fax: Attention:	\$100	49%	

Name and Address of Member	Commitment	% Membership Interest	
Investor Member SJC Ventures Holdings, LLC Fax: 702-974-0284 Attn: Jay Bloom with a copy to: Fax: 702-629-7925 Attention: Joseph Gutierrez, Esq.	\$150,000.00	51%	

Ken Antos

From: Alan Hallberg <alan@cbopartnersllc.com>
Sent: Monday, September 25, 2017 1:07 PM
To: Ken Antos
Cc: Jay Bloom; Vernon Nelson
Subject: Docs for Your Signature
Attachments: Articles of Organization (002).pdf; Deed of Sale - 5148 Spanish Heights Dr.pdf; dv_packet 5148 Spanish Heights Dr (002).pdf; Spanish Heights Acquisition Company Operating Agreement Final 9 15 17.doc; vn-919-Final-CBC Forbearance Agreement922.docx; vn-919-Final-CBC Forbearance Agreement-Exhibit B922.docx; vn919-Personal-Guarantee-Agreement-Ken-922.docx; vn919-Personal-Guarantee-Agreement-KS Living Trust-922.docx; vn919-Personal-Guarantee-Agreement-KSN Trust-922.docx; vn-919-Personal-Guarantee-Agreement-Sheila-922.docx; vn919Final-Pledge_Agreement_LLC-922.doc; vn-919-FinalLease Agreement with Consent922.docx

Hi Ken - I'm forwarding these to you in Vernon's absence today; I hope I've captured everything that needs your signature as well as Sheila's.

Best,

Alan

ALAN HALLBERG
Chief Credit Officer



T (425) 688-7951
M (206) 890-2899
777 103rd AVE NE, SUITE 1095
BELLEVUE, WA 98004

Amendments thereto) and the Operating Agreement to be executed by the parties are attached to the Forbearance Agreement as Exhibits "A-1" and "A-2" respectively. Notwithstanding the foregoing, the parties acknowledge that as a condition of this Agreement, SHAC will agree to certain restrictions imposed upon the Articles of Organization and the Operating Agreement pursuant to the Membership Pledge Agreement that is attached hereto as Exhibit B-4.

b. Conveyance of Property from the Antos Trust to SHAC. Prior to the execution of the Forbearance Agreement, the Antos Trust shall deliver to CBCI a Deed of Sale (the "Deed") conveying the Property to SHAC; which will be recorded with the Clark County Recorder prior to the execution of Forbearance Agreement. The Deed will convey the Property to SHAC from the Antos Trust (a true copy of the Deed is attached hereto as Exhibit "B-3"). The Antos Trust and SHAC shall also deliver to CBCI a completed Declaration of Value Form to be delivered to the Clark County Recorder.

c. SHAC's Obligation to Maintain Property After Conveyance to SHAC.

1. SHAC will make certain repairs and improvements to the Property to bring it to top quality standard. SHAC estimates the cost of such repairs and improvements to cost approximately \$100,000.00. SHAC estimates that such repairs and improvements will be completed within 90 days after delivery of the Deed to SHAC. SHAC and CBCI agree that SHAC will not spend more than \$125,000 for such repairs without the prior consent of CBCI.

2. SHAC will be responsible for maintenance of the Property. Thus, SHAC will pay all costs for the on-going maintenance of the Property. Such maintenance costs shall include the payment of reasonable landscaping costs, the payment of reasonable pool maintenance costs, payment for all repairs to Property that arise after delivery of the Deed to SHAC. SHAC will also pay the cost of all utilities that service the Property.

Upon receipt of the Balloon Payment, CBCI will provide a lien release and a Deed of Reconveyance, to Spanish Heights Acquisition Company, LLC that releases CBCI's secured interest in the Property. CBCI's release of its secured interest in the Property shall in no way limit CBCI's rights to collect any other amounts owed under the Amended Note; from Preferred Restaurant Brands, Inc., KCI Investments, LLC, or any other third party that is not a party to this Forbearance Agreement.

5. SHAC to Lease Property to SJCVC. Upon the execution of the Forbearance Agreement, and the delivery of the Deed to SHAC; SHAC will enter a lease agreement (the "Lease Agreement") with SJCVC that conforms with the draft lease agreement identified as Exhibit B-5. SJCVC shall pay SHAC rent in accordance with the terms of the Lease Agreement.

6. Additional Security to Be Provided by SHAC, SJCVC, and Other Parties. SHAC and SJCVC shall provide additional collateral/security to CBCI as follows:

- a. SJCVC and the Antos Trust shall pledge their Membership Interests in SHAC to CBCI per the terms of the Membership Interest Pledge Agreement identified as Exhibit B-4.
- b. SHAC shall assign all rents payable from SJCVC to CBCI per the terms of the Assignment of Rents Agreement attached hereto as Exhibit B-6.
- c. Prior to the execution of the Forbearance Agreement, SHAC will deposit \$150,000 into an account with Bank of America. Concurrent with the execution of the Forbearance Agreement, SHAC shall execute the Account Control Agreement attached hereto as Exhibit B-7. Prior to September 1, 2018, SHAC will deposit any additional amount required to replenish the account so that on September 1, 2018 the account balance will be \$150,000.00.
- d. SJCVC represents that First 100, LLC and 1st One Hundred Holdings, LLC, obtained a Judgment (the "Judgment") in the amount of \$2,221,039,718.46 against Raymond

Ngan and other Defendants in the matter styled *First 100, LLC, Plaintiff(s) vs. Raymond Ngan, Defendant(s)*, Case No. A-17-753459-C in the 8th Judicial District Court for Clark County, Nevada (the "Judgment"). SJCVC represents that it owns a 24.912% interest in 1st 100 Holdings, LLC ("SJCVC's Judgment Interest"). SJCVC represents it is a Member of 1st One Hundred Holdings, LLC. SJCVC represents that SJCVC and 1st One Hundred Holdings, LLC have agreed to secure the obligations of the Antos Parties and the SJCVC Parties under the Forbearance Agreement, and pursuant to the terms of the Security Agreement attached as Exhibit B-8. 1st One Hundred Holdings, LLC's agreement to secure the obligation is limited to SJCVC's beneficial interest in the proceeds realized under collection efforts against the judgment and subject to distribution to SJCVC. The Security Agreement provides that, apart collection professionals engaged to collect the Judgment, that CBCI has first-priority to receive any amounts collected in relation to the Judgment ("CBCI's First Priority Position"). As part of the SJCVC's Judgment Interest, counsel for SJCVC and 1st One Hundred Holdings, LLC will provide an opinion of counsel, dated as of the effective date of the Forbearance Agreement, to CBCI, in form and substance reasonably satisfactory to CBCI, to the effect that this Security Agreement: (i) constitutes valid and binding obligation of SJCVC and SHAC in accordance with its terms; (ii) properly evidences CBCI's Judgment Interest, First Priority Position and that no other party, apart from the Collection Professionals has priority over CBCI to receive payments in relation to the SJCVC's Judgment Interest, (iii) no ungiven notice to or obtained consent, authorization, approval or order of any court or governmental agency or body required to be obtained by SJCVC or SHAC is required for the consummation of the transactions set forth therein; and (iv) any other matters incident to the matters herein contemplated as CBCI may reasonably request.

e. Several Judgment Liens have attached to the Property. SJCv has represented that many of the Judgment Liens are improper clouds on the title to the Property. SJCv has represented to CBCI it anticipates that many of the Judgment Liens will be subject to removal pursuant to a Quiet Title Action and that SJCv will commence a Quiet Title Action to remove these liens as clouds upon the title. SJCv agrees to provide an opinion of counsel to CBCI, in form and substance reasonably satisfactory to CBCI, to the effect that the Judgment Liens on the Property can be removed by means of a Quiet Title Action. SJCv will commence the Quiet Title Action within 120 days of the execution of the Forbearance.

f. CBCI shall have received from counsel to SHAC and SJCv an opinion dated as of the effective date of the Forbearance Agreement to CBCI, in form and substance reasonably satisfactory to CBCI, to the effect that: (i) SHAC is a limited liability company duly organized, validly existing and of active status under the laws of the State of Nevada and SJCv is a limited liability company duly organized, validly existing and of active status under the laws of the State of Delaware; (ii) Each party has full power and authority to make, execute, deliver and perform the Forbearance Agreement and each of the agreements contemplated hereby, and all corporate or other proceedings required to be taken by SHAC and SJCv to authorize the execution, delivery, and performance of this Agreement and each of the agreements contemplated hereby by SHAC and SJCv, and to purchase and receive the Property as herein contemplated, have all been duly and properly taken; (iii) the Forbearance Agreement and the other agreements and instruments delivered hereunder by SJCv and SHAC constitute the valid and binding obligation of SJCv and SHAC in accordance with their respective terms; and (iv) no ungiven notice to or obtained consent, authorization, approval or order of any court or governmental agency or body required to be obtained by SJCv or SHAC is required for the consummation of the transactions

set forth herein. Such opinion shall include any other matters incident to the matters herein contemplated as CBCI may reasonably request. In rendering such opinion, such counsel may rely upon certificates of governmental officials and may place reasonable reliance upon representations of officers of SHAC and SJCV.

g. Guarantees of the following individuals and entities identified as Exhibits B-9 through B-10.

Exhibit B-9: Kenneth Antos and Sheila Antos

Exhibit B-10: Kenneth & Sheila Antos Living Trust (the "Living Trust"), Kenneth M. Antos & Sheila M. Neumann-Antos Trust (the "K & S Trust"), Kenneth Antos and Sheila Neumann-Antos, as Trustees of the Living Trust and the K & S Trust

SIGNATURE PAGE TO FOLLOW

The terms and conditions of the Exhibit "B" are agreed to and accepted by:

CBC Partners I, LLC

BY: _____

Its: _____

Print
Name: _____

Kenneth & Sheila Antos Living Trust

BY: _____
Kenneth Antos, Trustee

BY: _____
Sheila Antos, Trustee

Kenneth M. Antos & Sheila M. Neumann-
Antos Trust

BY: _____
Kenneth Antos, Trustee

BY: _____
Sheila Antos, Trustee

Kenneth Antos, Individually

Sheila Antos, Individually,

SJC Ventures, LLC

BY: _____

Its: _____

Print
Name: _____

Ken Antos

From: Alan Hallberg <alan@cbcpartnersllc.com>
Sent: Monday, September 25, 2017 1:07 PM
To: Ken Antos
Cc: Jay Bloom; Vernon Nelson
Subject: Docs for Your Signature
Attachments: Articles of Organization (002).pdf; Deed of Sale - 5148 Spanish Heights Dr.pdf; dv_packet 5148 Spanish Heights Dr (002).pdf; Spanish Heights Acquisition Company Operating Agreement Final 9 15 17.doc; vn-919-Final-CBC Forbearance Agreement922.docx; vn-919-Final-CBC Forbearance Agreement-Exhibit B922.docx; vn919-Personal-Guarantee-Agreement-Ken-922.docx; vn919-Personal-Guarantee-Agreement-KS Living Trust-922.docx; vn919-Personal-Guarantee-Agreement-KSN Trust-922.docx; vn-919-Personal-Guarantee-Agreement-Sheila-922.docx; vn919Final-Pledge_Agreement_LLC-922.doc; vn-919-FinalLease Agreement with Consent922.docx

Hi Ken - I'm forwarding these to you in Vernon's absence today; I hope I've captured everything that needs your signature as well as Sheila's.

Best,

Alan

ALAN HALLBERG
Chief Credit Officer



T (425) 688-7951
M (206) 890-2899
777 103RD AVE NE, SUITE 1805
BELLEVUE, WA 98004

APN: 163-29-615-007

Return document and mail tax statements to:

SPANISH HEIGHTS ACQUISITION COMPANY, LLC
5148 Spanish Heights Dr.
Las Vegas NV 89148

DEED OF SALE

THIS INDENTURE WITNESSETH: That first party

ANTOS, KENNETH & SHEILA LIV TR, KENNETH M ANTOS SHEILA M. NEUMANN-ANTOS TRS

for valuable consideration, the receipt of which is hereby acknowledged, does hereby convey without warranty, express or implied, to:

SPANISH HEIGHTS ACQUISITION COMPANY, LLC

the real property situated in the County of Clark, State of Nevada, described as follows:

LOT SEVEN (7) IN BLOCK FIVE (5) OF SPANISH HILLS ESTATES UNIT 5A, AS SHOWN
BY MAP THEREOF ON FILE IN BOOK 107, OF PLATS, PAGE 58, IN THE OFFICE OF THE
COUNTY RECORDER OF CLARK COUNTY, NEVADA

and commonly known as 5148 SPANISH HEIGHTS DR., LAS VEGAS NV 89148.

Together with all and singular the tenements, hereditaments and appurtenances thereto belonging or in any way appertaining.

Subject to:

1. Property taxes.
2. Conditions, covenants, restrictions, reservations, rights, rights of way, and easements now of record, if any.
3. Liens, deeds of trust, and other encumbrances now in force, if any.

Grantor: ANTOS, KENNETH & SHEILA LIV TR

By: [Signature]
Kenneth Antos, Trustee

By: [Signature]
Sheila Neuman-Antos, Trustee

STATE OF NEVADA)
COUNTY OF CLARK)

This instrument was executed before me on September 27, 2017, by

(print name) Donna Zamora

[Signature]
Donna Zamora
Notary Public

State of Nevada

My Comm. Expires: 06/08/2019
Certificate No: 03-80797-1

STATE OF NEVADA)
COUNTY OF CLARK)

This instrument was executed before me on September
27, 2017, by

(print name) DONNA ZAMORA

[Signature]
Donna Zamora

Donna Zamora
Notary Public
State of Nevada

My Comm. Expires: 06/08/2019
Certificate No: 03-80797-1

STATE OF NEVADA
DECLARATION OF VALUE

1. Assessor Parcel Number(s)

- a. 163-29-815-007
b. _____
c. _____
d. _____

2. Type of Property:

- a. ☐ Vacant Land b. ☒ Single Fam. Res.
c. ☐ Condo/Twnhse d. ☐ 2-4 Plex
e. ☐ Apt. Bldg f. ☐ Comm'l/Ind'l
g. ☐ Agricultural h. ☐ Mobile Home
i. ☐ Other

FOR RECORDERS OPTIONAL USE ONLY

Book: _____ Page: _____

Date of Recording: _____

Notes: _____

3.a. Total Value/Sales Price of Property

\$ 0.00

b. Deed in Lieu of Foreclosure Only (value of property: _____)

c. Transfer Tax Value:

\$ 0.00

d. Real Property Transfer Tax Due

\$ 0.00

4. If Exemption Claimed:

a. Transfer Tax Exemption per NRS 375.090, Section _____

b. Explain Reason for Exemption: Transfer to related entity

5. Partial Interest: Percentage being transferred: 100 %

The undersigned declares and acknowledges, under penalty of perjury, pursuant to NRS 375.060 and NRS 375.110, that the information provided is correct to the best of their information and belief, and can be supported by documentation if called upon to substantiate the information provided herein. Furthermore, the parties agree that disallowance of any claimed exemption, or other determination of additional tax due, may result in a penalty of 10% of the tax due plus interest at 1% per month. Pursuant to NRS 375.030, the Buyer and Seller shall be jointly and severally liable for any additional amount owed.

Signature [Signature] Capacity: Grantor/Seller

Signature Sheila Antos Capacity: Grantor/Seller

**SELLER (GRANTOR) INFORMATION
(REQUIRED)**

Print Name: Antos, Kenneth and Sheila LT
Address: 5148 Spanish Heights Dr
City: Las Vegas
State: NV Zip: 89148

**BUYER (GRANTEE) INFORMATION
(REQUIRED)**

Print Name: Spanish Heights Acq. Co. LLC
Address: 5148 Spanish Heights Dr
City: Las Vegas
State: NV Zip: 89148

COMPANY/PERSON REQUESTING RECORDING (Required if not seller or buyer)

Print Name: _____
Address: _____
City: _____

Escrow # _____
State: _____ Zip: _____

AS A PUBLIC RECORD THIS FORM MAY BE RECORDED/MICROFILMED

EXHIBIT B

TO FORBEARANCE AGREEMENT

This Exhibit "B" is incorporated into the Forbearance Agreement dated as of the 17th day of September 2017 (the "Forbearance Agreement") by and among CBCI Partners, LLC ("CBCI"), Kenneth & Sheila Antos Living Trust (the "Living Trust"), Kenneth M. Antos & Sheila M. Neumann-Antos Trust (the "K & S Trust"), Kenneth Antos and Sheila Neumann-Antos, as Trustees of the Living Trust and the K & S Trust, and as Personal Guarantors of the Secured Promissory Note described below, Spanish Heights Acquisition Company, LLC ("SHAC"), and SJC Ventures, LLC ("SJC")

RECITALS

WHEREAS, Kenneth M. Antos and Sheila M. Neumann-Antos, Trustees of the Kenneth and Sheila Antos Living Trust, dated April 26, 2007, and any amendments thereto (the "Antos Trust") is the Owner of the property commonly known as 5148 Spanish Heights Drive, Las Vegas, NV (the "Property").

WHEREAS, as is set forth in more detail in the Forbearance Agreement: The Property was pledged as collateral for the Amended Note. The Antos Trust, Kenneth Antos, and Sheila Antos have executed personal guarantees with respect to the Amended Note.

WHEREAS, the Property is encumbered by the Modified Deed of Trust; which is described in the Forbearance Agreement.

WHEREAS, several Events of Default (the "Identified Defaults") exist under the Amended Note, the Modified Deed of Trust, and the other Loan Documents described in the Forbearance Agreement.

WHEREAS, CBCI is concerned that if it were to foreclose on the Property, there would not be sufficient proceeds to satisfy the Amended Note and Modified Deed of Trust.

WHEREAS, to prevent the foreclosure of the Property and the potential extinguishment of the Modified Deed of Trust, CBCI has been making certain payments to the first mortgagee, the second mortgagee and other parties as described below (the "CBCI Protection Payments").

WHEREAS, SJCVC desires to occupy the Property as soon as possible pursuant to certain Lease Agreement. SJCVC also desires to satisfy the Amended Note and Modified Deed of Trust as part of its plan to acquire ownership of the Property.

WHEREAS, the Property is encumbered by certain judgment liens that have been recorded against the Property. The Anton Trust and SJCVC dispute the validity of these liens and desire to commence a Quiet Title action to remove these clouds on the title the Property.

WHEREAS, SJCVC and the Anton Trust have organized SHAC for the purposes of acquiring ownership of the Property. The Anton Trust desires to convey the Property to SHAC.

WHEREAS, as part of SHAC's efforts to acquire ownership of the Property, SHAC has requested that CBCI consent to the sale of the Property and agree to enter the Forbearance Agreement (the "Proposed Sale Transaction"). CBCI has agreed to consent to the Proposed Sale Transaction pursuant to terms of the Forbearance Agreement, which include the specific conditions described in this Exhibit "B" ("CBCI's Conditional Consent").

NOW, THEREFORE, in consideration of the mutual covenants and agreements set forth herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, CBCI hereby sets forth the conditions upon which it grants CBCI's Conditional Consent to the Proposed Sale Transaction.

AGREEMENT

1. Accuracy of Recitals. The Anton Parties and the SJC/V Parties (as defined in the Forbearance Agreement) expressly acknowledge that the Recitals set forth above are true, accurate and correct. CBCI has relied on the Anton Parties and the SJC/V Parties express acknowledgement of these Recitals. Accordingly, these Recitals are incorporated into Forbearance Agreement pursuant to this Exhibit "B" and these recitals are material provisions of the Forbearance Agreement.

2. Obligations to Be Performed by CBCI. Prior to the execution of this Forbearance Agreement, CBCI made certain payments to the first mortgagee and the second mortgagee to prevent the default of the 1st Mortgage and the 2nd Mortgage. (the "Pre-Forbearance Protection Payments. During the Forbearance Period, CBCI shall continue to make payments to the first mortgagee and the second mortgagee to prevent the default of the 1st Mortgage and the 2nd Mortgage (the "Post-Forbearance Protection Payments"); subject to the provisions of Section 4(b) below.

3. Payment of Property Taxes by the First Mortgagee. The parties have agreed to enter this Forbearance Agreement based upon the parties' assumption that the first mortgagee will pay the real property taxes owed to Clark County during the term of this Forbearance Agreement. If the first mortgagee does not pay the real property taxes, the parties agree to negotiate, in good faith, additional provisions that will provide for the payment of real property taxes by parties.

3. Anton Parties and the SJC/V Parties Duties to Convey and Maintain the Property

a. Formation of SHAC. SJC/V and the Anton Parties have organized SHAC as Nevada limited-liability company. True copies of SHAC's Articles of Organization and

Operating Agreement are attached to the Forbearance Agreement as Exhibits "A-1" and "A-2" respectively. Notwithstanding the foregoing, the parties acknowledge that as a condition of this Agreement, SHAC will agree to certain restrictions imposed upon the Articles of Organization and the Operating Agreement pursuant to the Membership Pledge Agreement that is attached hereto as Exhibit B-4.

b. **Conveyance of Property from the Anton Trust to SHAC.** Prior to the execution of the Forbearance Agreement, the Anton Trust shall deliver to CBCI a Grant, Bargain, and Sale Deed (the "Deed") conveying the Property to SHAC; which will be recorded with the Clark County Recorder prior to the execution of Forbearance Agreement. The Deed will convey the Property to SHAC from the Anton Trust (a true copy of the Deed is attached hereto as Exhibit "B-3"). The Anton Trust and SHAC shall also deliver to CBCI a completed Declaration of Value Form to be delivered to the Clark County Recorder.

c. **SHAC's Obligation to Maintain Property After Conveyance to SHAC.**

1. SHAC will make certain repairs and improvements to the Property to bring it to top quality standard. SHAC estimates the cost of such repairs and improvements to cost approximately \$100,000.00. SHAC estimates that such repairs and improvements will be completed within 90 days after delivery of the Deed to SHAC. SHAC and CBCI agree that SHAC will not spend more than \$125,000 for such repairs without the prior consent of CBCI.

2. SHAC will be responsible for maintenance of the Property. Thus, SHAC will pay all costs for the on-going maintenance of the Property. Such maintenance costs shall include the payment of reasonable landscaping costs, the payment of reasonable pool maintenance costs, payment for all repairs to Property that arise after delivery of the Deed to SHAC. SHAC will also pay the cost of all utilities that service the Property.

3. SHAC will pay for certain items, which are important to maintaining SHAC's ownership interest and protecting CBCI's Amended Note and Modified Deed of Trust.

- i. Customary homeowner's insurance coverage for the Property.
- ii. The payment of all Homeowner's Association dues.

4. **Payments to Be Made By SHAC.** SHAC will be required to make the following payments to CBCI:

a. **Monthly Interest-Only Payments-** Commencing 90 days after delivery of the Deed to SHAC (the "Monthly Payment Commencement Date"), SHAC will make Monthly Interest-Only Payments to CBCI in the amount of \$8,560.42 for a period of 24 months after the Monthly Payment Commencement Date (the "Monthly Payment Period").

b. **The Balloon Payment.** After SHAC has paid 24 Monthly Interest-Only payments, SHAC will be required to make a Balloon Payment that CBCI agrees will satisfy the Amended Note and Modified Deed of Trust. The amount of the Balloon Payment shall be equal to the sum of the following amounts:

1. The Principal Balance of the Note; and
2. (ii) the Pre-Forbearance Protection Payments in the amount of \$397,872.65; and
3. An amount equal to the sum of all the Post -Forbearance Protection Payments made by CBCI during the Monthly Payment Period.

Upon receipt of the Balloon Payment, CBCI will provide a lien release, to Spanish Heights Acquisition Company, LLC, stating that Amended Note and Modified Deed of Trust are paid in full and discharged.

5. **SHAC to Lease Property to SJCIV.** Upon the execution of the Forbearance Agreement, and the delivery of the Deed to SHAC; SHAC will enter a lease agreement (the

"Lease Agreement") with SJCVC that conforms with the draft lease agreement identified as Exhibit B-5. SJCVC shall pay SHAC rent in accordance with the terms of the Lease Agreement.

6. Additional Security to Be Provided by SHAC, SJCVC, and Other Parties. SHAC and SJCVC shall provide additional collateral/security to CBCI as follows:

a. SJCVC and the Anton Trust shall pledge their Membership Interests in SHAC to CBCI per the terms of the Membership Interest Pledge Agreement identified as Exhibit B-4.

b. SHAC shall assign all rents payable from SJCVC to CBCI per the terms of the Assignment of Rents Agreement attached hereto as Exhibit B-6.

c. Prior to the execution of the Forbearance Agreement, SHAC will deposit \$150,000 into an account with Bank of America. Concurrent with the execution of the Forbearance Agreement, SHAC shall execute the Account Control Agreement attached hereto as Exhibit B-7. Prior to September 1, 2018, SHAC will deposit any additional amount required to replenish the account so that on September 1, 2018 the account balance will be \$150,000.00.

d. SJCVC represents that First 100, LLC and 1st One Hundred Holdings, LLC, obtained a Judgment (the "Judgment") in the amount of \$2,221,039,718.46 against Raymond Ngan and other Defendants in the matter styled *First 100, LLC, Plaintiff(s) vs. Raymond Ngan, Defendant(s)*, Case No. A-17-753459-C in the 8th Judicial District Court for Clark County, Nevada (the "Judgment"). SJCVC represents that it owns a 24.912% interest in 1st 100 Holdings, LLC ("SJCVC's Judgment Interest"). SJCVC represents it is a Member of 1st One Hundred Holdings, LLC. SJCVC represents that SJCVC and 1st One Hundred Holdings, LLC have agreed to secure the obligations of the Anton Parties and the SJCVC Parties under the Forbearance Agreement, and pursuant to the terms of the Security Agreement attached as Exhibit B-8. 1st One Hundred Holdings, LLC's agreement to secure the obligation is limited to SJCVC's beneficial

interest in the proceeds realized under collection efforts against the judgment and subject to distribution to SJCv. The Security Agreement provides that, apart collection professionals engaged to collect the Judgment, that CBCI has first-priority to receive any amounts collected in relation to the Judgment ("CBCI's First Priority Position"). As part of the SJCv's Judgment Interest, counsel for SJCv and 1st One Hundred Holdings, LLC will provide an opinion of counsel, dated as of the effective date of the Forbearance Agreement, to CBCI, in form and substance reasonably satisfactory to CBCI, to the effect that this Security Agreement: (i) constitutes valid and binding obligation of SJCv and SHAC in accordance with its terms; (ii) properly evidences CBCI's Judgment Interest, First Priority Position and that no other party, apart from the Collection Professionals has priority over CBCI to receive payments in relation to the SJCv's Judgment Interest, (iii) no ungiven notice to or obtained consent, authorization, approval or order of any court or governmental agency or body required to be obtained by SJCv or SHAC is required for the consummation of the transactions set forth therein; and (iv) any other matters incident to the matters herein contemplated as CBCI may reasonably request.

e. Several Judgment Liens have attached to the Property. SJCv has represented that many of the Judgment Liens are improper clouds on the title to the Property. SJCv has represented to CBCI it anticipates that many of the Judgment Liens will be subject to removal pursuant to a Quiet Title Action and that SJCv will commence a Quiet Title Action to remove these liens as clouds upon the title. SJCv agrees to provide an opinion of counsel to CBCI, in form and substance reasonably satisfactory to CBCI, to the effect that the Judgment Liens on the Property can be removed by means of a Quiet Title Action. SJCv will commence the Quiet Title Action within 120 days of the execution of the Forbearance.

f. CBCI shall have received from counsel to SHAC and SJCV an opinion dated as of the effective date of the Forbearance Agreement to CBCI, in form and substance reasonably satisfactory to CBCI, to the effect that: (i) SHAC is a limited liability company duly organized, validly existing and of active status under the laws of the State of Nevada and SJCV is a limited liability company duly organized, validly existing and of active status under the laws of the State of Delaware; (ii) Each party has full power and authority to make, execute, deliver and perform the Forbearance Agreement and each of the agreements contemplated hereby, and all corporate or other proceedings required to be taken by SHAC and SJCV to authorize the execution, delivery, and performance of this Agreement and each of the agreements contemplated hereby by SHAC and SJCV, and to purchase and receive the Property as herein contemplated, have all been duly and properly taken; (iii) the Forbearance Agreement and the other agreements and instruments delivered hereunder by SJCV and SHAC constitute the valid and binding obligation of SJCV and SHAC in accordance with their respective terms; and (iv) no ungiven notice to or obtained consent, authorization, approval or order of any court or governmental agency or body required to be obtained by SJCV or SHAC is required for the consummation of the transactions set forth herein. Such opinion shall include any other matters incident to the matters herein contemplated as CBCI may reasonably request. In rendering such opinion, such counsel may rely upon certificates of governmental officials and may place reasonable reliance upon representations of officers of SHAC and SJCV.

g. Guarantees of the following individuals and entities identified as Exhibits B-9 through B-11.

Exhibit B-9: Kenneth Antos and Sheila Antos

Exhibit B-10: Kenneth & Sheila Antos Living Trust (the "Living Trust"), Kenneth M. Antos & Sheila M. Neumann-Antos Trust (the "K & S Trust"), Kenneth Antos and Sheila Neumann-Antos, as Trustees of the Living Trust and the K & S Trust

SIGNATURE LINE TO FOLLOW

The terms and conditions of the Exhibit "B" are agreed to and accepted by:

CBC Partners I, LLC

BY: 

Its: President

Print

Name: John Otter

Kenneth & Sheila Antos Living Trust

BY: 

Kenneth Antos, Trustee

BY: 

Sheila Antos, Trustee

Kenneth M. Antos & Sheila M. Neumann-
Antos Trust


BY: 

Kenneth Antos, Trustee

BY: 

Sheila Antos, Trustee


Kenneth Antos, Individually


Sheila Antos, Individually.

SJC Ventures, LLC

BY: 

Its: Manager

Print

Name: Jay Blum

PLEDGE AGREEMENT

THIS PLEDGE AGREEMENT dated 17th (this "Agreement") is made by Kenneth & Sheila Antos Living Trust (the "Antos Trust"), SJC Ventures, LLC ("SJC") (collectively the "Pledgors" to CBC Partners I, LLC, a Washington limited-liability company ("Secured Party" or "CBCI").

WITNESSETH:

WHEREAS, Pledgors and Secured Party are parties to a certain Forbearance Agreement (the "Forbearance Agreement") dated as of the 17th day of September 2017 by and among CBC Partners I, LLC ("CBCI"), Kenneth & Sheila Antos Living Trust (the "Living Trust"), Kenneth M. Antos & Sheila M. Neumann-Antos Trust (the "K & S Trust"), Kenneth Antos and Sheila Neumann-Antos, as Trustees of the Living Trust and the K & S Trust, and as Personal Guarantors of the Secured Promissory Note described below, Spanish Heights Acquisition Company, LLC ("SHAC"), and SJC Ventures, LLC ("SJC").

WHEREAS, Pledgors are the owners of 100% of the membership interests (the "Membership Interests") of Spanish Heights Acquisition Company, LLC, a Nevada limited liability company ("SHAC"), which has been organized pursuant to the terms of the Limited Liability Company Agreement of Spanish Heights Acquisition Company, LLC.

WHEREAS, the Forbearance Agreement provides that several conditions must be satisfied before CBCI agrees to forbear from exercising its rights and remedies under the Forbearance Agreement. In particular, one of the conditions requires the Antos Trust and SJC have agreed to pledge all right, title and interest in and to 100% of its membership interests in Spanish Heights Acquisition Company to Secured Party pursuant to this Agreement.

NOW, THEREFORE, in consideration of the premises and intending to be legally bound hereby, Pledgors hereby agree as follows:

1. Pledge. Pledgors hereby pledges to Secured Party, and grants to Secured Party security interests in and to the following (collectively, the "Pledged Collateral"):

- (a) the Membership Interests and the certificates representing the Membership Interests, if any, and all dividends, profits, income, cash, receipts, instruments, distributions (whether in cash or in-kind property) and other property from time to time received, receivable or otherwise distributed in respect of or in exchange for any or all of the Membership Interests;
- (b) any and all additional membership interests in SHAC acquired by Pledgors in any manner, and all securities convertible into and warrants, options, and other rights to purchase or otherwise acquire interest in SHAC and the certificates representing such additional shares, and all dividends, profits, income, cash, receipts, instruments and other property or proceeds from time to time received, receivable or otherwise distributed in respect of or in exchange for any or all of such shares, additional securities, warrants, options or other rights;

- (c) to the extent not covered by clauses (a) and (b) above, all proceeds of any or all of the foregoing Pledged Collateral.

For purposes of this Agreement, the term "proceeds" shall include whatever is receivable or received when Pledged Collateral or proceeds thereof are sold, exchanged, collected or otherwise disposed of, whether such disposition is voluntary or involuntary, and shall include, without limitation, proceeds of any indemnity or guaranty payable to Pledgors from time to time with respect to any of the Pledged Collateral.

2. Security for Obligations. This Agreement partially secures all the obligations of Pledgors under the Forbearance Agreement and this Pledge (all such obligations being collectively referred to herein as the "Obligations").

3. Delivery of Pledged Collateral. All certificates or instruments representing or evidencing the Pledged Collateral shall be delivered to and held by or on behalf of Secured Party pursuant hereto and shall be in suitable form for transfer by delivery, or shall be accompanied by duly executed instruments of transfer or assignment in blank, all in form and substance satisfactory to Secured Party. Secured Party shall have the right, at any time in Secured Party's discretion after a Non-Monetary Event of Default (as defined below) after notice and a 30 day cure period having been provided to Pledgors, to transfer to or to register in the name of Secured Party or any of Secured Party's nominees any or all of the Pledged Collateral, subject only to the revocable rights specified in Section 8(a). In addition, Secured Party shall have the right at any time to exchange certificates or instruments representing or evidencing Pledged Collateral for certificates or instruments of smaller or larger denominations.

4. Representations and Warranties. Pledgors, covenant, represent, warrant and agree as follows:

- (a) The Membership Interests have been duly authorized and are validly issued.
- (b) Pledgors are the legal and beneficial owner of the Pledged Collateral free and clear of any liens, security interests, options or other charges or encumbrances, except for the security interest created by this Agreement.
- (c) Upon the filing of the Uniform Commercial Code Financing Statement with respect to the Pledged Collateral, the pledge of the Membership Interests pursuant to this Agreement creates a valid and perfected first priority security interest in the Pledged Collateral, securing the payment of the Obligations.
- (d) Subject to such other consents or approvals which have been obtained, no consent of any other person or entity and no authorization, approval, or other action by, and no notice to or filing with, any governmental authority or regulatory body is required (i) for the pledge by Pledgors of the Pledged Collateral pursuant to this Agreement or for the execution, delivery or performance of this Agreement by Pledgors, (ii) for the perfection or maintenance of the security interests created hereby (including the first priority nature of such security interest), or (iii) for the exercise by Secured Party of the voting or other rights provided for in this Agreement or the remedies in respect of the Pledged Collateral pursuant to this Agreement (except as may be required in connection with any disposition of any portion of the Pledged Collateral by laws affecting the offering and sale of securities generally).

- (e) The Membership Interests constitute 100% of the membership interests of the Pledgors.
- (f) There are no conditions precedent to the effectiveness of this Agreement that have not been either satisfied or waived.
- (g) Pledgors have, independently and without reliance upon Secured Party, and based upon such documents and information as Pledgors have deemed appropriate, made their own credit analysis and decision to enter into this Agreement.

5. Inconsistent Provision of the Operating Agreement. If the Operating Agreement contains any provision that is contrary to the terms of this Agreement, this Agreement shall control. Such provisions include Sections 2.6 and 6.01 of the Operating Agreement. Regarding Section 2.6, the Members shall be liable to CBCI under this Agreement and the Forbearance Agreement. Regarding Section 6.01, SJCIV agrees that it may not resign as Manager of SHAC and that SJCIV will appoint Jay Bloom to perform the duties of the Manager throughout the term of this Agreement and the Forbearance Agreement.

6. Further Assurances. Pledgors agree that at any time and from time to time, at the sole cost and expense of Pledgors, Pledgors will promptly execute and deliver all further reasonable instruments and documents, and take all further reasonable action, that may be necessary or desirable, or that Secured Party may reasonably request, in order to perfect and protect any security interest granted or purported to be granted hereby or to enable Secured Party to exercise and enforce Secured Party's rights and remedies hereunder with respect to any Pledged Collateral.

7. Voting Rights. Pledgors shall refrain from exercising any and all voting and other consensual rights pertaining to the Pledged Collateral or any part thereof. Pledgors shall, as members, not undertake any action that would have a material adverse effect on the value of the Pledged Collateral or any part thereof.

8. Transfers and Other Liens; Additional Shares. Pledgors agree that he will not (i) sell, assign (by operation of law or otherwise) or otherwise dispose of, or grant any option with respect to, any of the Pledged Collateral, or (ii) create or permit to exist any lien, security interest, option or other charge or encumbrance upon or with respect to any of the Pledged Collateral, except for the security interest under this Agreement.

Pledgors agree that Pledgors will (i) not consent or otherwise facilitate SHAC to issue any stock, membership interests, or other securities in addition to or in substitution for the Membership Interests, except to Pledgors, and (ii) pledge hereunder, immediately upon Pledgors' acquisition (directly or indirectly) thereof, any and all additional shares of stock, membership interests, or other securities of SHAC.

9. Secured Party Appointed Attorney-in-Fact. Upon an Event of Default, and after the requisite cure period expires, should such Event of Default continue to exist, Pledgors hereby appoint Secured Party as Pledgors' attorney-in-fact, with full authority in the place and stead of Pledgors and in the name of Pledgors or otherwise, from time to time in Secured Party's sole discretion, to take any action and to execute any instrument which Secured Party may deem necessary or advisable to accomplish the purposes of this Agreement, including, without limitation, to receive, indorse and collect all instruments made payable to Pledgors representing any dividend or other distribution in respect of the Pledged Collateral or any part thereof and to give full discharge for the same.

10. Secured Party May Perform. If Pledgors fail to perform any agreement contained herein following the expiration of any applicable grace period, Secured Party may perform, or cause performance of, any such agreement, and the reasonable expenses of Secured Party incurred in connection therewith (including attorneys' fees and expenses) shall be payable by Pledgors to Secured Party, or alternatively, Secured Party shall have the right to add such reasonable expenses incurred to the secured balance due, pursuant to the provisions of Section 13 hereof.

11. Secured Party's Duties. The powers conferred on Secured Party hereunder are solely to protect Secured Party's interest in the Pledged Collateral and shall not impose any duty upon Secured Party to exercise any such powers. Except for the safe custody of any Pledged Collateral in Secured Party's possession and the accounting for moneys actually received by Secured Party hereunder, Secured Party shall have no duty as to any Pledged Collateral, as to ascertaining or taking action with respect to calls, conversions, exchanges, maturities, tenders or other matters relative to any Pledged Collateral, whether or not Secured Party has or is deemed to have knowledge of such matters, or as to the taking of any necessary steps to preserve rights against any parties or any other rights pertaining to any Pledged Collateral.

12. Remedies upon Default. If any Event of Default shall have occurred and be continuing:

(a) Secured Party may exercise, in respect of the Pledged Collateral, in addition to other rights and remedies provided for herein or otherwise available to Secured Party at law or in equity, all of the rights and remedies of a secured party on default under the Uniform Commercial Code in effect in the State of Nevada at that time (the "Code") (whether or not the Code applies to the affected Pledged Collateral), and may also, without notice except as specified below, sell the Pledged Collateral or any part thereof in one or more parcels at public or private sale, at any exchange, broker's board or at any of Secured Party's offices or elsewhere, for cash, on credit or for future delivery, and upon such other terms as Secured Party may deem commercially reasonable. Pledgors agree that, to the extent notice of sale shall be required by law, at least ten (10) days' notice to Pledgors of the time and place of any public sale or the time after which any private sale is to be made shall constitute reasonable notification. Secured Party shall not be obligated to make any sale of Pledged Collateral regardless of notice of sale having been given. Secured Party may adjourn any public or private sale from time to time by announcement at the time and place fixed therefor, and such sale may, without further notice, be made at the time and place to which it was so adjourned.

(b) Any cash held by Secured Party as Pledged Collateral and all cash proceeds received by Secured Party in respect of any sale of, collection from, or other realization upon all or any part of the Pledged Collateral may, in the sole discretion of Secured Party, be held by Secured Party as collateral for, and/or then or at any time thereafter be applied (after payment of any amounts payable to Secured Party pursuant to Section 13) in whole or in part by Secured Party against, all or any part of the Obligations in such order as Secured Party shall elect. Any surplus of such cash or cash proceeds held by Secured Party and remaining after payment in full of all the Obligations shall be paid over to Pledgors or to whomsoever may be lawfully entitled to receive such surplus.

13. Event of Default. The occurrence of any of the following events shall constitute an "Event of Default" hereunder:

(a) **Monetary Default.** If there shall occur any breach, failure or violation by Pledgors in the payment or performance of any of Pledgors' obligations, covenants or warranties under this Agreement, the Note, the Other Pledges and such breach, failure or violation continues uncorrected for a period of fifteen (15) days after written notice thereof from Secured Party to Pledgors;

(b) Non-Monetary Default. A non-monetary Event of Default shall occur:

1. If there shall occur any Event of Default by Pledgors of the Obligations, that is not a Monetary Default.

2. If either of the Pledgors resigns or is removed from the position of manager of SHAC.

14. Expenses. Pledgors will, upon demand, pay to Secured Party, or in the alternative, the Secured Party may add to the amount due and receivable, the amount of any and all reasonable expenses, including the reasonable fees and expenses of Secured Party's counsel and of any experts and agents, which Secured Party may incur in connection with (i) the administration of this Agreement, (ii) the custody or preservation of, or the sale of, collection from, or other realization upon, any of the Pledged Collateral, (iii) the exercise or enforcement of any of the rights of Secured Party hereunder, or (iv) the failure by Pledgors to perform or observe any of the provisions hereof.

15. Security Interest Absolute. All rights of Secured Party and security interests hereunder, and all obligations of Pledgors hereunder, shall be absolute and unconditional irrespective of:

(a) any lack of validity or enforceability of the Other Pledges;

(b) any change in the time, manner or place of payment of, or in any other term of, all or any of the Obligations, or any other amendment or waiver of or any consent to any departure from the Other Pledges, including, without limitation, any increase in the Obligations resulting from the extension of additional credit to Pledgors or otherwise;

(c) any taking, exchange, release or non-perfection of any other collateral, or any taking, release or amendment or waiver of or consent to departure from any guaranty, for all or any of the Obligations;

(d) any manner of application of collateral, or proceeds thereof, to all or any of the Obligations, or any manner of sale or other disposition of any collateral for all or any of the Obligations or any other assets of Pledgors; or

(e) any other circumstance which might otherwise constitute a defense available to, or a discharge of, Pledgors or a third party pledgor.

16. Amendments, Etc. No amendment or waiver of any provision of this Agreement, and no consent to any departure by Pledgors therefrom, shall in any event be effective unless the same shall be in writing and signed by Secured Party, and then such waiver or consent shall be effective only in the specific instance and for the specific purpose for which given.

17. Notices. Any notice, election, demand, request or other document or communication required or permitted under this Agreement shall be in writing and shall be deemed sufficiently given only if delivered in person or sent by certified or registered mail, postage prepaid, return receipt requested, addressed to Secured Party or Pledgors, as the case may be, as follows:

If to Pledgors:

c/o Maier Gutierrez & Associates 8818 Spanish Ridge Avenue
Las Vegas, Nevada 89149

If to Secured Party:

777 108th Ave NE Suite 1895
Bellevue, WA 98004

With a copy to:

The Law Office of Vernon Nelson
9480 S. Eastern Ave., Suite 252
Las Vegas, NV 89052

18. Continuing Security Interest: Assignments under Credit Agreement. This Agreement shall create a continuing security interest in the Pledged Collateral and shall (i) remain in full force and effect until the Pledgors' payment in full of, or their express written release by Secured Party from, the Obligations and all other amounts payable under this Agreement, (ii) be binding upon and inure to the benefit of Pledgors, and Pledgors' respective heirs, legal representatives, successors and assigns, and (iii) inure to the benefit of, and be enforceable by, and be binding upon Secured Party and Secured Party's heirs, legal representatives, successors, transferees and assigns. Without limiting the generality of the foregoing clause (iii), Secured Party may assign or otherwise transfer all or any portion of Secured Party's rights under the Loan Documents to any other person or entity, and such other person or entity shall thereupon become vested with all the benefits in respect thereof granted to Secured Party herein or otherwise and charged with the obligations and responsibilities of Pledgors thereunder. Upon the payment in full of all amounts due and payable under this Agreement and the release of Pledgors from the Obligations, the security interest granted hereby shall terminate and all rights to the Pledged Collateral shall revert to Pledgors. Upon any such termination, Secured Party will, at Pledgors' expense, promptly return to Pledgors each of the Pledged Collateral as shall not have been sold or otherwise applied pursuant to the terms hereof and execute and deliver to Pledgors such documents as Pledgors shall reasonably request to evidence such termination.

19. Governing Law; Terms. This Agreement shall be governed by, and construed in accordance with, the laws of the State of Nevada. Pledgors, on behalf of themselves and their respective heirs, legal representatives, successors and assigns, irrevocably consents that any legal action or proceeding against them under, arising out of, or in any manner relating to, this Agreement, may be brought in any court presiding in the State of Nevada, County of Clark. Pledgors, by execution and delivery of this Agreement and on behalf of themselves and their respective heirs, legal representatives, successors and assigns, expressly and irrevocably consents and submits to the personal jurisdiction of any of such courts in any such action or proceeding. Pledgors, on behalf of themselves and their respective heirs, legal representatives, successors and assigns, further irrevocably consents to the service of any complaint, summons, notice or other process relating to any such action or proceeding by delivery thereof to any of them by hand or by certified mail, delivered or addressed to Pledgors' address set forth herein.

Pledgors, on behalf of themselves and their respective heirs, legal representatives, successors and assigns, hereby expressly and irrevocably waives any claim or defense in any such action or proceeding based on any alleged lack of personal jurisdiction, improper venue or forum non conveniens or any similar basis. Nothing in this paragraph shall affect or impair in any manner or to any extent the right of Secured Party or Secured Party's heirs, legal representatives, successors or assigns, to commence legal proceedings or otherwise proceed against Pledgors in any jurisdiction or to serve process in any manner permitted by law.

Pledgors hereby waive all right to require a marshalling of assets by Secured Party.

Pledgors shall not, without Secured Party's prior written consent, create, incur or assume any indebtedness in connection with the Pledged Collateral. "Indebtedness" means any and all liabilities and obligations owing by Pledgors to any person, including principal, interest, charges, fees, reimbursements and expenses, however evidenced, whether as principal, surety, endorser, guarantor or otherwise, direct or indirect, absolute or contingent, joint or several, due or not due, primary or secondary, liquidated or unliquidated, secured or unsecured, original, renewed or extended, (i) in respect of any borrowed money (whether by loans, the issuance and sale of debt securities or the sale of any property to another person subject to an understanding, agreement, contract or otherwise to repurchase such property) or for the deferred purchase price of any property or services, (ii) under direct or indirect guarantees and obligations (contingent or otherwise) to purchase or otherwise acquire, or otherwise assure any creditor against loss in respect of the obligations of others, (iii) in respect of letters of credit or similar instruments issued or accepted by banks and other financial institutions for the account of such indebted person, (iv) in respect of unfunded vested benefits under plans covered by ERISA or any similar liabilities to, for the benefit of, or on behalf of, any employees of such indebted person, (v) all obligations secured by any Lien on property owned by such person, whether or not the obligations have been assumed, (vi) all obligations under any agreement providing for a swap, ceiling rates, colling and floor rates, contingent participation or other hedging mechanisms with respect to interest payable on any of the items described above in this definition, or (vii) actual obligations imposed under the operating agreement for the LLC.

[THE NEXT PAGE IS THE SIGNATURE PAGE]

IN WITNESS WHEREOF, Pledgors has caused this Agreement to be duly executed and delivered as of the date first above written.

PLEDGORS:

Kenneth & Sheila Antos Living Trust

By: [Signature]
Kenneth Antos, Trustee

By: [Signature]
Sheila Antos, Trustee

ACKNOWLEDGMENTS:

STATE OF NEVADA

ss.:

COUNTY OF CLARK

On the 27 day of September, 2017 before me, the undersigned, personally appeared Kenneth Antos, personally known to me or proved to me on the basis of satisfactory evidence to be the individual(s) whose name(s) is(are) subscribed to within instrument and acknowledged to me that he/she/they executed the same in his/her/their capacity(ies), and that by his/her/their signature(s) on the instrument, the individual(s), or the person upon behalf of which the individual(s) acted executed the instrument.

[Signature]
Notary Public



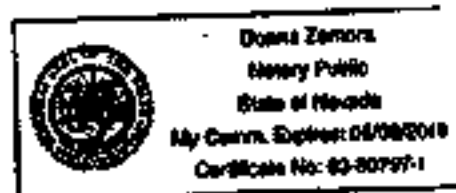
STATE OF NEVADA

ss.:

COUNTY OF CLARK

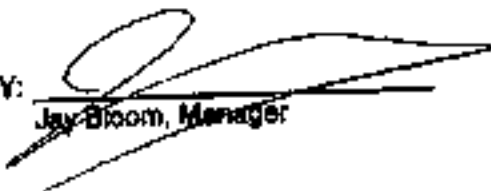
On the 27 day of September, 2017 before me, the undersigned, personally appeared Sheila Antos, personally known to me or proved to me on the basis of satisfactory evidence to be the individual(s) whose name(s) is(are) subscribed to within instrument and acknowledged to me that he/she/they executed the same in his/her/their capacity(ies), and that by his/her/their signature(s) on the instrument, the individual(s), or the person upon behalf of which the individual(s) acted executed the instrument.

[Signature]
Notary Public



SPANISH HEIGHTS ACQUISITION COMPANY, LLC

BY:


Jay Bloom, Manager

STATE OF NEVADA

ss.:

COUNTY OF CLARK

On the 27 day of September, 2012 before me, the undersigned, personally appeared Jay Bloom, personally known to me or proved to me on the basis of satisfactory evidence to be the individual(s) whose name(s) is(are) subscribed to within instrument and acknowledged to me that he/she/they executed the same in his/her/their capacity(ies), and that by his/her/their signature(s) on the instrument, the individual(s), or the person upon behalf of which the individual(s) acted executed the instrument.


Notary Public



Donna Zentara

Notary Public

State of Nevada

My Comm. Expires: 05/06/2019

Certificate No: 03-80797-1

ASSIGNMENT OF RENTS

THIS ASSIGNMENT is made this 27th day of September by and between Spanish Heights Acquisition Company, LLC ("Assignor") and CBC Partners I, LLC ("Assignee").

WHEREAS, Assignor has executed and delivered to Assignee that certain Forbearance Agreement dated as of the 17th day of September 2017 (the "Forbearance Agreement") by and among CBC Partners I, LLC ("CBCP"), Kenneth & Sheila Antos Living Trust (the "Living Trust"), Kenneth M. Antos & Sheila M. Neumann-Antos Trust (the "K & S Trust"), Kenneth Antos and Sheila Neumann-Antos, as Trustees of the Living Trust and the K & S Trust, and as Personal Guarantors of the Secured Promissory Note, as amended (as is defined in the Forbearance Agreement as the "Amended Note"), Spanish Heights Acquisition Company, LLC ("SHAC"), and SJC Ventures, LLC ("SJC") dated September 17th, 2017; and

WHEREAS, Assignor is entitled to receive periodic rental payments (the "Rental Payments") under that certain Real Property Lease made as of August 15, 2017, by and between Spanish Heights Acquisition Company, LLC, a Nevada limited liability company, and SJC Ventures, LLC, a Delaware limited liability company, in which Assignor is the Landlord and SJC Ventures, LLC is the Tenant (the "Tenant"), which lease concerns the following real property commonly known as 5148 Spanish Heights Drive (the "Lease"); and

WHEREAS, Assignor desires to assign to Assignee the Rental Payments for application to the unpaid balance of the Amended Note described in the Forbearance Agreement.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, Assignor and Assignee agree as follows:

1. Assignor shall to Assignee all Assignor's right, title, and interest in the Rental Payments; Assignor hereby grants to Assignee the right to enforce, at the sole discretion of Assignee, all Assignor's rights under the Lease, including the right to sue for and collect unpaid Rental Payments. In the event Assignee elects not to enforce Assignor's rights under the Lease, Assignor agrees to enforce promptly all of such rights.

2. On or before the first banking day after Assignee receives each Rental Payment, Assignee will apply said Rental Payment to reduce the unpaid balance due under the Forbearance Agreement and/or any agreement related thereto. If Tenant makes the Rental Payment by check, Assignee will provisionally apply such payment until there is a final payment of Tenant's check. When there is a final payment of Tenant's check, the provisional application will become a final

payment. In the event the Tenant's check is not finally paid, the provisional application of such payment shall be reversed. It is expressly agreed that the amounts owed shall not be reduced or credited until such time as Assignee receives each final Rental Payment. If Tenant fails or refuses to make a Rental Payment, Assignee shall have no obligation to reduce the unpaid balance of the Amended Note described in the Forbearance Agreement. Assignor's duties to Assignee under the Amended Note described in the Forbearance Agreement shall not be excused or modified if Tenant (a) fails or refuses to make Rental Payments, or (b) is delinquent in making any Rental Payment(s).

3. Nothing herein shall constitute or be construed as a delegation to Assignee of Assignor's duties under the Lease. Assignor shall have the option, but not the duty, to enforce Tenant's obligation to pay Rental Payments. Further, Assignee shall have no obligation to Tenant whatsoever other than to accept each Rental Payment.

4. After payment of the unpaid balance of the Amended Note described in the Forbearance Agreement, Assignee agrees to assign back to Assignor all Assignee's rights created hereby within ten (10) days of the receipt by Assignee from Assignor of such a written request.

5. In the event Tenant breaches the Lease, and Assignee exercises its option hereunder to sue to enforce the Lease, Assignor agrees to reimburse Assignee for all Assignee's costs and reasonable attorney's fees incurred in connection with enforcing the Lease. Such costs and reasonable attorneys' fees may be paid by Assignee from the Rental Payments.

6. If so instructed by Assignee, Assignor agrees to instruct Tenant to pay the Rental Payments directly to Assignee.

6. This Assignment shall be binding upon and shall inure to the benefit of the parties and their respective successors, assigns, heirs and personal representatives.

7. Assignee's consent to allowing Tenant to make one or more Rental Payments to Assignor is not and shall not be deemed to be a waiver of Assignee's right to directly receive all other Rental Payments.

SIGNATURE PAGE TO FOLLOW


ASSIGNOR

Spanish Heights Acquisition
Company, LLC

By: 
Mr. Bloom, Manager

ASSIGNEE

CBC Partners I, LLC

By: 
Print Name: John Otter
Its: President

SECURITY AGREEMENT

This Security Agreement is made by and between SJC Ventures, LLC ("SJC") (the "Debtor") to CBC Partners I, LLC, a Washington limited-liability company ("Secured Party" or "CBCI").

WITN ESSETH:

WHEREAS, Debtor, other creditors, and Secured Party are parties to a certain Forbearance Agreement (the "Forbearance Agreement") dated as of the 27th day of September 2017 by and among CBC Partners I, LLC ("CBCI"), Kenneth & Sheila Antos Living Trust (the "Living Trust"), Kenneth M. Antos & Sheila M. Neumann-Antos Trust (the "K & S Trust"), Kenneth Antos and Sheila Neumann-Antos, as Trustees of the Living Trust and the K & S Trust, and as Personal Guarantors of the Secured Promissory Note described below, Spanish Heights Acquisition Company, LLC ("SHAC"), and SJC Ventures, LLC ("SJC").

WHEREAS, the Forbearance Agreement provides that several conditions must be satisfied before CBCI agree to forbear from exercising its rights and remedies under the Forbearance Agreement.

WHEREAS, one of the conditions of the Forbearance Agreement requires SJC to execute a Security Agreement with respect to the "Creditors Judgment Interest" described below (the "Collateral") in favor of CBCI.

WHEREAS, subject to the terms of this Security Agreement, the SJC agree to grant CBCI a Security Interest in the Collateral described below to secure the obligations of all parties to the Forbearance Agreement.

NOW, THEREFORE, in consideration of the premises and intending to be legally bound hereby, SJC ("Debtor") and CBCI ("Secured Party") hereby agree as follows:

1. *Grant of security interest.* In consideration of the Forbearance Agreement, the Debtor and Secured Party hereby grants to the Secured Party a security interest in the Collateral defined below as security for the prompt payment, performance, and observance by the Debtor, and all other parties to the Forbearance Agreement (the "Obligations").

2. *Collateral.*

(a) The term "Collateral" shall include that portion of Debtors current, or after-acquired, beneficial interest in the "Judgment" described below necessary to secure the Secured Party's interest (the "Creditors Judgment Interest"), regardless of whether the Creditors Judgment Interest is the Judgment is considered "rights to cash or non-cash proceeds", accounts, contract rights, accounts receivable, instruments, documents, chattel paper, securities, deposits, credits, "claims and demands," general intangibles, payment intangibles; and all ledger sheets, files, records, documents, and instruments (including, but not limited to, computer programs, tapes, and related electronic data processing software) evidencing any interest in or relating to the above described Collateral. The locations of the office where the records concerning rights are kept is set forth at the bottom of this Agreement. Debtor's address above stated against the Secured Party, and all proceeds, products, returns, additions, accessions and substitutions of and to any of the foregoing.

(b) All terms used herein which are defined in the Uniform Commercial Code of the State of Nevada shall have the meanings therein stated.

(c) The Creditor's Judgment Interest is described as follows:

SJCV represents that First 100, LLC and 1st One Hundred Holdings, LLC, obtained a Judgment in the amount of \$2,221,039,718.46 against Raymond Ngan and other Defendants in the matter styled *First 100, LLC, Plaintiff(s) vs. Raymond Ngan, Defendant(s)*, Case No. A-17-753459-C in the 8th Judicial District Court for Clark County, Nevada (the "Judgment"). SJCV represents it holds a 24.912% Membership Interest in 1st One Hundred Holdings, LLC. SJCV represents and warrant that no party, other than the Collection Professionals engaged to collect the Judgment, have a priority to receive net judgment proceeds attributable to SJCV before SJCV; and that SJCV shall receive its interest at a minimum in pari passu with other parties who hold interests in the Judgment. 1st One Hundred Holdings, LLC represents and warrant that no party, other than the Collection Professionals engaged to collect the Judgment and certain other creditors of 1st One Hundred Holdings, have a priority to receive net judgment proceeds prior to distributions to 1st One Hundred Holdings Members; and that SJCV shall receive its interest at a minimum in pari passu with other parties who hold interests in the Judgment.

3. *Warranties and agreements.* The Debtor warrants and agrees that:

(a) *Collateral location and use.* The Debtor's chief places of business, its financial books and records relating to the Collateral, and the Collateral, are located at the address set forth at the bottom of this agreement. The Debtor will not move any of the Collateral from said location without the prior written consent of the Secured Party.

(b) *Existing liens, security interests, and encumbrances.* Except for the security interest granted herein, and except for the liens of certain "Collection Professionals," as set forth on the schedule annexed hereto as Schedule C and initiated by the Secured Party and the Debtor, the Debtor owns and will keep the Collateral free and clear of liens, security interests, or encumbrances, and will not assign, sell, mortgage, lease, transfer, pledge, grant a security interest in, encumber or otherwise dispose of or abandon any part or all of the Collateral without the prior written consent of the Secured Party. Accordingly, Debtor Any default by any party to the Forbearance Agreement, or any of the agreements related thereto shall constitute an event of default under this Security Agreement.

(c) *Inspection.* The Secured Party shall at all times have free access to and the right of inspection of any part or all of the Collateral and any records of the Debtor (and the right to make extracts from such records), and the Debtor shall deliver to the Secured Party the originals or true copies of such papers and instruments relating to any or all of the Collateral as the Secured Party may request at any time.

(d) *Collateral to remain personal property.* The Collateral is now and shall be and remain personal property, notwithstanding the manner in which the Collateral or any part thereof shall be now or hereafter affixed, attached or annexed to real estate. Debtor authorizes the Secured Party to enter upon any premises of the Debtor at any time to remove the Collateral.

(e) *Maintain security interests, reports.* In addition to all other provisions hereof, the Debtor will from time to time at its expense, perform any and all steps requested by the Secured Party at any time to perfect and maintain the Secured Party's security interest in the Collateral, including (but not limited to) transferring any part or all of the Collateral to the Secured Party or any nominee of the Secured Party, including placing and maintaining signs, executing and filing financing statements and notices of lien, delivering to the Secured Party documents of title representing the Collateral or evidencing the Secured Party's security interest in any other manner acceptable to and requested by the Secured Party.

If at any time any part or all of the Collateral is in the possession or control of any of the Debtor's bailees, agents, or processors, the Debtor will notify such persons of the Secured Party's security interest therein. Upon the Secured Party's request, the Debtor will instruct such persons to hold all such Collateral for the Secured Party's account and subject to the Secured Party's instructions and the Debtor will obtain and deliver to the Secured Party such instrument(s) requested by the Secured Party pursuant to which such persons consent to the security interest

granted herein, disclaim any interest in the Collateral, waive in favor of the Secured Party all liens upon and claims to the Collateral or any part thereof, and authorize the Secured Party at any time to enter upon and remove the Collateral from any premises upon which the same may be located.

(f) *Further documentation.* The Debtor shall, at its expense, upon the Secured Party's request, at any time and from time to time, execute and deliver to the Secured Party one or more financing statements pursuant to the Uniform Commercial Code, and all other papers, documents or instruments required by the Secured Party in connection herewith, including an Assignment of Judgment Interest in a form acceptable to Secured Party. The Debtor hereby authorizes the Secured Party to execute and file, at any time and from time to time, on behalf of the Debtor, one or more financing statements with respect to all or any part of the Collateral, the filing of which is advisable, in the sole judgment of the Secured Party, pursuant to the law of the State of Nevada, although the same may have been executed only by the Secured Party as secured party. The Debtor also irrevocably appoints the Secured Party, its agents, representatives and designees, as the Debtor's agent and attorney-in-fact, to execute and file, from time to time, on behalf of the Debtor, one or more financing statements with respect to all or any part of the Collateral.

(g) *Collection of accounts.* The Debtor is authorized, at its expense, to collect the proceeds of the Collateral for the Secured Party. In the event of default, the Debtor shall promptly turn over to the Secured Party the proceeds of accounts, up to the amount secured, and in no event in any amount greater than such amount secured, whether consisting of cash, commercial paper, or any other instrument, in precisely the form received, except for the Debtor's endorsement when required. Until so turned over, the proceeds up to the amount secured, shall be deemed to be held in trust by the Debtor for and as the property of the Secured Party. All remittances are received subject to collection. The Secured Party may endorse the name of the Debtor on all notes, checks, drafts, bills of exchange, money orders, commercial paper of any kind whatsoever, and any other document received in payment of or in connection with the Collateral or otherwise.

(h) *Settlement of Accounts.* The Debtor is not authorized or empowered to compromise or extend the time for payment of any of the Collateral, without the prior written consent of the Secured Party.

(i) *Payment of debtor's obligations, reimbursement.* The Secured Party may in its discretion, for the account and expense of the Debtor: (i) pay any amount or do any act which is required by the Debtor under this Security Agreement and which the Debtor fails to do or pay as herein required, and (ii) pay or discharge any lien, security interest or encumbrance in favor of anyone other than the Secured Party which covers or affects the Collateral or any part thereof. The Debtor will promptly reimburse and pay the Secured Party for any and all sums, costs and expenses which the Secured Party may pay or incur by reason of defending, protecting or enforcing the security interest herein granted or the priority thereof or in enforcing payment of the Obligations or in discharging any lien or claim against the Collateral or any part thereof or in the exchange, collection, compromise or settlement of any of the Collateral or receipt of the proceeds thereof or for the care of the Collateral, by litigation or otherwise, and with respect to either the Debtor, account debtors, guarantors of the Debtor and other persons, including but not limited to all court costs, collection charges, travel, and reasonable attorneys' fees, and all reasonable expenses (including reasonable counsel fees) incident to the enforcement of payment of any obligations of the Debtor by any action or participation in, or in connection with, a case or proceeding under the Bankruptcy Code, or any successor statute thereto. All sums paid and all costs, expenses and liabilities incurred by the Secured Party pursuant to the foregoing provisions, together with interest thereon at the rate of 12 percent per annum, shall be added to and become part of the Obligations secured hereby.

4. *Transfer of collateral.* The right is expressly granted to the Secured Party, at its discretion, to exchange any or all of the Collateral in the possession of the Secured Party for other property upon the reorganization, recapitalization or other readjustment of the Debtor and in connection therewith to deposit any or all of such Collateral with any committee or depository upon such terms as the Secured Party may determine; At its discretion the Secured Party may, whether or not any of the Obligations are due, in its name or in the name of the Debtor or otherwise, notify any

account debtor or the obligor on any instrument, agreement, or consent order to make payment to the Secured Party, demand, sue for, collect or receive any money or property at any time payable or receivable on account of or in exchange for, or make any compromise or settlement deemed desirable by the Secured Party with respect to, any of the Collateral, but shall be under no obligation to do so, and/or the Secured Party may extend the time of payment, arrange for payment in installments, or otherwise modify the terms of, or release any of the Collateral, without thereby incurring responsibility to, or discharging or otherwise affecting any liability of, the Debtor. At any time, the Secured Party may assign, transfer and/or deliver to any transferee of any of the Obligations any or all of the Collateral, and thereafter the Secured Party shall be fully discharged from all responsibility with respect to the Collateral so assigned, transferred and/or delivered. Such transferee shall be vested with all the powers and rights of the Secured Party hereunder, with respect to such Collateral, but the Secured Party shall retain all rights and powers hereby given with respect to any of the Collateral not so assigned, transferred or delivered.

5. **Defaults.** The occurrence of any one or more of the following events shall constitute an event of default by the Debtor under this Security Agreement: if at any time the Secured Party, in its discretion, reasonably considers the Collateral or any part thereof unsatisfactory or insufficient, and the Debtor does not on demand furnish other Collateral or make payment on account, satisfactory to the Secured Party; if the Debtor or any obligor, maker, endorser, acceptor, surety or guarantor of, or any other party to any of the Obligations or the Collateral (the same, including the Debtor, being collectively referred to herein as "Obligors") defaults in the punctual payment of any sum payable with respect to, or in the performance of any of the terms and conditions of, any of the Obligations (or of any instruments evidencing the same) or of any terms or conditions of this Security Agreement or the Collateral; if any warranty, representation or statement of fact made herein or furnished to the Secured Party at any time by or on behalf of the Debtor proves to have been false in any material respect when made or furnished; in the event of loss, theft, substantial damage or destruction of any of the Collateral, or the making of any levy on, seizure or attachment of any of the Collateral; if the Debtor executes or files a certificate or other instrument evidencing the legal change of name of the Debtor without furnishing the Secured Party at least 10 days' prior written notice thereof; if any of the Obligors are dissolved; if any of the Obligors are party to a merger or consolidation without the prior written consent of the Secured Party; if any of the Obligors fail to maintain its corporate existence in good standing; if any of the Obligors default in the observance or performance of any term, covenant or agreement contained herein or in any instrument or document delivered pursuant hereto; if any of the Obligors become insolvent (however such insolvency may be defined or evidenced), or make or send notice of an intended bulk transfer, or fail, after demand, to furnish any financial information or to permit the inspection of books or records of account; if there is filed by or against any of the Obligors any petition for any relief under the bankruptcy laws of the United States as now or hereafter in effect or under any insolvency, readjustment of debt, dissolution or liquidation law or statute now or hereafter in effect (and whether any such action or proceeding is at law, in equity or under any bankruptcy, reorganization, arrangement, insolvency, readjustment of debt, receivership, liquidation or dissolution law or statute); if any of the Obligors suspend the transaction of its usual business, if any petition or application to any court or tribunal, at law or in equity, is filed by or against any of the Obligors for the appointment of any receiver or any trustee for any of the Obligors; if any governmental authority or any court or other tribunal takes possession or jurisdiction of any substantial part of the property of, or assumes control over the affairs or operations of, or a receiver is appointed of, any substantial part of the property of any of the Obligors; or if a meeting of the creditors or principal creditors of any of the Obligors is convened.

6. **Remedies on default.** If any one or more of the above events of default shall occur, the Secured Party may, at any time thereafter, declare any or all of the Debtor's Obligations immediately due and payable, after notice to or demand upon the Debtor and the provision of a 30-day cure period. In such event, the Secured Party shall have the following rights and remedies, all of which shall be cumulative and not exclusive, and shall be in addition to all other rights and remedies of a secured party under the Uniform Commercial Code or other applicable statute or rule in any jurisdiction in which enforcement is sought:

(a) Collateral. The Secured Party may, at any time and from time to time, Upon no less than 24 hours' notice, enter upon any premises in which all or any part of the Collateral is located and to the extent practicable, take possession of the Collateral, without the Debtor's resistance or interference; dispose of all or any part of the Collateral on any premises of the Debtor; require the Debtor to assemble and make available to the Secured Party all or any part of the Collateral at any place and time designated by the Secured Party which is reasonably convenient to the Secured Party and the Debtor; remove all or any part of the Collateral from any premises on which any part thereof is located for the purpose of effecting sale or other disposition thereof; sell, resell, lease, assign and deliver, or otherwise dispose of, the Collateral or any part thereof in its existing condition or following any commercially reasonable preparation or processing, at public or private proceedings, in one or more parcels at the same or different times with or without having the Collateral at the place of sale or other disposition, for cash, upon credit or for future delivery, and in connection therewith the Secured Party may grant options, at such place or places and time or times and to such persons, firms or corporations as the Secured Party deems best, and without demand for performance or any notice or advertisement whatsoever, except that where an applicable statute requires reasonable notice of sale or other disposition the Debtor hereby agrees that five days' notice by ordinary mail, postage prepaid, to any address of the Debtor set forth at the foot of this Security Agreement, of the place and time of any public sale or of the place and time after which any private sale or other disposition may be made, shall be deemed reasonable notice of such sale or other disposition; and liquidate or dispose of the Collateral or any part thereof in any other commercially reasonable manner.

If the Secured Party sells any of the Collateral upon credit or for future delivery, it shall not be liable for the failure of the purchaser to purchase or pay for the same and, in the event of any such failure, the Secured Party may resell such Collateral. The Debtor hereby waives all equity and right of redemption. The Secured Party may buy any part or all of the Collateral at any public sale and if any part of all of the Collateral is of a type customarily sold in a recognized market or is of a type which is the subject of widely distributed standard price quotations the Secured Party may buy at private sale, all free from any equity or right of redemption which is hereby waived and released by the Debtor, and the Secured Party may make payment therefor (by endorsement without recourse) in notes of the Debtor to the order of the Secured Party in lieu of cash to the amount then due thereon which the Debtor hereby agrees to accept.

The Secured Party may apply the cash proceeds actually received from any sale or other disposition to the reasonable expenses of retaking, holding, preparing for sale, selling, leasing and the like, to reasonable attorney's fees if this Security Agreement or any of the Obligations is referred to an attorney for enforcement, to all legal expenses, court costs, collection charges, travel and other expenses which may be incurred by the Secured Party in attempting to collect the Obligations or to enforce this Security Agreement and realize upon the Collateral, or in the prosecution or defense of any action or proceeding related to the subject matter of this Security Agreement; and then to the Obligations in such order and as to principal or interest as the Secured Party may desire; and the Debtor shall at all times be and remain liable and, after crediting the net proceeds of sale or other disposition as aforesaid, will pay the Secured Party on demand any deficiency remaining, including interest thereon and the balance of any expenses at any time unpaid, with any surplus to be paid to the Debtor, subject to any duty of the Secured Party imposed by law to the holder of any subordinate security interest in the Collateral known to the Secured Party.

The Debtor recognizes that the Secured Party may be unable to effect a public sale of all or a part of the Collateral, but may be compelled to resort to one or more private sales. The Debtor agrees that private sales so made may be at prices and other terms less favorable to the seller than sales were made at public sales, and that the Secured Party has no obligation to delay sale of all or any part of the Collateral. The Debtor agrees that private sales made under the foregoing circumstances shall be deemed to have been made in a commercially reasonable manner.

(b) Secured Party deposits, balances, etc. The Secured Party may appropriate, set off and apply for the payment of any or all of the Obligations, any and all balances, sums, property, claims, credits, deposits, accounts, reserves, collections, drafts, notes, or other items or proceeds of the Collateral in or coming into the possession of the Secured

Party or its agents and belonging or owing to the Debtor, without notice to the Debtor, and in such manner as the Secured Party may in its discretion determine.

(c) *Proceeds.* Any of the proceeds of the Collateral received by the Debtor shall not be commingled with other property of the Debtor, but shall be segregated, held by the Debtor in trust for the Secured Party as the exclusive property of the Secured Party, and the Debtor will immediately deliver to the Secured Party the identical checks, moneys or other proceeds of Collateral received, and the Secured Party shall have the right to endorse the name of the Debtor on any and all checks, or other forms of remittance received, where such endorsement is required to effect collection. The Debtor hereby designates, constitutes and appoints the Secured Party and any designee or agent of the Secured Party as attorney-in-fact of the Debtor, irrevocably and with power of substitution, with authority to receive, open and dispose of all mail addressed to the under signed, to notify the Post Office authorities to change the address for delivery of mail addressed to the Debtor, to such address as the Secured Party may designate; to endorse the name of the Debtor on any notes, acceptances, checks, drafts, money orders or other evidences of payment or proceeds of the Collateral that may come into the Secured Party's possession; to sign the name of the Debtor on any invoices, documents, drafts against account debtors of the Debtor, assignments, requests for verification of accounts and notices to debtors of the Debtor; to execute any endorsements, assignments, or other instruments of conveyance or transfer; and to do all other acts and things necessary and advisable in the sole discretion of the Secured Party to carry out and enforce this Security Agreement. All acts of said attorney or designee are hereby ratified and approved and said attorney or designee shall not be liable for any acts of commission or omission nor for any error of judgment or mistake of fact or law. This power of attorney being coupled with an interest is irrevocable while any of the Obligations shall remain unpaid.

7. *Liability disclaimer.* Under no circumstances whatsoever shall the Secured Party be deemed to assume any responsibility for or obligation or duty with respect to any part or all of the Collateral, of any nature or kind whatsoever, or any matter or proceedings arising out of or relating thereto. The Secured Party shall not be required to take any action of any kind to collect or protect any interest in the Collateral, including but not limited to any action necessary to preserve its or the Debtor's rights against prior parties to any of the Collateral. The Secured Party shall not be liable or responsible in any way for the safekeeping, care or custody of any of the Collateral, or for any loss or damage thereto, or for any diminution in the value thereof, or for any act or default of any agent or bailee of the Secured Party or the Debtor, or of any carrier, forwarding agency or other person whomsoever, or for the collection of any proceeds, but the same shall be at the Debtor's sole risk at all times. The Debtor hereby releases the Secured Party from any claims, causes of action and demands at any time arising out of or with respect to this Security Agreement or the Obligations, and any actions taken or omitted to be taken by the Secured Party with respect thereto, and the Debtor hereby agrees to hold the Secured Party harmless from and with respect to any and all such claims, causes of action and demands. The Secured Party's prior recourse to any part of all of the Collateral shall not constitute a condition of any demand for payment of the Obligations or of any suit or other proceeding for the collection of the Obligations.

8. *Nonwaiver.* No failure or delay on the part of the Secured Party in exercising any of its rights and remedies hereunder or otherwise shall constitute a waiver thereof, and no single or partial waiver by the Secured Party of any default or other right or remedy which it may have shall operate as a waiver of any other default, right or remedy or of the same default, right or remedy on a future occasion.

9. *Waivers by debtor.* The Debtor hereby waives presentment, notice of dishonor and protest of all instruments included in or evidencing any of the Obligations or the Collateral and any and all other notices and demands whatsoever (except as expressly provided herein) whether or not relating to such instruments. In the event of any litigation at any time arising with respect to any matter connected with this Security Agreement or the Obligations, the Debtor hereby waives the right to a trial by jury and the Debtor hereby waives any and all defenses, rights of setoff and rights to interpose counterclaims of any nature.

10. **Modification.** No provision hereof shall be modified, altered or limited except by an instrument expressly referring to this Security Agreement and to the provision so modified or limited, and executed by the party to be charged.

11. **Authorization.** The execution and delivery of this Security Agreement has been authorized by the Members and/or Manager(s) Boards of Directors of the Debtor and by any necessary vote or consent of Member(s) of the Debtor. The Debtor shall provide the Secured Party with certified copy of a proper resolution of the Member(s) and/or Managers of the Debtor, in a form reasonably acceptable to Secured Party.

12. **Binding effect.** This Security Agreement and all Obligations of the Debtor hereunder shall be binding upon the Debtor's successors and assigns and shall, together with the rights and remedies of the Secured Party hereunder, inure to the benefit of the Secured Party and its successors, endorsees and assigns.

13. **Headings.** Headings in this Agreement are only for convenience and shall not be used to interpret or construe its provisions.

14. **Governing law.** Any and all matters of dispute between the parties to this Agreement, whether arising from the agreement itself or arising from alleged extracontractual matters occurring prior to, during, or subsequent to the formation of the Agreement, including, without limitation, fraud, misrepresentation, negligence, or any other alleged tort or violation of the contract, shall be governed by, construed, and enforced in accordance with the laws of the state of Nevada, regardless of the legal theory upon which such matter is asserted.

15. **Counterparts.** This Agreement may be executed in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

16. **Severability.** If any term of this Security Agreement is held to be invalid, illegal or unenforceable, such determination shall not affect the validity of the remaining terms.

17. **Merger.** The parties intend this statement of their agreement to constitute the complete, exclusive, and fully integrated statement of their agreement with respect to this Security Agreement. The parties also intend that this complete, exclusive, and fully integrated statement of their agreement with respect to this Security Agreement. This Security Agreement may not be supplemented or explained (interpreted) by any evidence of trade usage or course of dealing.

In witness whereof the Parties have executed or caused this Security Agreement to be executed this 22nd day of September, 2017.

SJC Ventures, LLC.

By: _____

Jay Bloom, Manager

CBC Partners I, LLC

By: _____

1st 100 Holdings, LLC
c/o MAIER GUTIERREZ AND ASSOCIATES
8816 SPANISH RIDGE AVE
LAS VEGAS, NV 89148

and

SJC Ventures, LLC
c/o MAIER GUTIERREZ AND ASSOCIATES
8816 SPANISH RIDGE AVE
LAS VEGAS, NV 89148

September 27, 2017

MAIER GUTIERREZ AND ASSOCIATES, PLLC
8816 SPANISH RIDGE AVE
LAS VEGAS, NV 89148

Re: PAYMENT DIRECTION LETTER

Ladies and Gentlemen:

SJC Ventures I, LLC ("SJVC") and CBC Partners I, LLC (CBCI) are parties to a certain FORBEARANCE AGREEMENT (the "Forbearance Agreement") that is made and dated as of the 27 day of September 2017 by and among CBC Partners I, LLC ("CBCI"), Kenneth & Sheila Antos Living Trust (the "Living Trust"), Kenneth M. Antos & Sheila M. Neumann-Antos Trust (the "K & S Trust"), Kenneth Antos and Sheila Neumann-Antos, as Trustees of the Living Trust and the K & S Trust, and as Personal Guarantors of the Secured Promissory Note described below., Spanish Heights Acquisition Company, LLC ("SHAC"), and SJC Ventures, LLC ("SJCVC"). To secure the parties obligations under the Forbearance Agreement, CBCI and SJCVC are also parties to a certain Security Agreement (the "SECURITY AGREEMENT"), dated as of September 27 , by and among SJCVC and CBCI.

Pursuant to the Security Agreement, SJCVC has represented it holds a 24.912% Membership Interest in 1st One Hundred Holdings, LLC and that 1st 100 Holdings LLC is the holder of a certain “Judgment” described in the Security Agreement. Further, SJCVC pledged as collateral that portion of SJCVC’s current, or after-acquired, beneficial interest in the “Creditor’s Judgment Interest” (as defined in the Security Agreement¹) necessary to secure the parties obligations under the Forbearance Agreement.

As a material term of the Security Agreement, 1st 100 Holdings, LLC has represented and warranted that SJCVC holds a 24.912% Membership Interest in 1st 100 Holdings, LLC; and that 1st 100 Holdings LLC is the holder of a certain “Judgment” described in the Security Agreement. 1st 100 Holdings, LLC has also represented that SJCVC is the holder of the Creditor’s Judgment Interest. Further, 1st 100 Holdings, LLC represented: *that no party, other than the Collection Professionals (“Collection Professionals”) engaged to collect the Judgment and certain other creditors of 1st One Hundred Holdings (the “1st 100 Priority Creditors”), have a priority to receive net judgment proceeds prior to distributions to 1st One Hundred Holdings Members; and that SJCVC shall receive its interest at a minimum in pari passu with other parties who hold interests in the Judgment.*

Finally, SJCVC and 1st 100 have represented and warranted that any funds that are

¹ The “Creditor’s Judgment Interest” is defined in the Security Agreement as follows:

SJCVC represents that First 100, LLC and 1st One Hundred Holdings, LLC, obtained a Judgment in the amount of \$2,221,039,718.46 against Raymond Ngan and other Defendants in the matter styled First 100, LLC, Plaintiff(s) vs. Raymond Ngan, Defendant(s), Case No. A-17-753459-C in the 8th Judicial District Court for Clark County, Nevada (the “Judgment”). SJCVC represents it holds a 24.912% Membership Interest in 1st One Hundred Holdings, LLC. SJCVC represents and warrant that no party, other than the Collection Professionals engaged to collect the Judgment, have a priority to receive net judgment proceeds attributable to SJCVC before SJCVC; and that SJCVC shall receive its interest at a minimum in pari passu with other parties who hold interests in the Judgment. 1st One Hundred Holdings, LLC represents and warrant that no party, other than the Collection Professionals engaged to collect the Judgment and certain other creditors of 1st One Hundred Holdings, have a priority to receive net judgment proceeds prior to distributions to 1st One Hundred Holdings Members; and that SJCVC shall receive its interest at a minimum in pari passu with other parties who hold interests in the Judgment.

received in connection with the collection of the Judgment (“Judgment Funds”) will be paid to, and held in escrow, by MAIER GUTIERREZ AND ASSOCIATES, PLLC. Further, MAIER GUTIERREZ AND ASSOCIATES, PLLC shall be responsible for distribution of the Judgment Funds to the Collection Professionals, the 1st 100 Priority Creditors, and the Members of 1st 100; including the distribution of the Creditor’s Judgment Interest.

To provide for the orderly performance of the parties rights and obligations pursuant to the Security Agreement, the parties hereto wish to memorialize the transfer of funds related thereto and acknowledge that this “Payment Direction Letter” hereby instructs MAIER GUTIERREZ AND ASSOCIATES, PLLC to transfer funds pursuant to the terms of this PAYMENT DIRECTION LETTER

In consideration of the foregoing and for other good and valuable consideration, the parties hereto hereby agree as follows:

1. Each of the parties hereto agrees to the transfers of funds, subject to the conditions set forth below.

2. SJCVC and 1st 100 Holdings, LLC hereby instruct MAIER GUTIERREZ AND ASSOCIATES, PLLC to transfer to CBCI, on 1st 100 Holdings, LLC’s behalf, the amounts payable to SJCVC pursuant to the “Creditor’s Judgment Interest; ”

3. Upon receipt of any Judgment Funds, MAIER GUTIERREZ AND ASSOCIATES, PLLC shall contemporaneously notify CBCI that MAIER GUTIERREZ AND ASSOCIATES, PLLC has received Judgment Funds.

4. MAIER GUTIERREZ AND ASSOCIATES, PLLC shall contemporaneously provide CBCI with an accounting of how MAIER GUTIERREZ AND ASSOCIATES, PLLC intends to

distribute the Judgment Funds amongst the Collection Professionals, the 1st 100 Priority Creditors, and the Members of 1st 100; including the distribution of the “Creditor’s Judgment Interest.”

4. MAIER GUTIERREZ AND ASSOCIATES, PLLC shall contemporaneously transfer any funds due to SJCVC directly to CBCI as follows:

NEED PAYMENT INSTRUCTIONS

5. Once all amounts payable to the Collection Professionals and the 1st 100 Priority Creditors have been satisfied or otherwise waived, MAIER GUTIERREZ AND ASSOCIATES, PLLC is irrevocably authorized to initiate, and MAIER GUTIERREZ AND ASSOCIATES, PLLC hereby agrees to initiate, the transfers set forth herein.

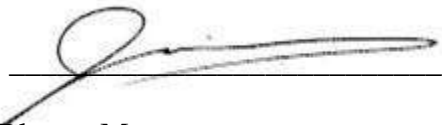
6. Each of the parties hereto hereby agrees to take such action and execute, acknowledge and deliver, such agreements, instruments or other documents as the other parties hereto may reasonably require from time to time to carry out the purposes of this Payment Direction Letter.

7. This Payment Direction Letter shall be construed under and governed by the laws of the State of Washington and may be executed in any number of counterparts and by different parties on separate counterparts. Each of such counterparts shall be deemed to be an original, and all of such counterparts, taken together, shall constitute but one and the same agreement. Delivery of an executed counterpart of this Payment Direction Letter by facsimile or electronic mail shall be equally as effective as delivery of a manually executed counterpart.

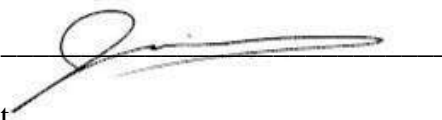
[SIGNATURES ON FOLLOWING PAGE]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by their respective officers thereunto duly authorized, as of the date first above written.

SJC Ventures, LLC.

By: 
Jay Bloom, Manager

1st 100 Holdings, LLC

By: 
Print
Name: Jay Bloom
Its: Manager

PERSONAL GUARANTY AGREEMENT

This Guaranty is given this 27 day of September, 2017 by Ken Antos ("Guarantor") who is a party to that Forbearance Agreement dated as of the day of August 2017 (the "Forbearance Agreement") by and among CBCI Partners, LLC ("CBCI"), Kenneth & Sheila Antos Living Trust (the "Living Trust"), Kenneth M. Antos & Sheila M. Neumann-Antos Trust (the "K & S Trust"), Kenneth Antos and Sheila Neumann-Antos, as Trustees of the Living Trust and the K & S Trust, and as Personal Guarantors of the Secured Promissory Note described therein, Spanish Heights Acquisition Company, LLC ("SHAC"), and SJC Ventures, LLC ("SJC"). This Guaranty is given in consideration of CBCI's agreement to forbear from exercising its rights and remedies with respect to certain Identified Defaults from the effective date of the Forbearance Agreement through August 31, 2019 (the "Forbearance Period"). Effective as of the execution of the Forbearance Agreement, Guarantor hereby agrees as follows:

1. **OBLIGATIONS GUARANTEED.** Guarantor irrevocably, absolutely, and unconditionally guarantees to CBCI the full and punctual performance of all of the obligations described in the Forbearance Agreement and any related agreements (the "Obligations").
2. **WAIVER AND CONSENT.** Guarantor waives diligence, presentment, protest, notice of dishonor, notice of default by CBCI, demand for payment, extension of time for payment, notice of acceptance of this Guaranty, and indulgences and notices of every kind. Guarantor waives any rights of subrogation, indemnity, reimbursement, and contribution which would otherwise be acquired by Guarantor by reason of its payment of any part of the Obligations. CBCI may do the following from time to time without notice to, or consent of, Guarantor and without affecting Guarantor's liability under this Guaranty:
 - a. Change the terms of the Obligations or of any Obligation(s) or liabilities of Guarantor to CBCI.
 - b. Release, settle, or compromise any Obligation(s) or liabilities of Guarantor.
 - c. Exchange, modify, release, impair, or fail to perfect a security interest in, any collateral securing the Obligations.
 - d. Guarantor shall remain liable until all terms of the Obligations are fully performed by Guarantor, notwithstanding any event that would, in the absence of these provisions, result in the discharge of Guarantor.
3. **ENFORCEMENT.** This is a continuing guaranty of payment and performance, not a guaranty of collection. CBCI may enforce this Guaranty without first proceeding against Guarantor, any other guarantor, any other person or any security or collateral, and without first pursuing any other right or remedy. This Guaranty remains enforceable regardless of any defenses that any party may assert on the Obligations, including but not limited to, failure of consideration, breach of warranty, fraud, statute of frauds, bankruptcy, lack of legal capacity, statute of limitations, CBCI liability, accord and satisfaction, and usury. If foreclosure or other remedy is pursued, only the net proceeds, after deduction of all charges and expenses, shall be applied to the amount due on the Obligations. CBCI may purchase all or part of the collateral or security at

any foreclosure or other sale for its own account and may apply the amount bid against the amount due on the Obligations.

4. **EXPENSES OF ENFORCEMENT.** If this Guaranty is given to an attorney for enforcement, Guarantor will reimburse CBCI for all expenses incurred in connection with enforcement including without limitation reasonable attorneys' fees.
5. **ALTERATION OF OBLIGATIONS.** No provision of this Guaranty shall be construed to amend the Obligations or to relieve Guarantor of any obligations thereunder.
6. **OBLIGATION OF GUARANTOR.** If more than one person or party executes a Guaranty as Guarantor of Guarantor's Obligations, this Guaranty and the related guaranties by other parties shall bind all such persons and parties jointly and severally. Guarantor acknowledges that Guarantor has adequate means to obtain from the Guarantor on a continuing basis, information on the financial condition of the Guarantor and that Guarantor is not relying on CBCI to provide this information, now or in the future. The liability of Guarantor shall be reinstated to the extent CBCI is required at any time to return any amount then previously received in payment of the Obligations for any reason including without limitation amounts recovered pursuant to avoidance claims in bankruptcy proceedings of the Guarantor.
7. **REPRESENTATIONS OF GUARANTOR AND OTHER REQUIREMENTS OF GUARANTY.**
 - (a) The Guarantor agrees not to pledge, hypothecate, mortgage, sell or otherwise transfer any of the Guarantor's assets without the prior written consent of CBCI.
 - (b) CBCI may grant extensions of time or other indulgences and otherwise deal with the Obligation(s) or and with other parties and securities as CBCI may see fit without in any way limiting or lessening the liability of the Guarantor under this Agreement.
 - (c) Any impairment of the security, which CBCI may from time to time hold as security for the Obligation(s), will in no way operate to discharge the Guarantor in whole or in part, it being specifically agreed that CBCI is not required to exercise diligence to enforce its rights against the Guarantor.
 - (d) CBCI may release, surrender, exchange, modify, impair or extend the periods of duration or the time for performance or payment of any collateral securing the Obligations to CBCI, and may also settle or compromise any claim of CBCI against the Guarantor against any other person or corporation whose obligation is held by CBCI as collateral security for any of the Obligations.
 - (e) This Guaranty is for the use and benefit of CBCI, and will also be for the use and benefit of any party to whom CBCI may assign this Guaranty.
 - (f) The liability of the Guarantor will continue until all of the Obligations are fully paid and satisfied.
 - (g) Upon any default by the Guarantor under the Agreement, all present and future indebtedness owed to the Guarantor is hereby assigned to CBCI. Any monies thereafter received by the Guarantor with respect to such indebtedness will be received in trust for CBCI and upon receipt are to be paid over to CBCI until such time as the Obligations have been fully paid and satisfied.

(h) The Guarantor represents that at the time of the execution and delivery of this Guaranty nothing exists to impair the effectiveness of this Guaranty.

8. MISCELLANEOUS. All rights and remedies of CBCI under this Guaranty are cumulative and are in addition to other rights and remedies CBCI may have. This writing is a complete and exclusive statement of the guaranty agreement between the parties. No course of dealing, course of performance, trade usage, or parol evidence shall be used to modify its terms. This Guaranty shall inure to the benefit of and may be enforced by CBCI and any subsequent holder of the Obligations and shall be binding upon and enforceable against Guarantor and the legal representatives, heirs, successors and assigns of Guarantor. This Guaranty shall be governed by the laws of the State of Washington, and Guarantor consents to the jurisdiction of the Courts of the State of Washington to adjudicate any disputes arising hereunder.

State of Nevada)

Dated: _____

County of Clark)

This Guaranty was acknowledged before me
This 27 day of September, 2017, by

GUARANTOR:

DORRA ZAMORA
WITNESS my hand and official seal affixed
hereto the day and year first above written.

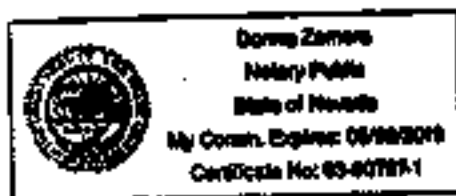
[Signature]

DORRA ZAMORA
Notary Public for the State of

Kenneth RYDOS
Print name

Commission Expires: 5/8/2019

4968 Tntn. Release Dr.
LV, NV 89148
Address



PERSONAL GUARANTY AGREEMENT

This Guaranty is given this 27 day of September, 2017 by Sheila Antos ("Guarantor") who is a party to that Forbearance Agreement dated as of the day of August 2017 (the "Forbearance Agreement") by and among CBCI Partners, LLC ("CBCI"), Kenneth & Sheila Antos Living Trust (the "Living Trust"), Kenneth M. Antos & Sheila M. Neumann-Antos Trust (the "K & S Trust"), Kenneth Antos and Sheila Neumann-Antos, as Trustees of the Living Trust and the K & S Trust, and as Personal Guarantors of the Secured Promissory Note described therein, Spanish Heights Acquisition Company, LLC ("SHAC"), and SJC Ventures, LLC ("SJCVC"). This Guaranty is given in consideration of CBCI's agreement to forbear from exercising its rights and remedies with respect to certain Identified Defaults from the effective date of the Forbearance Agreement through August 31, 2019 (the "Forbearance Period"). Effective as of the execution of the Forbearance Agreement, Guarantor hereby agrees as follows:

1. **OBLIGATIONS GUARANTEED.** Guarantor irrevocably, absolutely, and unconditionally guarantees to CBCI the full and punctual performance of all of the obligations described in the Forbearance Agreement and any related agreements (the "Obligations").
2. **WAIVER AND CONSENT.** Guarantor waives diligence, presentment, protest, notice of dishonor, notice of default by CBCI, demand for payment, extension of time for payment, notice of acceptance of this Guaranty, and indulgences and notices of every kind. Guarantor waives any rights of subrogation, indemnity, reimbursement, and contribution which would otherwise be acquired by Guarantor by reason of its payment of any part of the Obligations. CBCI may do the following from time to time without notice to, or consent of, Guarantor and without affecting Guarantor's liability under this Guaranty:
 - a. Change the terms of the Obligations or of any Obligation(s) or liabilities of Guarantor to CBCI.
 - b. Release, settle, or compromise any Obligation(s) or liabilities of Guarantor.
 - c. Exchange, modify, release, impair, or fail to perfect a security interest in, any collateral securing the Obligations.
 - d. Guarantor shall remain liable until all terms of the Obligations are fully performed by Guarantor, notwithstanding any event that would, in the absence of these provisions, result in the discharge of Guarantor.
3. **ENFORCEMENT.** This is a continuing guaranty of payment and performance, not a guaranty of collection. CBCI may enforce this Guaranty without first proceeding against Guarantor, any other guarantor, any other person or any security or collateral, and without first pursuing any other right or remedy. This Guaranty remains enforceable regardless of any defenses that any party may assert on the Obligations, including but not limited to, failure of consideration, breach of warranty, fraud, statute of frauds, bankruptcy, lack of legal capacity, statute of limitations, CBCI liability, accord and satisfaction, and usury. If foreclosure or other remedy is pursued, only the net proceeds, after deduction of all charges and expenses, shall be applied to the amount due on the Obligations. CBCI may purchase all or part of the collateral or security at

any foreclosure or other sale for its own account and may apply the amount bid against the amount due on the Obligations.

4. **EXPENSES OF ENFORCEMENT.** If this Guaranty is given to an attorney for enforcement, Guarantor will reimburse CBCI for all expenses incurred in connection with enforcement including without limitation reasonable attorneys' fees.

5. **ALTERATION OF OBLIGATIONS.** No provision of this Guaranty shall be construed to amend the Obligations or to relieve Guarantor of any obligations thereunder.

6. **OBLIGATION OF GUARANTOR.** If more than one person or party executes a Guaranty as Guarantor of Guarantor's Obligations, this Guaranty and the related guaranties by other parties shall bind all such persons and parties jointly and severally. Guarantor acknowledges that Guarantor has adequate means to obtain from the Guarantor on a continuing basis, information on the financial condition of the Guarantor and that Guarantor is not relying on CBCI to provide this information, now or in the future. The liability of Guarantor shall be reinstated to the extent CBCI is required at any time to return any amount then previously received in payment of the Obligations for any reason including without limitation amounts recovered pursuant to avoidance claims in bankruptcy proceedings of the Guarantor.

7. **REPRESENTATIONS OF GUARANTOR AND OTHER REQUIREMENTS OF GUARANTY.**

(a) The Guarantor agrees not to pledge, hypothecate, mortgage, sell or otherwise transfer any of the Guarantor's assets without the prior written consent of CBCI.

(b) CBCI may grant extensions of time or other indulgences and otherwise deal with the Obligation(s) or and with other parties and securities as CBCI may see fit without in any way limiting or lessening the liability of the Guarantor under this Agreement.

(c) Any impairment of the security, which CBCI may from time to time hold as security for the Obligation(s), will in no way operate to discharge the Guarantor in whole or in part, it being specifically agreed that CBCI is not required to exercise diligence to enforce its rights against the Guarantor.

(d) CBCI may release, surrender, exchange, modify, impair or extend the periods of duration or the time for performance or payment of any collateral securing the Obligations to CBCI, and may also settle or compromise any claim of CBCI against the Guarantor against any other person or corporation whose obligation is held by CBCI as collateral security for any of the Obligations.

(e) This Guaranty is for the use and benefit of CBCI, and will also be for the use and benefit of any party to whom CBCI may assign this Guaranty.

(f) The liability of the Guarantor will continue until all of the Obligations are fully paid and satisfied.

(g) Upon any default by the Guarantor under the Agreement, all present and future indebtedness owed to the Guarantor is hereby assigned to CBCI. Any monies thereafter received by the Guarantor with respect to such indebtedness will be received in trust for CBCI and upon receipt are to be paid over to CBCI until such time as the Obligations have been fully paid and satisfied.

(h) The Guarantor represents that at the time of the execution and delivery of this Guaranty nothing exists to impair the effectiveness of this Guaranty.

8. **MISCELLANEOUS.** All rights and remedies of CBCI under this Guaranty are cumulative and are in addition to other rights and remedies CBCI may have. This writing is a complete and exclusive statement of the guaranty agreement between the parties. No course of dealing, course of performance, trade usage, or parol evidence shall be used to modify its terms. This Guaranty shall inure to the benefit of and may be enforced by CBCI and any subsequent holder of the Obligations and shall be binding upon and enforceable against Guarantor and the legal representatives, heirs, successors and assigns of Guarantor. This Guaranty shall be governed by the laws of the State of Washington, and Guarantor consents to the jurisdiction of the Courts of the State of Washington to adjudicate any disputes arising hereunder.

State of Nevada

Dated: _____

County of Clark

This Guaranty was acknowledged before me
This 27 day of September, 2012, by

GUARANTOR:

Dorena Zamora
WITNESS my hand and official seal affixed
hereto the day and year first above written.

Sheila Antos
[Signature]

Dorena Zamora
Notary Public for the State of

Sheila NEWMANN - ANTOS
Print name

Commission Expires: 5/8/2019

4968 Ntn. foliage Dr.
LV, NV 89148
Address



PERSONAL GUARANTY AGREEMENT

This Guaranty is given this 27 day of September, 2017 by the Kenneth M. Antos & Sheila M. Neumann-Antos Trust ("Guarantor") who is a party to that Forbearance Agreement dated as of the 27 day of August 2017 (the "Forbearance Agreement") by and among CBCI Partners, LLC ("CBCI"), Kenneth & Sheila Antos Living Trust (the "Living Trust"), Kenneth M. Antos & Sheila M. Neumann-Antos Trust (the "K & S Trust"), Kenneth Antos and Sheila Neumann-Antos, as Trustees of the Living Trust and the K & S Trust, and as Personal Guarantors of the Secured Promissory Note described therein, Spanish Heights Acquisition Company, LLC ("SHAC"), and SJC Ventures, LLC ("SJC"). This Guaranty is given in consideration of CBCI's agreement to forbear from exercising its rights and remedies with respect to certain Identified Defaults from the effective date of the Forbearance Agreement through August 31, 2019 (the "Forbearance Period"). Effective as of the execution of the Forbearance Agreement, Guarantor hereby agrees as follows:

1. **OBLIGATIONS GUARANTEED.** Guarantor irrevocably, absolutely, and unconditionally guarantees to CBCI the full and punctual performance of all of the obligations described in the Forbearance Agreement and any related agreements (the "Obligations").
2. **WAIVER AND CONSENT.** Guarantor waives diligence, presentment, protest, notice of dishonor, notices of default by CBCI, demand for payment, extension of time for payment, notice of acceptance of this Guaranty, and indulgences and notices of every kind. Guarantor waives any rights of subrogation, indemnity, reimbursement, and contribution which would otherwise be acquired by Guarantor by reason of its payment of any part of the Obligations. CBCI may do the following from time to time without notice to, or consent of, Guarantor and without affecting Guarantor's liability under this Guaranty:
 - a. Change the terms of the Obligations or of any Obligation(s) or liabilities of Guarantor to CBCI.
 - b. Release, settle, or compromise any Obligation(s) or liabilities of Guarantor.
 - c. Exchange, modify, release, impair, or fail to perfect a security interest in, any collateral securing the Obligations.
 - d. Guarantor shall remain liable until all terms of the Obligations are fully performed by Guarantor, notwithstanding any event that would, in the absence of these provisions, result in the discharge of Guarantor.
3. **ENFORCEMENT.** This is a continuing guaranty of payment and performance, not a guaranty of collection. CBCI may enforce this Guaranty without first proceeding against Guarantor, any other guarantor, any other person or any security or collateral, and without first pursuing any other right or remedy. This Guaranty remains enforceable regardless of any defenses that any party may assert on the Obligations, including but not limited to, failure of consideration, breach of warranty, fraud, statute of frauds, bankruptcy, lack of legal capacity, statute of limitations, CBCI liability, accord and satisfaction, and usury. If foreclosure or other remedy is pursued, only the net proceeds, after deduction of all charges and expenses, shall be applied to the amount due on the Obligations. CBCI may purchase all or part of the collateral or security at

any foreclosure or other sale for its own account and may apply the amount bid against the amount due on the Obligations.

4. **EXPENSES OF ENFORCEMENT.** If this Guaranty is given to an attorney for enforcement, Guarantor will reimburse CBCI for all expenses incurred in connection with enforcement including without limitation reasonable attorneys' fees.

5. **ALTERATION OF OBLIGATIONS.** No provision of this Guaranty shall be construed to amend the Obligations or to relieve Guarantor of any obligations thereunder.

6. **OBLIGATION OF GUARANTOR.** If more than one person or party executes a Guaranty as Guarantor of Guarantor's Obligations, this Guaranty and the related guaranties by other parties shall bind all such persons and parties jointly and severally. Guarantor acknowledges that Guarantor has adequate means to obtain from the Guarantor on a continuing basis, information on the financial condition of the Guarantor and that Guarantor is not relying on CBCI to provide this information, now or in the future. The liability of Guarantor shall be reinstated to the extent CBCI is required at any time to return any amount then previously received in payment of the Obligations for any reason including without limitation amounts recovered pursuant to avoidance claims in bankruptcy proceedings of the Guarantor.

7. **REPRESENTATIONS OF GUARANTOR AND OTHER REQUIREMENTS OF GUARANTY.**

(a) The Guarantor agrees not to pledge, hypothecate, mortgage, sell or otherwise transfer any of the Guarantor's assets without the prior written consent of CBCI.

(b) CBCI may grant extensions of time or other indulgences and otherwise deal with the Obligation(s) or and with other parties and securities as CBCI may see fit without in any way limiting or lessening the liability of the Guarantor under this Agreement.

(c) Any impairment of the security, which CBCI may from time to time hold as security for the Obligation(s), will in no way operate to discharge the Guarantor in whole or in part, it being specifically agreed that CBCI is not required to exercise diligence to enforce its rights against the Guarantor.

(d) CBCI may release, surrender, exchange, modify, impair or extend the periods of duration or the time for performance or payment of any collateral securing the Obligations to CBCI, and may also settle or compromise any claim of CBCI against the Guarantor against any other person or corporation whose obligation is held by CBCI as collateral security for any of the Obligations.

(e) This Guaranty is for the use and benefit of CBCI, and will also be for the use and benefit of any party to whom CBCI may assign this Guaranty.

(f) The liability of the Guarantor will continue until all of the Obligations are fully paid and satisfied.

(g) Upon any default by the Guarantor under the Agreement, all present and future indebtedness owed to the Guarantor is hereby assigned to CBCI. Any monies thereafter received by the Guarantor with respect to such indebtedness will be received in trust for CBCI and upon receipt are to be paid over to CBCI until such time as the Obligations have been fully paid and satisfied.

(h) The Guarantor represents that at the time of the execution and delivery of this Guaranty nothing exists to impair the effectiveness of this Guaranty.

8. **MISCELLANEOUS.** All rights and remedies of CBCI under this Guaranty are cumulative and are in addition to other rights and remedies CBCI may have. This writing is a complete and exclusive statement of the guaranty agreement between the parties. No course of dealing, course of performance, trade usage, or parol evidence shall be used to modify its terms. This Guaranty shall inure to the benefit of and may be enforced by CBCI and any subsequent holder of the Obligations and shall be binding upon and enforceable against Guarantor and the legal representatives, heirs, successors and assigns of Guarantor. This Guaranty shall be governed by the laws of the State of Washington, and Guarantor consents to the jurisdiction of the Courts of the State of Washington to adjudicate any disputes arising hereunder.

State of Nevada)

Dated: _____

County of Clark)

This Guaranty was acknowledged before me
This 22 day of September, 2012, by

GUARANTOR:

Donna Zamora
WITNESS my hand and official seal affixed
hereto the day and year first above written.

[Signature]
Trustee

Donna Zamora
Notary Public for the State of

Kenneth Arto
Print Name of Trustee

Commission Expires: 5/8/2019

4968 W. Foliage Dr.
LV NV 89148
Address

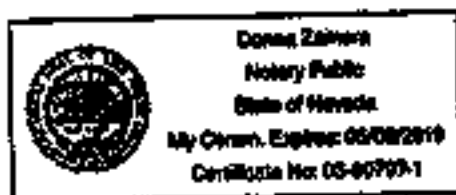


EXHIBIT “P”

7

**AMENDMENT TO FORBEARANCE AGREEMENT
AND RELATED AGREEMENTS**

THIS AMENDMENT TO FORBEARANCE AGREEMENT AND RELATED AGREEMENTS (the "Amendment") is made and dated as of the 1st day of December 2019 by and among CBC Partners I, LLC ("CBCP"), Kenneth & Sheila Antos Living Trust (the "Living Trust"), Kenneth M. Antos & Sheila M. Neumann-Antos Trust (the "K & S Trust"), Kenneth Antos and Sheila Neumann-Antos, as Trustees of the Living Trust and the K & S Trust, and as Personal Guarantors of the Secured Promissory Note described below, Spanish Heights Acquisition Company, LLC ("SHAC"), and SJC Ventures, LLC ("SJC") (collectively the "Parties").

WHEREAS, on or about September 27, 2017, the parties executed a Forbearance Agreement whereby CBCP agreed to forbear from exercising the rights and remedies under certain loan documents executed by the "Antos Parties." In addition to the Forbearance Agreement, the parties executed "Exhibit B" to the Forbearance Agreement, a Lease Agreement, an Account Control Agreement, a Membership Pledge Agreement, an Assignment of Rents, and a Security Agreement (collectively the "Related Agreements").

WHEREAS, pursuant to the terms of the Forbearance Agreement and the Related Agreements, the Forbearance Period expired on or about August 31, 2019.

WHEREAS, subject to the terms of this Extension, the parties desire to extend the Forbearance Period until March 31st, 2020.

NOW, THEREFORE, in consideration of the mutual covenants and agreements set forth herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereby agree as follows:

AMENDMENT

1. **Extension of Forbearance Period.** By way of Amendment to Section 4 of the Forbearance Agreement, the parties agree the Forbearance Period shall be extended to March 31st, 2020 (the "Extended Forbearance Period"). CBCI's agreement to extend the Forbearance Period is subject to the following conditions:

A. **Conditions to Extension.** The parties shall adhere to their commitments and obligations under the Forbearance Agreement and the Related Agreements. Thus, the parties agree, without limitation, as follows:

1. The Forbearance Agreement shall remain in effect and the execution of this Amendment shall not be considered a waiver of CBCI's rights under the Forbearance Agreement.

2. The "K & S Trust", Kenneth Antos and Sheila Neumann-Antos, as Trustees of the Living Trust and the K & S Trust, and as Personal Guarantors of the Secured Promissory Note described below (collectively the "Antos Parties"), SHAC, and SICV represent and warrant they are not in default of the Forbearance Agreement or any of the Related Agreements.

3. SHAC and SICV continue to be limited liability companies, organized under the laws of the State of Nevada, and are duly authorized to execute this Amendment.

4. The Antos Parties and the SICV Parties represent that they have no knowledge of any Other Lenders having undertaken efforts to enforce any rights related to the Property.

5. The Membership Pledge Agreement executed by SICV and the Antos Trust shall remain in effect and the execution of this Amendment shall not be considered a waiver of CBCI's rights under the Membership Pledge Agreement.

X 6. SHAC will provide CBCI with evidence of homeowner's insurance coverage that is effective through March 31st, 2020.

7. The payment of the Balloon Payment described in Exhibit "B" to the Forbearance Agreement shall be due on March 31st, 2020.

8. The parties acknowledge the extension of the Lease Agreement and such Agreement shall continue to govern the lease of the premises.

9. The Membership Pledge Agreement executed by SICV and the Antos Trust shall remain in effect and the execution of this Amendment shall not be considered a waiver of CBCI's rights under the Membership Pledge Agreement.

10. The Assignment of Rents Agreement shall remain in effect and the execution of this Amendment shall not be considered a waiver of CBCI's rights under the Assignment of Rents Agreement.

11. The Account Control Agreement shall remain in effect and the execution of this Amendment shall not be considered a waiver of CBCI's rights under the Account Control Agreement.

12. The Security Agreement shall remain in effect and the execution of this Amendment shall not be considered a waiver of CBCI's rights under the Security Agreement. In addition, SICV agrees to obtain from counsel for SICV and 1st One Hundred Holdings, LLC, dated as of the effective date of this Amendment, in form and substance reasonably satisfactory to CBCI, to the effect that the Judgment/Lien Pledge Agreement: (i) constitutes valid and binding obligation of SICV and 1st One Hundred Holdings, LLC in accordance with its terms; (ii) properly evidences CBCI's First Priority Position and that no other party, apart from the Collection Professionals has priority over CBCI to receive payments in relation to the Judgment, and (iii) no ungiven notice to or obtained consent, authorization, approval or order of any court or governmental agency or body required to be obtained by SICV or 1st One Hundred Holdings is

required for the consummation of the transactions set forth therein. CBCI may require that the opinion of counsel address any other matters incident to the matters herein contemplated as CBCI may reasonably request.

13. SJCIV shall provide representations for SJCIV and 1st One Hundred Holdings, LLC, dated as of the effective date of this Amendment, in form and substance reasonably satisfactory to CBCI, to the effect that: (i) both SJCIV and 1st One Hundred Holdings, LLC are limited liability companies continue to be duly organized, validly existing and of active status under the laws of the State of Nevada; (ii) each party continues to have full power and authority to make, execute, deliver and perform the their obligations under the Security Agreement, and all corporate or other proceedings required to be taken by SJCIV and 1st One Hundred Holdings, LLC to authorize the execution, delivery, and performance of this Security Agreement have all been duly and properly taken; (iii) the Security Agreement continues to constitute a valid and binding obligation of SJCIV and 1st One Hundred Holdings, LLC in accordance with their respective terms; and (iv) no ungiven notice to or obtained consent, authorization, approval or order of any court or governmental agency or body required to be obtained by SJCIV or 1st One Hundred Holdings, LLC is required for the consummation of the transactions of the Security Agreement and the Amendment. Such opinion shall include any other matters incident to the matters herein contemplated as CBCI may reasonably request. In rendering such opinion, such counsel may rely upon certificates of governmental officials and may place reasonable reliance upon certificates of officers of SJCIV and 1st One Hundred Holdings, LLC.

14. SJCIV and 1st One Hundred Holdings, LLC have provided CBCI with a representation that: (1) identifies any parties that may be liable to SJCIV and/or 1st One Hundred Holdings, LLC for the any portion of the Judgment; (2) provides an assessment of the current

status of efforts to collect amounts owed under the Judgment; (3) states whether any parties have undertaken legal action to oppose efforts to collect the Judgment; and (4) provides an evaluation of the likelihood of a favorable outcome before the end of the Extended Forbearance Period.

15. The Guarantees identified in Section 6 Security Agreement shall remain in Section 6(g) effect and the execution of this Amendment shall not be considered a waiver of CBCI's rights under the Guarantees.

16. The Antos Parties and the SJCV Parties represent that they have not incurred any liability or expended cash for any capital expenditures or improvements over and above \$350,000. The SJCV Parties and the Antos Parties shall provide CBCI with a statement that identifies all capital expenditures and/or capital improvement that have been made for the benefit of the Property.

17. The Antos Parties and the SJCV Parties represent and warrant:

- a. They have not incurred additional debt against the property from September 27, 2017 to present;
- b. They have not made payments of any kind (including principal, interest, or other amounts owed) on any existing or future loans related to the property from the principals of the Antos Parties and the SJCV Parties;
- c. They have not allowed any new liens to be secured by property which is owned or hereafter acquired by Antos Parties and the SJCV Parties or any of their affiliated companies;
- d. The Antos Parties and the SJCV Parties have not entered into any agreements for a party to acquire the Property; will not enter into any acquisitions without the prior approval of CBCI;