



LGI KITCHEN

COMMERCIAL KITCHEN RENTAL AGREEMENT

This License agreement (“License”) is for the rental of shared space in the **commercial kitchen located @ 3519 West Commonwealth Ave. Suite L&M Fullerton Ca. 92833.**

This “License” is effective _____, and is entered into by and between **LGI KITCHEN LLC.** (“Owner”) and _____ (“Client”), with reference to the following facts:

A. Owner desires to license to Client that portion of the Property commonly known as Units L, M, & N, of the Property, and designated as the “Licensed Area” for the purposes set forth in Section 1 (under Terms of Agreement) of this License, and to make certain agreements concerning Client’s use of the Licensed Area, as more fully set forth in this License.

B. The Owner is of the opinion that the Client has the necessary qualifications, licenses, and permits.

There are three necessary qualifications for renting at LGI Kitchen LLC:

1. Preferably everyone in your team needs a basic food handler card (Find at www.servsafe.com/home). At least one member of the team needs to have the manager food handler
2. Liability insurance is required by all parties working in the kitchen, with a rider of additional insured for LGI Kitchen LLC and Marjan Khoyi.
3. It is also the client's responsibility to contact Orange County Health Department (1241 E. Dyer Road, Suite 120, Santa Ana, CA 92705 Telephone: (714) 433-6000 Web Site: www.ocfoodinfo.com) and acquire permission and pay any dues before using Licensed Area.

A minimum of \$120 worth of kitchen use per month is mandatory to keep membership current. There's an initial \$550 fee, \$300 of which is an annual membership fee, and the other \$250 is a deposit for small incidentals and keys to the kitchen.

TERMS OF AGREEMENT

1. License. Owner hereby temporarily licenses to Client the Licensed Area for the purpose of permitting, from time to time, at Owner’s sole and absolute discretion, Client to temporarily use the Licensed Area for the sole purpose of Client’s manufacture of food products for sale away from the Property to third parties.

1a. Conditional Use. So long as Client has complied with all of the terms and conditions of this Agreement, and for so long as Client shall continue to so comply, Owner grants to Client the *nonexclusive* right and license to share and use the kitchen facilities described in Section A above, for the uses, during the times, and in consideration of the rental payments and other promises made herein.

1b. The Owner hereby agrees to rent Licensed area to the client for an Hourly/daily/monthly rate, which includes set up and clean up time. The Client must keep all areas clean, check stock for current dates and rotate. No expired dates allowed on said premises. No smoking, drugs or alcohol is allowed on premises.

2. Term. This License shall be in effect from time to time, as set forth in separate written memorandum(s), and shall begin and terminate on the date(s) and time(s) set forth in each such memorandum. The limited rights from time to time granted by Owner to Client are personal to Owner and Client, and shall not inure to the benefit of Client's successors. This License shall terminate immediately for, among other reasons, damage, destruction, taking, severing or deterioration of the Property and/or Licensed Area to the point of non-usability, or if it is determined that the use contemplated by this License is illegal or unsafe, or upon termination of the Lease.

3. Removal of Client's Equipment, Materials and Property. Upon termination of each period of time during which the Client is authorized by Owner to temporarily use the Licensed Area for the sole purpose of Client's manufacture of food products, Client shall immediately and fully remove its equipment, materials and property from the Licensed Area and the Property, and immediately and fully restore the Licensed Area to completely clean and orderly condition.

4. Use. Client shall not place or store any hazardous substances or materials including, without limitation, flammables, explosives, radioactive materials, asbestos, polychlorinated biphenyls (PCBs), chemicals known to cause cancer or reproductive toxicity, pollutants, contaminants, hazardous wastes, toxic substances or related materials, petroleum and petroleum products, and substances declared to be hazardous or toxic under any law or regulation now or hereafter enacted or promulgated by any governmental authority.

4a. Nature and Conditions of Use. Client shall use the Facilities for the sole and Exclusive purpose of preparing food for service at a location other than the Licensed Area in compliance with all laws and sound food handling practices. Client shall vacate the Site no later than the end of the Period of Use, leaving the Licensed Area and the Facilities in a clean condition, as "clean condition" is defined according to the policies and procedures of Owner. Client shall comply with all applicable laws with respect to its use of the Facilities, its presence at the Licensed Area, its service and the consumption of any food prepared at the Licensed Area, and all laws, rules and regulations with respect to food safety and sanitation as may govern the preparation of food at the Licensed Area during the Period of Use. Client shall take good care of the Facilities and shall comply with the terms and conditions of any leases, licenses or other agreements relating to the Facilities. Client shall comply with all of Owner's policies and procedures regarding access to and use of the Facilities, including, without limitation, procedures for the cleaning, hygiene and physical security of the Facilities.

4b. No children policy. Children are not allowed to be present in the kitchen, nor the warehouse area. If a minor (under 18 years old) is present in the facility the parent, guardian, or the Client will be held accountable for the minor's actions. In example, damages to the property and/or equipment, injuries, cleaning, hazardous leaks, and nuisance to the property staff.

5. Compliance with Law. Client shall, at its sole cost and expense, obtain any and all permits for its use and operation of the Licensed Area, and perform any and all other acts necessary to be in compliance with all applicable federal, state and local laws, ordinances and regulations and private restrictions with regard to the Licensed Area and the Property, including without limitation

any and all zoning, building, safety and environmental rules and regulations. Client shall not use or permit the use of the Licensed Area in any manner that will constitute waste or a nuisance.

6. Indemnity. Client shall indemnify, protect, defend (with counsel reasonably acceptable to Owner) and hold Owner and each of Owner's employees, agents, representatives, successors or assigns (collectively, the "Owner Parties") free and harmless from and against any and all claims, liabilities, damages, costs, penalties, forfeitures, losses and expenses, attorneys' fees and expenses (including any fees and expenses incurred with respect to the enforcement of this provision and this License) and expert witness fees and costs, arising from or related to: (a) any act or omission committed by Client or any of Client's officers, directors, members, employees, agents, representatives or successors (collectively, the "Client Parties"); (b) the presence, discharge, leak, spill or release of hazardous substances in, on, under or around the Licensed Area or the Property caused or contributed by any of the Client Parties; (c) any claim by any agent, invitee, contractor, guest or other person based on any personal injury, death or damage to or destruction of personal property arising out of Client's use and/or presence in the Licensed Area; and/or (d) a breach of any of the covenants, obligations, or representations or warranties by Client under this License. The foregoing indemnity obligations shall survive the expiration or earlier termination of this License.

6a. Owner shall be excused from performance pursuant to this Agreement for any period it is prevented from performing in whole or in part, as a result of an act of God, war, civil disturbance, court order, labor dispute or other cause beyond its reasonable control. and such nonperformance shall not be a ground for liability to Owner.

7. Liens. Client agrees to hold Owner harmless from any liens filed against the Licensed Area or the Property as a result of any work performed on behalf of Client. Without limiting any remedy of Owner, Client may pay any liens which may be filed against the Property as a result of such work, in which case Client shall reimburse Owner on demand in the amount Owner is required to pay as a result of any such liens and any expense it may incur in connection therewith along with Owner's attorneys' fees and costs. Owner may post notices of non-responsibility on the property concerning any such work.

8. Acceptance. Client hereby acknowledges that it has been offered the opportunity to independently examine and evaluate the Facilities and shall continue to do so throughout the term of this Agreement. Client further acknowledges that Owner has made no attempt to make the Facilities useful or fit for any purpose for any particular Client, or for uses other than those intended by Owner. THEREFORE, CLIENT ACCEPTS THE FACILITIES "AS IS" AND OWNER MAKES NO WARRANTIES, EXPRESS OR IMPLIED, INCLUDING, BUT NOT LIMITED TO, WARRANTIES OF MERCHANTABILITY, SUITABILITY OR FITNESS FOR A PARTICULAR PURPOSE, WITH RESPECT TO THE FACILITIES, OR RESULTS TO BE DERIVED FROM THE USE OF THE FACILITIES BY CLIENT OR OTHERS. The provisions of this Section 8 shall survive termination of this Agreement for any reason.

9. License Not an Assignment or Sublease. This License is not an assignment or sublease of the Licensed Area or the Property. Client shall not by operation of law or otherwise assign, sublet, hypothecate, encumber or mortgage this License, or any part thereof, or permit the Licensed Area to be used by others, other than Client's employees, contractors, invitees and guests. Any attempt by Client to assign, sublet, encumber or mortgage this License shall be null and void. Without the prior written consent of Owner (which may be withheld, conditioned or delayed in Owner's sole and absolute discretion), this License and the interest therein of any assignee of Client herein, shall not pass by operation of law or otherwise, and shall not be subject to garnishment

or sale under execution in any suit or proceeding which may be brought against or by Client or any assignee of Client.

10. Termination. This License may be terminated by Owner upon the occurrence of an “Event of Default” as defined herein under this License by Client. The termination of this License shall not in any manner relieve or release Client from any liability which may have attached or accrued hereunder. Upon termination as provided in this License, no refund in whole or in part of any consideration previously paid shall be due Client, and Client acknowledges that such consideration has been fully earned by the execution of this License. No holding over by Client shall give rise to any continuing interest on the Licensed Area and/or the Property, including without limitation by way of prescription, equitable easement, estoppel or oral agreement, all of which claims are hereby waived.

11. Insurance.

11.1 Policy Coverages and Limits. At all times during the term of this License, and so long as Client has not surrendered possession of the Licensed Area as agreed to or as requested by Owner in accordance with the terms hereunder, Client, at its sole expense, shall obtain and keep in force with respect to the Licensed Area: (a) comprehensive or commercial general liability insurance coverage (on an occurrence basis), including personal injury, bodily injury, death, broad form property, damage, operations hazard, owner’s protective coverage, contractual liability (including specific coverage of the indemnification in Section 6), in limits not less than one million (\$1,000,000) dollars combined single limit per occurrence; and (b) Worker’s Compensation and Employer’s Liability Insurance as required by state law. Such insurance shall name Owner as additional insured and loss payee where applicable to the Facilities and the Site. All liability policies shall be primary without right of contribution from any insurance carried by Owner. Client shall furnish to Owner endorsements and certificates evidencing the coverage required above.

12. Licensor’s Right of Entry. Owner reserves the right to enter upon the Licensed Area without notice to Client for the purpose of inspecting the Licensed Area to determine whether Client is abiding by the terms and conditions of this License, and/or to remedy any unacceptable, dangerous or hazardous conditions existing within the Licensed Area, regardless of whether such conditions constitute an emergency. Owner reserves the right to place, install, maintain, carry through, repair and replace such utility lines, pipes, drainage facilities, wires, appliances, tunneling and the like in, over, through and upon the Licensed Area as may be reasonably necessary or advisable for the servicing of the Property.

13. Default. Each of the following events or conditions shall constitute an “Event of Default”:

13a. Any failure by either party to perform or comply with the terms and conditions of this License, including breach of any terms and conditions contained herein, provided that such failure continues for three (3) days after notice to cure.

13b. Any representation or warranty furnished by either party to this License set forth herein was false or misleading in any material respect when made.

14. No Waiver. The waiver by either party of any breach or default of any term, covenant or condition of this License by the other party shall not be deemed to constitute a waiver of such term, covenant, condition or any subsequent breach or default by the other party, whether of the

same or any other covenant, term or condition. The subsequent acceptance of money consideration hereunder shall not be deemed to be a waiver of any prior occurring breach by the party paying same of any term, covenant, or condition of this License other than the failure of such party to pay the money consideration so accepted. No waiver, benefit, privilege or services voluntarily given or performed by either party shall give the other any contractual right by custom, estoppel or otherwise.

15. Attorneys' Fees. If either party brings any action or proceeding to enforce, protect, or establish any right or remedy under this License or to construe the License, or the obligations of either party in regard thereto, the prevailing party shall be entitled to recover reasonable attorneys' fees and all court costs as awarded by a court of competent jurisdiction.

16. General Provisions.

16.1 Writing. All notices must be in writing.

16.2 Delivery. Notice is considered given either (a) when delivered in person to the respective party, or (b) five (5) days after deposit in the United States mail in a sealed envelope or container, postage and postal charges prepaid, addressed by name and addressed to the Property if addressed to Owner, and to the Client's address last delivered in writing by Client to Owner, or at such other address as any party may notify the other by written notice to the other party to this License.

16.3 Exhibits. All Exhibits to which reference is made in this License are attached to this License and incorporated into this License by reference.

16.4 Entire Agreement. This License contains the entire agreement between the parties and may only be amended by a writing signed by both parties. No promise, representation, warranty or covenant not included in this License has been or is relied on by either party.

16.5 Severability. The invalidity or illegality of any provision of this License shall not affect the remainder of the License.

16.6 No Joint Venture or Partnership. Licensee and Licensor are not partners or joint ventures, and nothing contained herein shall be construed to create a partnership or joint venture in any sense.

16.7 Counterparts. This License may be executed in two (2) or more counterparts, each of which shall be an original, but all of which shall constitute one and the same instrument.

16.8 Authority. Owner and Client, on behalf of itself and its successors, each represents that it has the authority to enter into this License.

16.9 Successors and Assigns. This License is binding upon the heirs, assigns and successors of the Owner, and upon the heirs and successors of the Client, subject to the other provisions of this License.

16.10 No Construction Against Preparer of License. This License has been prepared by Owner and her professional advisors and reviewed by Client and its professional advisors. Owner, Client and their separate advisors believe that this License is the product of all of their

efforts, that it expresses their agreement and that it should not be interpreted in favor of either Owner or Client or against either Owner or Client merely because of their efforts in preparing it.

1. Miscellaneous.

- 10.1 Governing Law: This Agreement shall be governed by the laws of the State of California.
- 10.2 Severability: In the event any provisions of this Agreement are found to be in violation of local, state or federal law, Customer must still abide by the provisions of the Agreement that are not in violation of such law.
- 10.3 Limitation of Claims: Any cause of action Client may have with respect to the Service must be commenced within six months after the claim or cause of action arises.
- 10.4 Venue and Jurisdiction: Any judicial proceeding arising under this Agreement shall be brought and litigated solely in the state court system of the State of California located in Los Angeles County, if at all. In such event, Customer acknowledges the right of the specified court to assert jurisdiction in any such action over Customer, and Customer explicitly waives and release any defense to that assertion of jurisdiction.
- 10.5 No Assignment: Neither this Agreement nor any Client rights or obligations arising hereunder shall be transferable by Client to any third party without Owner's prior written consent. Such consent shall not be unreasonably withheld.
- 10.6 Notice: A party may contact or give written notice to the other party by any of the following methods:
- 10.6.1 Sending an email to the other party's designated email address following the signatures to this Agreement.
 - 10.6.2 Sending a letter via US Mail, return receipt requested, addressed to the other party at the address provided after the signatures to this Agreement.
 - 10.6.3 Notices shall be effective the earlier of (i) when received (ii) after 3 business days from sending via certified mail/ courier services.

2. Complete Agreement: This Agreement is the complete agreement between LGI Kitchen and Client. It supersedes all prior agreements, negotiations and inducements about the subject of this Agreement. No promises or agreements made after the execution of this Agreement are binding unless in writing and signed by all parties. Both parties must initial any handwritten changes to this Agreement.

IN WITNESS WHEREOF, Owner and Client have executed this License effective as of the date first above written.

LGI Kitchen

_____ Authorized Signature DATE _____

_____ Print Name

RENTER _____ DATE _____

_____ Authorized Signature

_____ Print Name