

ORIGINAL

LEASE

LANDLORD: Watson Land Company,
 a California corporation

TENANT: Nature's Best,
 a California corporation

DATED: December 22, 2006

THE SUBMISSION OF THIS DOCUMENT FOR EXAMINATION AND NEGOTIATION DOES NOT CONSTITUTE AN OFFER TO LEASE, OR A RESERVATION OF, OR OPTION FOR, THE PREMISES; THIS DOCUMENT BECOMES EFFECTIVE AND BINDING ONLY UPON EXECUTION AND DELIVERY HEREOF BY LANDLORD. NO ACT OR OMISSION OF ANY EMPLOYEE OR AGENT OF LANDLORD OR OF LANDLORD'S BROKER SHALL ALTER, CHANGE OR MODIFY ANY OF THE PROVISIONS HEREOF.

SINGLE TENANT INDUSTRIAL LEASE

THIS SINGLE TENANT INDUSTRIAL LEASE ("Lease") is made and entered into as of December 22, 2006 by and between Watson Land Company, a California corporation ("Landlord") and Nature's Best, a California corporation ("Tenant").

Landlord and Tenant mutually covenant and agree that Landlord, in consideration of the rent payable by Tenant and the covenants and agreements to be kept, observed and performed by Tenant, hereby rents and leases to Tenant, and Tenant hereby takes and hires from Landlord, the "Premises" (as defined herein), pursuant to the provisions of this Lease, subject to (i) all applicable zoning, municipal, county, state and federal laws; (ii) covenants, conditions, restrictions, reservations, easements, rights and rights-of-way of record; and (iii) Performance Standards attached hereto as Exhibit A and incorporated herein by reference. In the event of any conflict between the provisions of this Lease and the provisions of the Performance Standards, the provisions of this Lease shall govern. Tenant acknowledges its understanding and awareness that the Premises is subject to an aviation easement related to the Chino Airport and that the Premises is located in Aviation Safety Zone II and is subject to maximum gross density limitations (persons per acre) and maximum assembly limitations (gatherings of persons together as defined in the California Building Code).

ARTICLE I Basic Lease Provisions

1.1 **Description of Premises:** "Premises", as used herein, shall mean and refer to: (a) the building to be built in accordance with the requirements set forth on Exhibit C and Exhibit C-1 attached hereto and to consist of approximately 409,588 square feet and to be known as Watson Land Company Building 817 (the "Building") situated on the real property located at [street address to be assigned by City of Chino] Fern Avenue, Chino, California, together with (b) the exclusive right to use the Tenant Yard Area generally depicted in the attached Exhibit B. The Building square footage set forth above has been determined by RGA Architects using a C.A.D. software program and measuring from the exterior walls and dripline of the Building. Upon approval of the final plans for the building and the issuance of a building permit for the building, the square footage of the Building shall be confirmed using the same methodology. Should the final square footage determination differ from the 409,588 square feet noted above, there shall be a corresponding adjustment to the Minimum Net, Net, Net component of Initial Minimum Rent.

1.2 **Street Address of Premises:** [street address to be assigned by City of Chino] Fern Avenue, Chino, California.

1.3 **Approximate Building Square Footage:** 409,588 square feet.

1.4 **Lease Term:** One hundred twenty (120) months, beginning sixty (60) days following Substantial Completion of the Base Building Improvements. The actual Commencement Date shall be determined pursuant to the provisions of Paragraph 3.2 of this Lease (the "Commencement Date") and the Lease Term shall end on the last day of the calendar month which is one hundred twenty (120) months thereafter (the "Termination Date").

1.5 **Extension Options:** One (1) period of ten (10) years. See Paragraphs 1 and 2 of the attached Lease Rider Number 1.

1.6 **Initial Minimum Rent:** Two Hundred Twenty One Thousand Seven Hundred Sixty One and 43/100ths Dollars (\$221,761.43) which is comprised of the Minimum Net, Net, Net Rent of One Hundred Eighty Four Thousand Three Hundred Fourteen and 60/100ths Dollars (\$184,314.60), plus one-twelfth (1/12th) of (a) the initial

Annual Tax Base Amount, (b) the initial Annual Insurance Base Amount, and (c) the initial Annual Landscape Base Amount.

1.7 **Periodic Rent Adjustments:** See Paragraph 3 of the attached Lease Rider Number 1.

1.8 **Annual Tax Base Amount:** Two Hundred Fifty Nine Thousand Six Hundred Forty Two and 00/100ths Dollars (\$259,642.00).

1.9 **Annual Insurance Base Amount:** One Hundred Fifty Eight Thousand Seven Hundred Sixty and 00/100ths Dollars (\$158,760.00).

1.10 **Annual Landscape Base Amount:** Thirty Thousand Nine Hundred Sixty and 00/100ths Dollars (\$30,960.00).

1.11 **Initial Security Deposit:** Two Hundred Twenty One Thousand Seven Hundred Sixty One and 43/100ths Dollars (\$221,761.43).

1.12 **Brokers:** Colliers Seeley (agents: Tom Taylor/Steve Bellitti/Josh Hayes) and Cushman & Wakefield (agents: Jeff Chiate/Rick Ellison).

1.13 **Tenant Improvement Work:** See Paragraph 4 of the attached Lease Rider Number 1.

1.14 **Exhibits and Riders:** The following Exhibits and Riders are attached to this Lease and made a part hereof:

Exhibit A - Performance Standards
Exhibit B - Outline of Building and Tenant Yard Area
Exhibit C - Base Building Improvements Description
Exhibit C-1- Preliminary Plans
Exhibit C-2- Substantial Completion Components
Exhibit D - Form of Lease Addendum
Exhibit E - Hazardous Material Certificate
Exhibit F - Form of Estoppel Certificate
Exhibit G - Base Building Construction Procedures
Exhibit H - Work Letter Agreement
Exhibit I - Landlord's Waiver Agreement
Exhibit J - Form of Memorandum of Lease
Exhibit K - Fuel Tank Provisions
Exhibit L - List of Tenant Hazardous Material
Lease Rider Number 1

1.15 **Mailing Addresses:**

Landlord: Watson Land Company
22010 Wilmington Avenue, Suite 400
Carson, California 90745

Tenant: Nature's Best,
Attn: Mr. Tim Groff
105 South Puente Street
Brea, California 92821

(with copy to):

Palmieri, Tyler, Wiener, Wilhelm & Waldron LLP
Attn: Dennis W. Ghan, Esq.
2603 Main Street
East Tower- Suite 1300
Irvine, CA 92614

ARTICLE II
Construction of Base Building Improvements
and Condition of Premises

2.1 Landlord shall construct certain building shell and site improvements on the Site as described in, and subject to the terms and conditions of, the attached Exhibit C (the "Base Building Description") and substantially in accordance with the Preliminary Plans attached hereto as Exhibit C-1.

2.2 Landlord agrees that upon the Commencement Date, the "Building Systems" (as defined herein) shall be in good working order. As used herein the term "Building Systems" shall mean the plumbing, lighting, HVAC (serving the primary office area), electrical systems and loading doors of the Building and the ESFR fire suppression system. If, within one (1) year following the Commencement Date, Tenant discovers and advises Landlord in writing that any Building System of the Premises is not in good working order, then Landlord shall repair such item at Landlord's sole cost and expense. Tenant shall at all times during the Lease Term be responsible for all periodic service and routine maintenance specified by the manufacturer of the HVAC system. The benefit of any warranties covering the Building Systems which remain in effect during and beyond the one-year period specified above shall be made available to Tenant. Except as otherwise specifically provided in this Article II, and Lease Rider Number 1 attached hereto, in the Base Building Construction Procedures attached hereto as Exhibit G, and in the Work Letter Agreement attached hereto as Exhibit H, Tenant will accept the Premises in its condition, state of repair and operating order as of its Substantial Completion. Tenant further acknowledges that neither Landlord nor any real estate agent or broker representing Landlord or Tenant has made any representation or warranty as to the present or future suitability of the Premises for the conduct of Tenant's business except as set forth in this Lease. Tenant specifically acknowledges that except as provided in this Lease, Landlord makes no representation or warranty with respect to any laws, codes, ordinances, rules or regulations affecting the Premises including, without limitation, laws, codes ordinances, rules or regulations relating to fire or life safety, or access by disabled persons (collectively "Codes") affecting the Premises or Tenant's proposed use of the Premises, and Tenant shall be responsible for determining the suitability and conformity of the Premises with respect to such Codes, and Tenant shall be responsible for making any necessary modifications to the Premises in order to comply with such Codes, except as set forth in this Lease. Upon Substantial Completion of the Building, Landlord will confirm to Tenant in writing that Landlord has not received uncured written notice alleging that the Premises is in violation of any Codes, nor, to Landlord's actual knowledge, is the Premises in violation of any Codes. In the event that, as of the Commencement Date, the Building is in violation of the requirements of Title III of the Americans with Disabilities Act ("ADA") or any other Codes applicable to the Building with respect to the use of the Building for general warehouse, distribution and incidental related office purposes (but not for any use constituting a "public accommodation" under the ADA), for any reason other than as a result of Tenant's acts, specific use of the Premises for other than general warehouse, distribution and incidental related office purposes, or improvements or alterations made by or for Tenant, all as approved in advance by Landlord, Landlord shall, at its sole cost and expense, cause the same to be rectified at no cost to Tenant to the extent required by applicable law.

2.3 The Early Suppression Fast Response (ESFR) fire suppression system for the Building shall be completed at the time of Substantial Completion as part of Landlord's Base Building Improvements as detailed in Exhibit C.

ARTICLE III
Term of Lease

3.1 The term of this Lease (the "Lease Term") shall be the period set forth in Item 1.4 of the Basic Lease Provisions. Subject to the terms and conditions of

this Lease, the Lease Term shall commence on the Commencement Date and shall terminate on the Termination Date, which dates are specified in Item 1.4 of the Basic Lease Provisions.

3.2 The term of this Lease shall be one hundred twenty (120) months commencing on the Commencement Date (the "Lease Term"). Except as otherwise provided in this Paragraph 3.2, the Commencement Date shall occur sixty (60) days following Landlord's "Substantial Completion" (as defined in this Paragraph 3.2) of the "Base Building Improvements" (as generally described in the attached Exhibit C "Base Building Improvements Description" and as generally depicted in Exhibit B "Outline of Building and Tenant Yard Area"). Substantial Completion of the Base Building Improvements shall, at a minimum, require completion (subject to punchlist corrections) of each component listed in the attached Exhibit C-2. In the event Substantial Completion of the Base Building Improvements is delayed as a result of any act, omission, interference by Tenant, or by Tenant requested or performed alterations to the Base Building Improvements ("Tenant Delay"), then the Commencement Date shall be deemed to have occurred on the date that Substantial Completion of the Base Building Improvements would have first occurred, but for such delay. In the event a Tenant Delay occurs concurrently with another construction delay not caused or contributed to by Tenant ("Unrelated Concurrent Delay"), and the Unrelated Concurrent Delay is not ultimately mitigated by Landlord (through overtime, additional shifts or additional staffing), then Tenant shall not be charged with a Tenant Delay for each day that the Tenant Delay overlaps with the Unrelated Concurrent Delay. As used herein, the term "Substantial Completion" shall mean the date on which all Building Systems and all major components of the Base Building Improvements have been completed, subject to only to minor corrective work which will not materially interfere with Tenant's access to the Building or Tenant's ability to perform its improvement work. So long as Substantial Completion occurs on or before October 1, 2007, then the Commencement Date shall occur sixty (60) days thereafter. If Substantial Completion occurs after October 1, 2007 (but before January 15, 2008) then the Commencement Date shall occur on March 15, 2008. If either Landlord or Tenant reasonably determine that Substantial Completion will not occur by June 1, 2008 (plus any extension of that date resulting from any Tenant Delays), the party making such determination shall so notify the other party in writing as soon as the notifying party is able to make such determination, and such notice shall state the facts and circumstances on which such determination has been made. Landlord and Tenant shall then meet and confer to determine whether Landlord will in fact achieve Substantial Completion of the Premises by June 1, 2008, and, if not, whether Landlord is able to provide Tenant with interim space reasonably acceptable to Tenant for the period between June 1, 2008 and the date on which Substantial Completion of the Premises occurs. If Landlord and Tenant are able to agree on either Landlord's ability to achieve Substantial Completion of the Premises by June 1, 2008 or the arrangement for such interim space, then this Lease shall remain in effect and the Commencement Date shall be determined as provided in this Paragraph 3.2. If Landlord and Tenant are unable to agree on the arrangement for such interim space, and if Substantial Completion does not occur by June 1, 2008 (plus any extension of that date resulting from any Tenant Delays), Tenant shall have the right, upon thirty (30) days prior written notice to Landlord to terminate this Lease if Landlord fails to cause Substantial Completion to occur prior to the expiration of such thirty (30) day period. Upon such Termination, Landlord shall return the Security Deposit to Tenant and, notwithstanding any provisions of this Lease to the contrary, Tenant shall not be required to remove any of its below floor slab plumbing or piping installations. If the Lease Term commences on a day other than the first day of a calendar month, the Lease Term shall end on the last day of the calendar month in which said Lease Term would otherwise end. The date of Substantial Completion shall be established and confirmed as provided in Paragraph 3 of Exhibit G attached hereto. Landlord and Tenant shall execute a Lease Addendum in the form attached to this Lease as Exhibit D, confirming the actual Commencement Date and Termination Date and confirming the dates on which the rent adjustments under Paragraph 3(a) of the attached Lease Rider Number 1 shall occur.

3.3 Landlord shall provide Tenant with access to the Premises upon Substantial Completion of the Base Building Improvements or such earlier date as

Landlord determines, in its reasonable judgment, that Tenant may enter onto the Premises for the purpose of commencing its improvement work. In addition, at the appropriate stage or stages of construction of the floor slab of the Building, Landlord shall provide Tenant's freezer/cooler contractor with access to that portion of the floor slab area of the Building in which specialized improvements must be installed to accommodate Tenant's freezer/cooler space within the Building. Subject to coordination with Landlord's general contractor, Tenant's freezer/cooler contractor shall also be provided with reasonable storage and staging areas on the project site for the time reasonably necessary to complete such specialized improvements. Landlord and Tenant and their respective contractors agree to cooperate with one another to facilitate the overall completion of the Building in an efficient and expeditious manner. From the date on which Landlord provides Tenant access to the Premises and continuing until the Commencement Date, (the "Early Occupancy Period"), Tenant and its agents, employees, contractors, vendors, licensees, invitees and representatives shall be permitted to enter the Premises for the purposes of constructing the mutually agreed upon Tenant Improvements and installing Tenant's furniture, fixtures, utilities, telecommunication systems, equipment, security systems, freezer/coolers and racking and operating Tenant's business. Tenant shall not be obligated to pay Minimum Rent or any items designated as additional rent under the Lease during the Early Occupancy Period (including, without limitation, insurance and real estate taxes), but any use or occupancy of the Premises by Tenant during the Early Occupancy Period shall otherwise be subject to, and in accordance with, the terms and conditions of this Lease. Landlord shall have no responsibility for any damage, theft, destruction or injury to Tenant or any of Tenant's property as a result of Tenant's presence or activities on, or use of, the Premises during the Early Occupancy Period, except to the extent caused by Landlord's negligence or willful misconduct. Landlord makes no representations as to whether Tenant's occupancy of the Premises during the Early Occupancy Period will be in compliance with applicable building, safety or fire codes, and Tenant shall be responsible for, and assumes the risk of any non-compliance.

ARTICLE IV Rent

4.1 Tenant agrees to pay to Landlord at the office of Landlord or at such other place as may be designated by Landlord from time to time, without any prior demand therefor and without any deduction or setoff whatsoever (except as specifically provided in this Lease), as minimum monthly rent ("Minimum Rent"), the sum specified as the Initial Minimum Rent in Item 1.6 of the Basic Lease Provisions. Minimum Rent shall be payable in advance on the first day of each calendar month of the Lease Term. If the Lease Term shall commence upon a day other than the first day of a calendar month, then Tenant shall pay, upon the Commencement Date, a pro rata portion of the Minimum Rent for the first fractional calendar month. Minimum Rent payable by Tenant under this Lease is subject to adjustment in accordance with the provisions of Paragraphs 2 and 3 of the attached Lease Rider Number 1. Unless specifically designated otherwise in this Lease, all fees, charges, costs, expenses or other payments to be paid by Tenant to Landlord pursuant to this Lease shall be deemed to be additional rent. The Initial Minimum Rent has been calculated utilizing estimates of the Annual Tax Base Amount, Annual Insurance Base Amount and Annual Landscape Base Amount that would apply to the Premises as of the date of this Lease. Since the Commencement Date of the Lease will occur after new Annual Tax, Insurance and Landscape Base Amounts for the 2007-2008 fiscal year are known, the Annual Tax Base Amount, Annual Insurance Base Amount and Annual Landscape Base Amount will each be restated to reflect the actual amounts for the 2007-2008 fiscal year, and the Lease will be amended to substitute such amounts for the base amounts set forth in Items 1.8, 1.9 and 1.10, respectively, of the Basic Lease Provisions, and the Initial Minimum Rent will be adjusted accordingly. If, as a result of the redetermination of the Annual Tax Base Amount, Annual Insurance Base Amount and Annual Landscape Base Amount as provided above, there is an adjustment to the Initial Minimum Rent, the security deposit shall be adjusted so that it is equal in amount to such adjusted Initial Minimum Rent. If the security deposit decreases as a result of such adjustment, Landlord shall promptly refund to Tenant the excess amount and if the security deposit

increases as a result of such adjustment, Tenant shall promptly pay to Landlord the increased amount. If, at any time during the Lease Term or the Extended Term (if exercised) the actual cost of any item included within the Annual Tax Base Amount, Annual Insurance Base Amount or Annual Landscape Base Amount is less than the corresponding Base Amount for such item, Tenant shall receive a credit against Minimum Rent for the difference between the Base Amount and the actual cost of such item (or if no further Minimum Rent is payable by Tenant under this Lease, then Landlord shall refund such credit amount to Tenant within thirty (30) days after determination of such credit amount). On or before September 15 of each year (including partial years) this Lease remains in effect, Landlord shall provide to Tenant copies of allocation worksheets and supporting documents reasonably sufficient for Tenant to confirm the accuracy and propriety of Landlord's computations and allocations of the property taxes, insurance premiums and landscape costs for the preceding July 1 to June 30 fiscal year. Any overpayment or underpayment of any such property taxes, insurance premiums and landscape costs shall be equalized by a check from the appropriate party to the other party no later than October 15 of the relevant year.

ARTICLE V

Taxes and Assessments

5.1 Tenant covenants and agrees to pay to Landlord, as additional rent hereunder, the amount by which all real estate taxes and assessments, and installments thereof which may be taxed, charged, levied, assessed or imposed during any fiscal tax year occurring during the Lease Term (and any extensions or renewals thereof) upon all or any portion of or in relation to the Premises and the improvements at any time erected thereon and the appurtenances thereof, exceed the Annual Tax Base Amount specified in Item 1.8 of the Basic Lease Provisions. In the partial fiscal tax year in which the Lease Term shall commence, and in the partial fiscal tax year in which the Lease Term shall terminate, such taxes and assessments and the Annual Tax Base Amount shall be prorated on a daily basis (using a 365-day year), and Tenant's payment obligations shall be computed accordingly. If any assessments or taxes are levied or assessed against the Premises which are payable or may be paid in monthly or more frequent installments, Tenant shall be required to pay only such installments as shall become due and payable during the Lease Term; provided however, if an assessment or tax is imposed upon the Premises because of the acts or upon the request of Tenant, then Tenant shall pay the total amount thereof in equal annual installments during the Lease Term, on a date established by Landlord.

5.2 Tenant shall pay the amount of any taxes and assessments which it is obligated to pay hereunder directly to Landlord within thirty (30) days after receipt of Landlord's invoice therefore. Landlord agrees, in turn, to promptly pay such taxes and assessments to the appropriate taxing authority.

5.3 Tenant shall pay prior to delinquency all taxes assessed against and levied upon trade fixtures, furnishings, equipment and all other personal property of Tenant contained in the Premises or elsewhere. Whenever possible, Tenant shall cause said trade fixtures, furnishings, equipment and all other personal property to be assessed and billed separately from the real property of Landlord. If any of Tenant's said personal property shall be assessed with Landlord's real property, Tenant shall pay to Landlord the taxes attributable to Tenant within thirty (30) days after receipt of a written statement from Landlord setting forth the taxes applicable to Tenant's property.

5.4 As used herein, the term "real estate taxes" shall include any form of real estate tax or assessment, general, special, ordinary or extraordinary, and any license fee, commercial rental tax, rental excise tax, improvement bond or bonds, levy or tax (other than income, estate or gift taxes) imposed on the Premises by any authority having the direct or indirect power to tax, including any city, state or the federal government, or any school, agricultural, sanitary, fire, street, drainage, water or other improvement district thereof, as against any legal or equitable interest of Landlord in the Premises or in the real property of which the Premises are a part, as against Landlord's

right to rent or other income therefrom, and as against Landlord's business of leasing the Premises. The term "real estate taxes" shall also include any tax, fee, levy, assessment or charge (i) in substitution of, partially or totally, any tax, fee, levy, assessment or charge hereinabove included within the definition of "real property tax"; or (ii) the nature of which was hereinbefore included within the definition of "real property tax"; or (iii) which is imposed as a result of a transfer, either partial or total, of Landlord's interest in the Premises or which is added to a tax or charge previously included within the definition of real property tax by reason of such transfer; or (iv) which is imposed by reasons of this transaction, any modifications or changes hereto, or any transfers hereof.

5.5 Tenant shall have the right, in Tenant's or Landlord's name, but at Tenant's sole cost and expense, to contest the validity or amount of any tax or assessment or assessed valuation of the Premises by appropriate proceedings timely instituted; provided that: (a) Tenant gives Landlord written notice of Tenant's intention to do so prior to the date on which the first installment of property taxes for the fiscal tax year in question is due; (b) Tenant makes timely payment to Landlord of the full amount of all taxes payable by Tenant pursuant to this Article V (without regard to Tenant's proposed tax contest); (c) at the time of Tenant's payment of such taxes to Landlord, Tenant requests Landlord, in writing, to pay such taxes under protest; and (d) Tenant diligently prosecutes any such contest. Landlord shall, if requested by Tenant, cooperate with Tenant in any such proceedings, provided, however, that Landlord shall not be liable for any expenses whatsoever in connection therewith, and Tenant shall protect, indemnify, and reimburse Landlord for all claims, loss, cost, liability, expense, attorneys' fees or damages resulting therefrom.

5.6 In the event of one or more sales by Landlord of its fee simple interest in the Premises to a third party (other than to an existing lender holding a mortgage or deed of trust encumbering the Premises by foreclosure or deed in lieu of foreclosure) at any time during the first five (5) years of the Lease Term, Tenant shall have no obligation to pay any increase in real estate taxes which result from such sale. No transfer of stock or other ownership interest in Landlord shall constitute a sale by Landlord of its fee simple interest in the Premises to a third party for the purposes of this Paragraph 5.6. Nothing contained in this Paragraph 5.6 shall limit Tenant's obligation to pay any other increases in real estate taxes, including, without limitation, inflation factor adjustments as provided in Section 51 of the California Revenue and Taxation Code, changes in the manner or method of computing or imposing taxes pursuant to applicable law or improvement work performed by Tenant or at the direction of Tenant.

ARTICLE VI Utility Charges

6.1 Tenant shall contract for, in Tenant's name, and shall pay or cause to be paid, all charges for gas, electricity, water, telephone, sewer, trash collection and waste removal and/or disposal, security or guard service, alarm systems, or other service, and any taxes, levies or excises thereon, used, rendered or supplied to Tenant in connection with the Premises; and for all connection and closing charges, and any tax or excise thereon; and for any governmental service or service subject to governmental regulation, however described, furnished to the Premises during the Lease Term and during any other period in which Tenant uses or occupies the Premises. Landlord shall not be liable to Tenant for any loss, injury, damage, disruption of business or any other harm resulting from any interruption of utility services to the Premises, unless such interruption results solely from the active negligence or willful misconduct of Landlord or Landlord's agents, employees or contractors.

ARTICLE VII
Hold Harmless

7.1 Tenant covenants and agrees that, except as provided in Paragraph 7.2, Landlord shall not at any time or to any extent whatsoever be liable, responsible, or in any way be accountable for any loss, injury, death or damage to persons or property which at any time may be suffered or sustained by Tenant or by any person whomsoever who may at any time be using, occupying or visiting the Premises, or be in, on, or about the same, whether such loss, injury, death or damage shall be caused by or in any way result from or arise out of any act, omission or negligence of Tenant or of any occupant, subtenant, visitor or user of any portion of the Premises or from fire, steam, electricity, water, rain, act of God, or from breakage or leakage or any defect in any pipes, sprinklers, or plumbing, electrical or heating and air conditioning systems or fixtures, or from any other cause. Tenant hereby releases Landlord and agrees to indemnify, defend, hold and save Landlord free and harmless of, from, and against any and all claims, losses, costs, liabilities, expenses or damages whatsoever arising out of or related to any use or occupancy of the Premises by Tenant or any of Tenant's agents, employees, invitees or contractors (collectively "Losses"), including attorneys' fees and costs on account of any such Losses, except for any Losses resulting solely from the active negligence or willful misconduct of Landlord or Landlord's agents, employees or contractors.

7.2 Landlord hereby agrees to indemnify, defend, hold and save Tenant harmless of, from and against any and all claims, losses, costs, liabilities, expenses or damages (including reasonable attorneys' fees and costs) arising out of any injury to persons or damage to property resulting from the active negligence or willful misconduct of Landlord or Landlord's agents, employees or contractors while Landlord or any such agent, employee or contractor is present on or about the Premises.

ARTICLE VIII
Insurance

8.1 Landlord shall, throughout the Lease Term, keep all buildings and improvements which may from time to time be upon or a part of the Premises (but not Tenant's personal property, fixtures or equipment) insured against all risks (as the term "all risk" is used in the insurance industry), and against earthquake and flood risks, in such form and with such policy limits as Landlord may determine from time to time, so as to provide adequate protection of Landlord's ownership interests in the Premises at a reasonable cost. With respect to the "all risk" coverage, Landlord shall insure the Building in a manner which provides "full replacement cost" coverage or its equivalent. Tenant acknowledges its understanding and awareness that Landlord currently insures the Premises under a blanket policy insuring the Premises and other property owned by Landlord, and that Landlord's insurance policy may not describe the provided coverage as "full replacement cost" coverage, but that the coverage carried by Landlord provides coverage reasonably equivalent to "full replacement cost" coverage. Landlord's insurance shall be obtained on a competitive cost basis from nonaffiliates of Landlord. Notwithstanding the foregoing, Landlord shall not be required to maintain any insurance which becomes unavailable, or which becomes commercially unreasonable for landlords to carry, in the Southern California insurance marketplace. In the event of any insured loss, Tenant agrees to be liable to Landlord for any deductible amount claimed by the insurance carrier; provided, however, that with respect to any loss covered under "all risk" insurance, the deductible amount payable by Tenant shall not exceed Twenty Thousand Dollars (\$20,000) and with respect to any loss relating to earthquake damage, Tenant's maximum contribution shall not exceed Two Hundred Fifty Thousand Dollars (\$250,000), each such amount being measured in 2006 dollars and adjusted by changes in the "All Items" Consumer Price Index for Urban Wage Earners and Clerical Workers (1982-84=100) for Los Angeles/Riverside/Orange County, published by the United States Department of Labor's Bureau of Labor Statistics from the date of this Lease to the date of such loss. Landlord shall also

obtain and maintain "rental value insurance" covering one year's rent (Minimum Rent, real estate taxes, insurance premiums and landscape maintenance charges) payable under this Lease. Tenant covenants and agrees to pay to Landlord, as additional rent hereunder, the amount by which the annual premiums and related fees for the insurance specified in this Paragraph 8.1 exceed the Annual Insurance Base Amount specified in Item 1.9 of the Basic Lease Provisions. Such amount shall be paid by Tenant to Landlord within thirty (30) days after receipt by Tenant of Landlord's statement of the cost thereof, together with reasonable substantiation therefor. However, if in any year the annual premiums and related fees for the insurance specified in this Paragraph 8.1 exceed the Annual Insurance Base Amount specified in Item 1.9 of the Basic Lease Provisions by more than fifty percent (50%), Tenant may elect to spread the payment of such increased amount over a period of no more than thirty-six (36) months, payable in equal monthly installments, with interest on the unpaid portion at the Lease Interest Rate. However, if less than thirty-six (36) months are then remaining in the Lease Term, the increased amount shall be spread over the number of months remaining in the Lease Term. If Tenant has elected to spread any increased amount as provided in this Paragraph, Tenant may subsequently elect to prepay the remaining balance of the spread amount at any time upon thirty (30) days prior written notice to Landlord. In the insurance policy year in which the Lease Term shall commence and in the insurance policy year in which it shall terminate, such insurance premiums and the Annual Insurance Base Amount shall be prorated on a daily basis (using a 365-day year), and Tenant's payment obligations shall be computed accordingly. Such insurance shall have attached thereto such form of lender's loss payable endorsement as Landlord's Lender may require.

8.2 Landlord and Tenant agree that if the building and improvements at any time forming a part of the Premises shall be damaged or destroyed by risks insured against or required to be insured against under Paragraph 8.1, or if any of Tenant's machinery, fixtures, furniture, merchandise or other property, real or personal, are damaged or destroyed from any cause covered by a property policy obtained by Tenant, then and to the extent allowable and without invalidating such insurance, and whether or not such damage or destruction was caused by the negligence of the other party, neither party shall have any liability to the other nor to any insurer of the other for or in respect of such damage or destruction. If obtainable, each party shall require all policies of fire or other insurance carried by such party during the Lease Term upon the Premises or contents therein to include a provision whereby the insurer designated therein shall waive its right of subrogation against the other party.

8.3 During the entire Lease Term, Tenant, at Tenant's sole cost and expense, shall procure and maintain in full force and effect personal injury and property damage liability insurance with a combined single limit of not less than Five Million Dollars (\$5,000,000). Such insurance may be evidenced by a Primary Policy or a combination of a Primary Policy and an Umbrella Excess Policy. Tenant's liability insurance shall be primary and any liability insurance maintained by Landlord shall not be contributory. Landlord shall be named as an additional insured in such policies, and a policy endorsement so naming Landlord shall be furnished to Landlord. All such insurance shall insure the performance by Tenant of the indemnity provisions of Article VII of this Lease. The limits of said policies shall not limit the liability of Tenant under this Lease. In the event that, at any time during the Extended Term (if exercised), either party hereto shall at any time deem the limits of such liability insurance then carried to be insufficient, the parties shall endeavor to agree upon the proper and reasonable limits for such insurance then to be carried, giving due consideration to the then prevailing insurance requirements of institutional landlords owning buildings of comparable use, size and value in the Southern California area. If the parties shall be unable to agree thereon, the proper and reasonable limits for such insurance then to be carried shall be determined by an impartial third person knowledgeable of insurance risk matters selected by the parties, or should they be unable to agree upon a selection by an impartial third person such third person shall be chosen by the Presiding Judge of the Superior Court of Los Angeles County upon application by either party made after five (5) days written notice to the other party of the time and place of application. The decision of such impartial third person as to such limits then to be carried shall be binding upon the parties. Such insurance shall be carried with the limits as agreed

upon or determined pursuant to this Paragraph until such limits shall again be changed pursuant to the provisions of this Paragraph. The expenses of such determination shall be borne equally between Landlord and Tenant.

8.4 All of the insurance provided by Tenant under this Article VIII and all renewals thereof shall be issued by such good, responsible and standard companies rated at least A - /Class XII in the current edition of Best's Insurance Guide, and authorized to do business in California. The policy or policies of insurance provided for in Paragraph 8.1 hereof shall be payable to Landlord, or jointly to Landlord and Landlord's Lender, and Tenant agrees to endorse any check to the order of Landlord which might be made payable jointly to Landlord and Tenant by the insurance company. Tenant agrees to immediately comply with any commercially reasonable request of the insurance carrier providing insurance described in Paragraph 8.1 if the failure to comply therewith will cause cancellation of such insurance. All policies provided by Tenant shall expressly provide that the policy shall not be canceled or altered without thirty (30) days' prior written notice to Landlord. Neither Landlord nor Tenant shall do or permit to be done anything which will invalidate the insurance policies provided for in this Article VIII. Upon the issuance or renewal of the liability insurance policy described in this Article VIII, or upon commencement of the Lease Term if such policy is then in force or effect, Tenant shall have its insurance carrier furnish Landlord with a Certificate of said insurance. If requested in writing by Landlord, Tenant shall reproduce and forward to Landlord a true copy of any insurance policy described in this Lease and obtained by Tenant. Tenant shall obtain such fire insurance and other insurance on Tenant's machinery, fixtures, furniture and other property, real or personal, as Tenant deems appropriate, and with which Landlord shall not otherwise be concerned.

ARTICLE IX Repairs and Maintenance

9.1 During the Lease Term (and Extended Term, if exercised), Landlord shall maintain and repair the exterior walls and foundation of the Premises at its own cost and expense, provided, however, that if any maintenance or repair work for the exterior walls and foundation of the Premises is required as a result of any negligence or willful misconduct of Tenant or any of Tenant's agents, employees, shippers, customers, invitees or contractors, or as a result of the installation, operation, maintenance or removal of any freezer/cooler space or components installed by or at the direction of Tenant, such work shall be at Tenant's sole cost and expense. Excluding matters covered by the original construction warranty and the provisions of this Lease addressing casualty and condemnation, Tenant shall keep all other portions and components of the Premises, including the roof, exterior paint, asphalt paving, concrete paving, all plumbing, HVAC systems, electrical and lighting systems, ceilings and plate glass in good order, condition and repair during the Lease Term and the Extended Term, subject to the provisions of this Lease concerning casualty and condemnation. Tenant shall be entitled to the benefit of any third party construction warranties applicable to items which are the repair and maintenance obligations of Tenant under this Lease. Without limiting the generality of the foregoing, Tenant shall perform all maintenance detailed in Paragraph K (mechanical service controls) of the Performance Standards attached hereto as Exhibit A. In the event any "Capital Improvement" is required to be made to the Premises, Landlord shall cause such Capital Improvement to be performed and Tenant shall be responsible for paying its "Monthly Prorata Share" (as defined herein) of the costs of any such Capital Improvement. Tenant's "Monthly Prorata Share" of the costs of any such Capital Improvement shall be determined by dividing the costs of such Capital Improvement by the number of months of the useful life such Capital Improvement (as determined by Landlord, acting reasonably and in good faith), and Tenant shall pay the resulting amount (referred to herein as Tenant's "Monthly Prorata Share") monthly, as additional rent, for each month of the Lease Term (and any exercised Extended Term) remaining after the completion of such Capital Improvement. For the purposes of this Lease, the term "Capital Improvement" shall mean and refer to any improvement, replacement, modification, alteration or conversion of the Premises or any component or system of

the Premises: (i) which is required for a reason other than the particular nature of Tenant's business or Tenant's particular use or business operations at the Premises or alterations to the Premises; (ii) which costs in excess of Twenty Five Thousand Dollars (\$25,000); and (iii) has a useful life in excess of five (5) years. Tenant shall also maintain any of Tenant's property visible from outside the building in the same condition, with the surfaces thereof painted at such intervals and such colors as Landlord shall approve. Except as provided above, Tenant shall promptly replace any portion of the Premises or system or equipment in the Premises which cannot be fully repaired, regardless of whether the benefit of such replacement extends beyond the Lease Term or any Extended Term. Tenant shall maintain the Premises in an orderly, first-class and fully operative condition, consistent with maintenance practices utilized by landlords and tenants of comparable buildings occupied by comparable users in the area of the Premises. Landlord shall maintain the exterior landscaping for the Premises (including any landscaped areas within the Tenant Yard Area and including any stormwater runoff detention basins) in accordance with Landlord's then-prevailing landscape maintenance standards (and, as to any stormwater runoff, in accordance with any Code requirements relating to stormwater runoff in general, but excluding any Code requirements relating to contaminants in stormwater caused by or resulting from Tenant's use or occupancy of the Premises), and the amount by which the cost of such landscape maintenance work exceeds the Annual Landscape Base Amount shall be paid by Tenant to Landlord as additional rent. Such payments shall be made by Tenant within thirty (30) days following Tenant's receipt of an invoice from Landlord, together with reasonable substantiation therefor. Except for Landlord's obligations for maintenance and repair of the exterior walls and foundation of the Premises and the common areas and landscaping, Landlord shall have no obligation to repair or maintain the Premises, the improvements or any areas adjacent thereto. Tenant waives the provisions of any law permitting Tenant to make repairs at Landlord's expense.

9.2 All of Tenant's obligations to maintain and repair shall be accomplished at Tenant's sole expense. If Tenant fails to maintain and repair the Premises, Landlord may, at its election, notify Tenant in writing of Tenant's obligation to undertake such repair and maintenance work. If Tenant fails to commence such work within thirty (30) days of receipt of such notice Landlord may (after reasonable notice to Tenant) enter the Premises and perform any such work on behalf of Tenant. Notwithstanding the foregoing, no notice to Tenant shall be required in case of emergency, and in the event of an emergency Landlord may enter the Premises and perform such repair and maintenance on behalf of Tenant. In any such case, Tenant shall reimburse Landlord for all costs so incurred within thirty days of receipt of Landlord's invoice (together with reasonable substantiation), together with interest thereon at the "Lease Interest Rate" (as defined in Paragraph 26.26, below). In performing any such work, Landlord shall use reasonable efforts to avoid interference with Tenant's ongoing business operations. Landlord's right to perform maintenance and repair work pursuant to this Paragraph 9.2 shall not be deemed to create any obligation on the part of Landlord to do so, and shall not in any way limit Landlord's remedies under this Lease. Any design or construction work undertaken by or at the direction of Tenant which affects the Premises or any improvements located on the Premises (including, without limitation, any repair work, maintenance work, tenant improvement work or restoration work) shall be performed by duly qualified and properly licensed and insured design professionals or contractors (as the case may be) reasonably satisfactory to Landlord. Tenant shall submit the names of any such design professionals and contractors to Landlord prior to the commencement of any construction work on the Premises. If Landlord, acting reasonably and in good faith, disapproves of any design professional or contractor selected by Tenant, Tenant shall select a new design professional or contractor reasonably satisfactory to Landlord.

9.3 Upon the expiration or sooner termination of this Lease, Tenant shall surrender the Premises to Landlord, broom clean and in the same condition as received, except for ordinary wear and tear which Tenant is not otherwise obligated to remedy under any provision of this Lease, and except for repair and maintenance items which are the obligation of Landlord pursuant to Paragraph 9.1, above, and subject to the provisions of this Lease concerning casualty and condemnation. Any damage to, or deterioration of, the Premises shall be deemed not to be ordinary wear and tear if the

same could have been prevented by good maintenance practices as customarily required by landlords owning comparable properties. In addition, Landlord may require Tenant to remove any alterations, additions or improvements (whether or not made with Landlord's consent), inclusive of the Tenant's office improvements (but excluding the initial primary office improvements included in Landlord's Base Building Improvements and Tenant's dock leveler installation per Paragraph 4 of Lease Rider Number 1), prior to the termination of the Lease and to restore the Premises to its prior condition, or Landlord may perform such removals and restorations itself, all at Tenant's expense. Unless otherwise specifically directed by Landlord in writing, on or before the expiration or sooner termination of this Lease, Tenant shall remove and close the clarifier and truck scale and related equipment and clean up and remove any Hazardous Materials on, from, under and adjacent to the Premises which resulted from the presence or use of the clarifier, all in accordance with applicable Codes. Tenant shall deliver to Landlord a copy of a certificate of closure issued for the clarifier by the appropriate agency of San Bernardino County, but Tenant shall not be required to deliver such a certificate if such certificates are no longer being issued by any such agency of San Bernardino County. (The activities described above relating to the clarifier and truck scale are referred to as the "Removal and Closure"). If the Lease is terminated prior to the Termination Date, then Tenant shall, if so directed by Landlord, commence the Removal and Closure within fifteen (15) days following Landlord's written direction to Tenant to do so, and Tenant shall diligently pursue the Removal and Closure to completion. In addition, Tenant shall restore the portion of the Yard Area in which the clarifier and truck scale were located to a condition consistent in quality, appearance and functionality with the surrounding Yard Area. All alterations, additions and improvements which Landlord has not required Tenant to remove or which Tenant has not elected to remove, as provided herein, shall become Landlord's property and shall be surrendered to Landlord upon the expiration or sooner termination of the Lease, except that Tenant may remove any of Tenant's machinery or equipment which can be removed without damage to the Premises. If, whether in violation of this Lease or pursuant to Landlord's permission (which may be granted or withheld in Landlord's sole and absolute discretion), Tenant installs any "Underground Storage Tanks" (as defined herein) on the Premises, Tenant shall, at its sole cost and expense, remove any such Underground Storage Tanks immediately upon the request of Landlord, the expiration or sooner termination of this Lease, or the order of any governmental authority, whichever occurs first. Notwithstanding any provisions of this Lease to the contrary, such Underground Storage Tanks shall at all times be and remain the property of Tenant. As used herein, the term "Underground Storage Tank" means any one or combination of tanks, including all pipes, sumps, valves and other equipment connected thereto, which are used for the storage of petroleum products, hydrocarbon substances or fractions thereof, or other Hazardous Materials, and which are located wholly or partially beneath the surface of the ground. Tenant shall repair, at Tenant's expense, any damage to the Premises caused by the removal of any such machinery or equipment.

9.4 Tenant shall not, without the prior written approval of Landlord, make any additions, alterations, changes or improvements to the Premises or any portion thereof which (i) affect any structural component of the Building; (ii) affect the roof of Building; (iii) affect the exterior appearance of the Premises; or (iv) adversely affect the function or capacity of any plumbing, electrical, HVAC, ESFR fire system or other life safety systems serving the Premises; (v) change the number or location of any loading doors or man doors located on any exterior wall of the Building; or (vi) cost in excess of Fifty Thousand Dollars (\$50,000) for any group of improvements being undertaken at one time or undertaken as part of a related group of improvements. The items enumerated in items (i) through (v), above, are referred to herein as the "Critical Components". Any request for approval of any such additions, alterations, changes or improvements for which Landlord's consent is required shall be presented to Landlord in writing, accompanied by detailed drawings and specifications. Landlord's consent to a request for additions, alterations, changes or improvements shall not be unreasonably withheld or delayed. So long as such request does not require engineering or professional review, Landlord shall respond to Tenant's request for Landlord's consent to additions, alterations, changes or improvements within ten (10) days following such request (provided that such request includes all relevant information reasonably

necessary for Landlord to make an informed decision). For any request requiring engineering or professional review, Landlord shall be afforded such additional time as is reasonable necessary to properly evaluate such request. Tenant shall not be required to obtain Landlord's prior consent for any cosmetic alterations to the interior of the Premises (e.g., wall coverings, floor coverings, and interior painting) with a cost of less than Fifty Thousand Dollars (\$50,000), but Tenant shall provide Landlord with at least ten (10) days prior written notice of any such alterations in order to provide Landlord with an opportunity to post and record appropriate notices of non-responsibility. Tenant shall not be required to obtain Landlord's prior consent for the relocation or removal of warehouse racks or for the installation of additional warehouse racks. All additions, alterations, changes and improvements shall be made in workmanlike manner, in full compliance with all laws and ordinances applicable thereto. Except for any Underground Storage Tanks, which shall, at all times be and remain the property of Tenant, all such additions, alterations, changes and improvements shall become a part of the Premises, and become the property of Landlord when installed; and, unless Landlord shall require removal thereof as required pursuant to Paragraph 16.2, all such improvements, including all building service equipment improvements (but specifically excluding any Underground Storage Tanks), shall remain in and be surrendered as a part of the Premises upon the expiration or sooner termination of this Lease. Tenant shall furnish Landlord with a set of "as built" drawings which accurately set forth the nature and extent of improvements made by Tenant to the Premises. Tenant and any assignee or sublessee of Tenant shall obtain Landlord's prior written consent before any signs are installed on the Premises. Such signs shall remain the property of Tenant or any assignee or sublessee who installs the same and they shall be removed from the Premises at the expiration or sooner termination of the Lease Term. Any damage arising out of or resulting from the installation, placement or removal of such signs shall be repaired by Tenant at Tenant's sole cost and expense. The term "building service equipment" shall include, without limitation, equipment and property ordinarily necessary or convenient for the operation and utilization of a building, such as heaters, air conditioners, solar panels, power panels, transformers, light fixtures, sprinklers, suspended ceilings, plumbing fixtures, walls, cabinets, shelving affixed to walls in office areas, doors, floor coverings, fixtures, fencing, paging systems, emission or pollution control facilities, security and alarm systems, dock levelers, and utility services such as gas, electricity, water, steam, telephone, sewer and other similar services used in connection with the foregoing items. Building service equipment shall also include any related power installations, plumbing installations, pollution control installations, sprinkler installations, energy conservation installations, and security installations, including wiring, conduits, ducts, lines, pipes and meters for the transportation, distribution, measuring and/or disposal thereof. Building service equipment shall also include installations affixed to the Building which serve machinery and equipment, including, without limitation, air lines, conveyors, crane ways, dust collectors, paint booths, buss ducting, power panels and related power installations.

9.5 Tenant shall have the right, without Landlord's prior approval, to install within the Premises Tenant's equipment, trade fixtures, furniture and furnishings (hereinafter collectively called "Tenant's Equipment"). Under no circumstances, however, shall Underground Storage Tanks be installed on the Premises. However, Tenant shall notify Landlord in writing and Tenant shall obtain Landlord's prior written approval (which shall not be unreasonably withheld or delayed) before the installation of heavy equipment, or heavy trade fixtures in the Premises, and prior to placing any load on the roof or attaching any load to the walls or the underside of the roof of any building. So long as the request for which Landlord's approval is sought does not require engineering or professional review, Landlord shall respond to Tenant's request within ten (10) days following such request (provided that such request includes all relevant information reasonably necessary for Landlord to make an informed decision). For any request requiring engineering or professional review, Landlord shall be afforded such additional time as is reasonable necessary to properly evaluate such request. Tenant shall not be required to obtain Landlord's prior consent for the relocation or removal of warehouse racks or for the installation of additional warehouse racks. Tenant shall not install any of Tenant's Equipment in such manner to weaken the structural strength of the improvements on the Premises, interfere with, or make inoperable any portion of the Premises or the building service equipment. If Tenant

makes any addition, alteration, change, or improvement to the Premises described in Paragraph 9.4 for which Landlord's consent is required without obtaining Landlord's consent, or if Tenant installs any of Tenant's Equipment in violation of this Paragraph 9.5, then Tenant shall, upon receipt of written notice from Landlord, remove, replace, or otherwise correct such installations (including obtaining Landlord's consent for any installation for which Landlord's consent is required) within thirty (30) days and in such manner as Landlord shall reasonably require and direct, and Tenant shall reimburse Landlord, on demand and as additional rent, for all architect's, engineer's and legal fees reasonably incurred by Landlord in connection with such installations. If Tenant or any person with whom Tenant is engaged in business causes any damage to the Premises or the improvements, structural or otherwise, Tenant assumes all risk of such damage to any improvements and Tenant shall, upon demand, promptly repair all such damage to the reasonable satisfaction of Landlord. Tenant shall promptly repair any damage to the Premises arising from the installation, use, and removal of Tenant's Equipment; and Tenant shall restore the Premises to a clean and orderly condition and appearance, state of repair and operating order with all remaining improvements thereon in a good, safe, fully operable condition (subject to the provisions of this Lease concerning casualty, condemnation and ordinary wear and tear) and in full compliance with all federal, state and local laws, rules, regulations and ordinances applicable to the Premises when Tenant's Equipment was installed. If Tenant fails to perform any act or obligation required of Tenant under this Paragraph 9.5, Landlord shall have the right, but not the obligation, after thirty (30) days' written notice to Tenant specifying the action required by Tenant, to enter upon the Premises and perform such act or obligation. In that event, Tenant agrees to pay Landlord, as additional rent within thirty (30) days of receipt of Landlord's invoice, for all costs incurred by Landlord in performing Tenant's act or obligation, plus an overhead allowance of five percent (5%) of such cost.

9.6 Landlord shall not be obligated to maintain or to make any repairs, replacements, or renewals of any kind, nature or description whatsoever to the Premises or any buildings or improvements thereon, except as specifically provided in this Lease.

9.7 Tenant shall comply with and abide by all federal, state, county, municipal and other governmental statutes, ordinances, laws, and regulations affecting the Premises, the improvements thereon, the business to be conducted therein and thereon by Tenant, or any activity or condition on or in the Premises. Without limiting the generality of the foregoing, Tenant shall comply with all environmental laws and laws relating to "Hazardous Materials" (as defined herein) affecting the Premises, the improvements therein, the business conducted thereon by Tenant, or any activity or condition on or in the Premises. If such legal compliance requires any Capital Improvement to the Premises and is required for a reason other than Tenant's specific use of, or alterations to, the Premises, the cost of such Capital Improvement shall be allocated as provided in Paragraph 9.1, above. Tenant shall not install, place, construct or maintain any Underground Storage Tanks on the Premises. Any and all Hazardous Materials and their containers which are brought upon the Premises by, at the direction of, or with the consent or approval of Tenant shall, at all times, remain the property of Tenant. Tenant warrants that Tenant's business and all activities to be performed by Tenant in, on or about the Premises shall comply with such statutes, ordinances, laws and regulations; and Tenant agrees to change any such activity or install necessary equipment, safety devices, pollution control systems, or other installations at any time during the Lease Term to so comply therewith. Landlord agrees that Tenant shall not be responsible for any costs or expenses relating to remediation of any Hazardous Materials which were located on the Premises prior to the Commencement Date or which migrate onto the Premises from an offsite source which is not caused or contributed to by Tenant ("Pre-existing Condition"). Landlord agrees to indemnify and hold Tenant harmless from and against any fines or remediation expenses incurred as a result of any governmental order requiring the remediation or removal of any Hazardous Materials located on the Premises as of the Commencement Date which were not brought upon or released on the Premises by Tenant or Tenant's employees, agents or contractors. Tenant warrants that Tenant's business and all activities to be performed by Tenant in, on or about the Premises shall comply with such statutes,

ordinances, laws and regulations; and Tenant agrees to change any such activity or install necessary equipment, safety devices, pollution control systems, or other installations at any time during the Lease Term to so comply therewith. Tenant agrees not to commit or permit waste upon the Premises.

9.8 Tenant shall not cause or permit any "Hazardous Material" (as hereinafter defined) to be brought upon, kept, used, stored, discharged or released (collectively "used") in or about the Premises during the Lease Term, without the prior written consent of Landlord. If Tenant breaches the obligations stated in the preceding sentence, or if any Hazardous Material used on the Premises during the Lease Term results in contamination of the Premises or any adjacent property, then Tenant shall indemnify, defend and hold Landlord harmless from any and all claims, judgments, damages, penalties, fines, costs, liabilities or losses (including, without limitation, diminution in value of the Premises and/or adjacent property, damages for the loss or restriction on use of rentable or usable space or of any amenity of the Premises and/or adjacent property, damages arising from any adverse impact on marketing of the Premises and/or adjacent property, and sums paid in settlement of claims, attorneys' fees, consultant fees and expert fees) which arise during or after the Lease Term or any Extended Term as a result of Hazardous Material so used. This indemnification of Landlord by Tenant includes, without limitation, costs incurred in connection with any investigation of site conditions or any cleanup, remedial, removal or restoration work required by any federal, state or local governmental agency or political subdivision because of Hazardous Material present in the soil or ground water on or under the Premises and/or adjacent property (excluding Pre-Existing Conditions and/or as may be the result of actions by Landlord or its agents, employees or contractors). Without limiting the foregoing, if any Hazardous Material is used on the Premises during the Lease Term (unless by Landlord or its agents, employees or contractors) and results in any contamination of the Premises and/or adjacent property, Tenant shall promptly take all actions at its sole expense as are necessary to return the Premises and/or adjacent property to the condition existing prior to the use of any such Hazardous Material on the Premises and/or adjacent property; provided that Landlord's approval of such actions shall first be obtained, which approval shall not be unreasonably withheld so long as such actions would not potentially have any material adverse long-term or short-term effect on the Premises or adjacent property. As used herein, the term "Hazardous Material" means any petroleum products or other hydrocarbon substances (and fractions thereof) and any hazardous or toxic substance, material or waste which is or becomes regulated by any local governmental authority, the State of California or the United States Government. Upon expiration or earlier termination of this Lease, Tenant shall duly execute and deliver to Landlord a certificate (the "Hazardous Material Certificate") in the form of Exhibit E attached hereto, and, if requested by Landlord, Tenant shall cause a properly licensed and qualified environmental consultant reasonably acceptable to Landlord to conduct an environmental audit of the Premises, and to deliver a copy of the completed environmental audit to Landlord. The scope and detail of such environmental audit shall be reasonably determined by Landlord based on all relevant facts and circumstances then existing. If any environmental audit recommends or suggests that additional testing be conducted, Landlord may require that such additional testing be conducted, at Tenant's expense. In the event Tenant shall fail to so deliver the Hazardous Material Certificate or to conduct such an environmental audit, such failure shall (if not timely cured) constitute a default under the Lease and, without in any way limiting or impairing Landlord's remedies against Tenant, shall entitle Landlord to retain that portion of the security deposit held by Landlord reasonably necessary therefor to be applied toward payment of the cost of assessing the presence of Hazardous Material on the Premises and/or adjacent property, and toward payment of all loss, cost, liability, damage and expense of Landlord arising as a result of any such contamination and toward such other costs and expenses of Landlord as Landlord may designate in its reasonable discretion. If, at any time during the Lease Term or upon the termination or earlier expiration of the Lease, Landlord reasonably believes that the Premises or any adjacent property has been contaminated as a result of Hazardous Materials which were used on or about the Premises during the Lease Term (excluding Pre-Existing Conditions and/or as may be the result of actions by Landlord or its agents, employees or contractors), Landlord may require Tenant, at Tenant's sole cost and expense, to conduct an environmental audit (in

accordance with the above described criteria) to evaluate the presence of any Hazardous Materials on the Premises and to cleanup, remediate, and otherwise mitigate the effects of the presence of any such Hazardous Materials on the Premises, or Landlord may, if it so elects, undertake such an environmental audit and any such cleanup, remediation or mitigation work on behalf of Tenant, at Tenant's sole cost and expense. In any event, any such environmental audit and any cleanup, remediation or mitigation work shall be performed by qualified environmental professionals reasonably acceptable to Landlord. Nothing contained herein shall be deemed or construed to limit the liability of Tenant to Landlord hereunder for the breach of any covenant of Tenant under this Paragraph 9.8. The provisions of this Paragraph 9.8 shall survive the expiration or earlier termination of this Lease and Tenant's surrender of the Premises to Landlord.

Notwithstanding the foregoing, Tenant may use any ordinary and customary materials reasonably required to be used in the normal course of the permitted use, so long as (i) such use is in compliance with all governmental requirements, (ii) such materials are not stored in an above or below ground storage tank (except as specifically authorized in this Paragraph 9.8 and in the attached Exhibit K), (iii) such use does not expose the Premises or neighboring property to any meaningful risk of contamination or damage or expose Landlord to any liability therefor, and (iv) except for ordinary cleaning supplies in containers and quantities reasonably necessary for and consistent with normal and ordinary use by Tenant in the routine janitorial service of the interior of the Building, and except for inventory items stored by Tenant for distribution to Tenant's customers in the normal course of Tenant's business, and except for batteries, oils, grease and fuels (which are not stored in tanks, except as specifically authorized in this Paragraph 9.8 and in the attached Exhibit K) servicing trucks used by Tenant in the operation of the permitted use at the Premises, Tenant notifies Landlord in writing at least ten (10) days prior to Tenant's use thereof, which notice shall specify the Hazardous Materials Tenant intends to use or store (but Tenant's failure to provide such prior notice shall not constitute a default by Tenant under this Lease so long as Tenant delivers to Landlord on or before each Disclosure Date a report identifying such Hazardous Materials so used or stored by Tenant, which report may consist of a compilation of MSDS sheets for all such materials then used or stored by Tenant). Landlord hereby acknowledges that Tenant contemplates using or storing within the Premises those Hazardous Materials listed on Exhibit L attached to this Lease, and Tenant hereby approves Tenant's use and storage of such Hazardous Materials provided Tenant's use thereof (1) shall at all times comply with and be subject to all governmental requirements (including all notice and reporting requirements and the other provisions of this Article IX) and (2) is limited to the quantities and amounts, and is subject to the specific procedures for use, if any, set forth in Exhibit L. Exhibit L shall be deemed amended and updated with the filing by Tenant with Landlord of each subsequent report. All items listed in each subsequent report shall be deemed permitted within the Premises, so long as the requirements of items (i), (ii) and (iii) preceding are and remain satisfied as to each such item. In addition, Landlord may condition its consent to any Hazardous Materials added to the list set forth in Exhibit L upon receiving such additional assurances as Landlord reasonably deems necessary to protect itself, the public, the Premises and/or the environment against damage, contamination, injury and/or liability, including, but not limited to, the installation (and removal on or before Lease expiration or termination) of protective modifications (such as concrete encasements). Notwithstanding any provision of this Lease to the contrary, but subject to Tenant's strict compliance with the limitations and the terms and conditions set forth in the attached Exhibit K, Tenant shall be permitted to install one above ground diesel fuel storage tank with a capacity of 1,000 gallons or less on a designated portion of the Premises.

9.9 On or before the forty-fifth (45th) day of each calendar year during the Lease Term (the "Disclosure Dates"), Tenant shall (upon written request from Landlord) disclose to Landlord in writing the common and chemical names and the quantities of all Hazardous Materials which were stored, used or disposed of on the Premises during the preceding calendar year. Tenant shall immediately notify Landlord of Tenant's receipt of any notice, citation or other written communication received by

Tenant relating to the presence, storage, use or release of any Hazardous Materials in, on or about the Premises.

9.10 Landlord shall have the right, but not the duty, to inspect the Premises during business hours with reasonable advance notice (except in emergencies) to determine whether Tenant is complying with the requirements of this Lease. If Tenant is not in compliance with the requirements of the provisions of this Lease relating to Hazardous Materials, Landlord shall have the right, but not the obligation (following expiration of the applicable notice and cure periods, except in emergencies), to enter upon the Premises to remedy any condition caused by Tenant's failure to comply with the requirements of this Lease. Landlord shall use reasonable efforts to minimize interference with Tenant's business as a result of any such entry by Landlord but shall not be liable for any interference caused thereby except to the extent unreasonable.

9.11 Any failure of Tenant to comply with the provisions of Paragraphs 9.7, 9.8 and 9.9 of this Lease shall be a material default under this Lease, enabling Landlord to exercise any of the remedies set forth in this Lease.

ARTICLE X Inspection of Premises by Landlord

10.1 Tenant agrees that Landlord and the authorized representatives of Landlord shall have the right to enter the Premises at all reasonable times during usual business hours with reasonable advance notice (except in emergencies), or at any time in the case of an emergency, for the purpose of (a) inspecting same; and (b) making such repairs or reconstruction to the Premises required by or permitted to be made by Landlord, and (c) performing any work therein that may be necessary by reason of Tenant's default under the provisions of this Lease. Nothing herein shall imply any duty of Landlord to do any work which, under the provisions of this Lease, Tenant is required to perform and the performance thereof by Landlord shall not constitute a waiver of Tenant's default in failing to perform the same. Landlord may, during the progress of any work on the Premises, keep and store upon the parking area of or within the Premises, all necessary materials, tools and equipment. Landlord shall not in any event be liable for any inconvenience, annoyance, disturbance, loss of business, or other damage sustained by Tenant while making such repairs or the performance of any such work on the Premises, or on account of bringing materials, supplies and equipment into or through the Premises during the course thereof, except if and to the extent Landlord has not observed reasonable efforts to minimize interruption or interference with Tenant's business activities. In the event Landlord makes any repairs or maintenance which Tenant has failed to do or perform, the cost thereof plus an overhead allowance of five percent (5%) of such cost shall constitute additional rent and shall be paid to Landlord within thirty (30) days of receipt of Landlord's invoice.

10.2 Landlord is hereby given the right during usual business hours with reasonable advance notice to enter the Premises and to exhibit the same for purposes of sale or mortgage, and during the last six (6) months of the Lease Term (unless Tenant has exercised its renewal option) to exhibit the same to any prospective tenant.

ARTICLE XI Mechanics' Liens

11.1 Tenant covenants and agrees to keep all of the Premises and every part thereof and all buildings and other improvements thereon free and clear of and from any and all mechanics', materialmen's and other liens for work or labor done, services performed, materials, appliances, transportation or power contributed, used or furnished or to be used in or about the Premises for or in connection with any operations of Tenant, any alterations, improvements, repairs or additions, which Tenant may make or permit or cause to be made, or any work or construction by, for or permitted by Tenant on or about the Premises; and at all times Tenant shall promptly

and fully pay and discharge any and all claims upon which any such lien may or could be based; and Tenant shall save and hold Landlord and all of the Premises free and harmless of and from any and all such liens and claims of liens and suits or other proceedings pertaining thereto. Tenant, or any subtenant, assignee or other occupant of the Premises covenants and agrees to give Landlord written notice not less than ten (10) days in advance of the commencement of any construction, alteration, addition, improvements or repair to the Premises in order that Landlord may post an appropriate notice of Landlord's non-responsibility.

11.2 No mechanics' or materialmen's liens or mortgages, deeds of trust, or other liens of any character whatsoever created or suffered by Tenant shall in any way or to any extent affect the interest or rights of Landlord in any buildings or other improvements on the Premises, or attach to or affect Landlord's title to or rights in the Premises.

11.3 Tenant shall have the right to contest any mechanic's lien or other lien claim filed against the Premises provided that Tenant gives Landlord written notice of such contest, Tenant diligently prosecutes such contest, at all times effectually stays or prevents any official or judicial sale of the Premises under execution or otherwise, and pays or otherwise satisfies any final judgment adjudging or enforcing such contested lien and thereafter procures record satisfaction or release thereof. If requested in writing by Landlord, Tenant shall furnish to Landlord a surety bond issued by a surety company acceptable to Landlord in an amount not less than one and one-half times the amount of any such mechanic's lien or other lien claim filed against the Premises. However, for any such lien in an amount of Fifty Thousand Dollars (\$50,000) or less, Tenant shall only be required to obtain a surety bond if a complaint is filed to foreclose or otherwise enforce such lien or if Landlord advises Tenant that the immediate release of the lien is necessary to facilitate a pending financing or refinancing or to comply with requirements of existing documents for a loan encumbering the Premises.

ARTICLE XII

Damage or Destruction of Premises

12.1 In the event the buildings or other structures on the Premises are damaged or destroyed, Landlord shall repair and restore such improvements then owned by Landlord to their condition prior to said damage or destruction, and this Lease shall continue in full force and effect. The proceeds of insurance maintained pursuant to Paragraph 8.1 which are paid to Landlord shall be utilized by Landlord to defray the cost and expense of repairing and rebuilding the Premises. Tenant shall be responsible for paying any deductible amounts under such policies (subject to the limitations provided in Paragraph 8.1, above), and such deductible amounts shall be paid by Tenant to Landlord within thirty (30) days following Tenant's receipt of Landlord's invoice. If insurance proceeds (plus deductible amounts paid by Tenant) are insufficient, or if insurance proceeds (plus deductible amounts paid by Tenant) are not available to cover the cost and expense of repair or rebuilding, then Landlord shall have the right to terminate this Lease. Landlord also agrees to use reasonable and diligent efforts to recover all insurance proceeds due under insurance policies maintained pursuant to Paragraph 8.1 of this Lease.

12.2 Upon the occurrence of any damage or destruction to the Building, Landlord shall, within thirty (30) days following the date of occurrence of such damage or destruction, provide to Tenant a written notice of Landlord's reasonable and good faith estimate of the time required to complete the repair and restoration ("Landlord's Time Estimate"). If Landlord reasonably estimates that such repair and restoration will take more than nine (9) months to complete (measured from the date the necessary building permits for the restoration work are issued) either Landlord or Tenant may elect to terminate this Lease (effective as of the date of such damage or destruction) upon written notice to the other, which notice shall be given, if at all, within thirty (30) days following the date of Tenant's receipt of Landlord's Time Estimate. Landlord's Time Estimate shall be supported by a certification letter addressed to both Landlord and Tenant from a properly licensed and qualified general contractor selected by Landlord,

stating the opinion of such contractor as to the number of days necessary to complete the repair and restoration of the Building. Landlord agrees that it shall use diligent efforts to obtain the necessary building permits at the earliest possible date. Once such notice has been delivered and the thirty (30) day response period has expired, neither party shall have the right to terminate this Lease as a result of the occurrence of such damage or destruction, regardless of the actual time necessary to complete such repair and restoration work. Landlord agrees that it shall use its reasonable efforts to complete the restoration work in a timely manner.

12.3 The Base Rent payable by Tenant pursuant to the provisions of Paragraph 4.1 shall abate, in the proportion that the part of the Premises rendered unusable to Tenant bears to the whole thereof, from the date of the damage or destruction through the time required by Landlord to repair and rebuild the Premises. Except for abatement of such Base Rent, if any, Tenant shall have no claim against Landlord by reason of any damage, destruction, repair or rebuilding of the Premises.

12.4 If the Premises are damaged or destroyed, either partially or totally, during the last year of the Lease Term, Landlord may at Landlord's option cancel and terminate this Lease as of the date of occurrence of such damage by giving written notice to Tenant of Landlord's election to do so within thirty (30) days after the date of occurrence of such damage. However, if Tenant possesses an option to extend the Lease Term and the time within which Tenant may exercise such option has not expired, and if Tenant validly exercises such option within twenty (20) days after Tenant's receipt of the Landlord's written notice of Landlord's election to terminate, then Landlord's election to terminate this Lease pursuant to this Paragraph 12.4 shall be void and of no effect. In such event, the repair and restoration of the Premises shall be governed by the other applicable provisions of this Article XII.

12.5 Tenant waives the provisions of any statutes which relate to termination of leases when the Premises are destroyed; and Tenant agrees that such event shall be governed by the terms of this Lease and not by any such statute.

ARTICLE XIII Condemnation

13.1 If title to all or any portion of the Premises shall be taken by any public or quasi-public use or authority under any statute or by right of eminent domain, or by private purchase in lieu thereof, then the rights of the parties to share in the condemnation award or purchase price thereby resulting shall be governed by the provisions of this Article XIII.

13.2 Should all or such portion of the Premises (including the Tenant Yard Area) be taken in such a manner as to materially interfere with Tenant's use and occupancy thereof, then this Lease shall terminate as of the date that possession of said Premises or part thereof shall be taken. Landlord shall be entitled to (a) any amount paid for the taking of Landlord's fee interest in the Premises, (b) any severance damages included in the award, (c) any amount paid for the taking of the Premises except that paid for any improvements made to the Premises at Tenant's expense, and (d) any amount which represents the present worth of rent payments to be made in the future under the provisions of this Lease; and none of Landlord's interests in the above shall be subject to any diminution or apportionment whatsoever. Tenant shall be entitled to compensation paid under condemnation for the taking of Tenant's fixtures and equipment (including, without limitation, freezer/coolers and racking), any improvements made to the Premises by Tenant at Tenant's expense, moving expenses and business interruption, and relocation expenses and business goodwill (exclusive of lease bonus value), to the extent such claims are allowed and separately awarded to Tenant by the condemning authority.

13.3 In the event of a partial taking of the Premises (including the Tenant Yard Area) which does not materially interfere with Tenant's continued use and occupancy of the Premises and there remains sufficient of the Premises (including the

Tenant Yard Area) for the continued use of Tenant, then this Lease shall terminate only as to the part so taken, as of the date that possession of such part of the Premises is taken, and the Minimum Rent herein provided for shall be reduced in proportion as the square footage of building floor area or Tenant Yard Area taken bears to the total building floor area or Tenant Yard Area existing before such taking. In the event of a partial taking, Landlord agrees to replace or repair the building facility constituting a portion of the Premises to its condition as existed when the Lease Term commenced, by reinstalling plumbing, electrical, wiring, walls and paving, if necessary, so that said building facility shall be completely operable and an integral whole, but at a cost to Landlord not to exceed the condemnation award received by Landlord. In the event of such partial taking, Landlord shall be entitled to receive all amounts described in the second sentence of Paragraph 13.2; and none of Landlord's interest in the above shall be subject to any diminution or apportionment whatsoever other than as provided in Paragraph 13.2. Tenant shall be entitled to compensation paid under condemnation for the taking of Tenant's fixtures and equipment (including, without limitation, freezer/coolers and racking), any improvements made to the Premises by Tenant at Tenant's expense, moving expenses and business interruption, and relocation expenses and business goodwill (exclusive of lease bonus value), to the extent such claims are allowed and separately awarded to Tenant by the condemning authority.

13.4 Landlord and Tenant agree to execute all documents and assignments necessary to carry out this Article XIII in the event of condemnation or purchase in lieu thereof.

ARTICLE XIV Use Of Premises – Assignments

14.1 Tenant shall have the right to use the Premises for warehousing, distribution and general office purposes, and for related non-manufacturing and non-retail sales uses, all of which shall be conducted by Tenant in compliance with all applicable laws and regulations, including, without limitation, environmental laws and laws relating to Hazardous Materials; and Tenant agrees such use shall comply with all applicable laws and regulations in effect when this Lease Term commences and as may be amended or newly enacted during the Lease Term. Tenant shall not use the Premises for the retail sale of property or for any other use not specifically permitted pursuant to this Paragraph 14.1. Tenant shall not conduct nor permit to be conducted any auction or auction sale at the Premises. Tenant's use of the Premises is subject to limitations imposed by the Watson Land Company Performance Standards and the limitations contained in this Lease. Landlord acknowledges its understanding that Tenant intends to conduct business operations at the Premises (including semi-truck traffic to and from the Premises) twenty four hours a day, seven days a week, and Landlord hereby consents to such use of the Premises, but Landlord makes no representation or warranty as to present or future governmental rules or regulations that may impact or limit such operations. Tenant covenants and agrees that it shall use commercially reasonable efforts not to permit any of its employees, agents, contractors, vendors or shippers to park trucks, automobiles, trailers or other vehicles on any of the public streets in the general vicinity of the Premises or the industrial or business park in which the Premises are located.

14.2 Tenant shall not assign, sublet or otherwise transfer this Lease, or Tenant's interest in and to the Premises, nor enter into any license or concession agreements with respect thereto, without first procuring the written consent of Landlord. Any such attempted or purported assignment, subletting, transfer or license or concession agreement (collectively "Transfer") without Landlord's prior written consent shall be void and of no force and effect, and shall not confer any interest or estate in the purported transferee (the "Transferee") and shall, at Landlord's option, constitute an incurable default under this Lease. Tenant shall have no right to mortgage, hypothecate or otherwise encumber its leasehold estate in the Premises or its rights under this Lease, and Landlord and Tenant specifically agree that any such mortgage, hypothecation or encumbrance by Tenant is strictly and absolutely prohibited. Tenant has advised Landlord that Tenant intends to obtain third-party financing for the

acquisition and installation of certain freezer/coolers and racking for the Premises. Landlord agrees that, in connection with such financing, Landlord shall, promptly following Tenant's written request, execute and deliver to Tenant a Landlord's Waiver Agreement in the form attached as Exhibit I. If Tenant is a corporation, unincorporated association, trust or partnership, the sale, assignment, transfer or hypothecation of any stock or other ownership interest of such entity which from time to time in the aggregate exceeds fifty percent (50%) shall be deemed an assignment subject to the provisions of this Article XIV, but a public offering of Tenant's stock, or the sale of Tenant's stock on a recognized stock exchange shall not be deemed a "Transfer" requiring Landlord's consent. Notwithstanding the foregoing, all transfers of stock in Tenant to Affiliates and/or all intra-family transfers of stock of Tenant shall not constitute an assignment or change in control for purposes of this Article XIV and shall not require Landlord's prior consent. For purposes hereof, intra-family transfers of stock shall mean any transfers of some or all of the stock of Tenant between members of the extended Lindberg family and/or their respective spouses, including transfers of stock into trusts, family limited partnerships or other entities, the ownership interests of which are held by members of the extended Lindberg family and/or their respective spouses. Landlord agrees that in the event of a proposed Transfer to an "Affiliate" (as defined herein) or a "Permitted Transferee" (as defined herein), Landlord's consent to such proposed Transfer will not be required so long as (i) such Affiliate's or Permitted Transferee's use of the Premises is in conformance with Paragraph 14.1; (ii) such Affiliate's or Permitted Transferee's use of the Premises will not result in any material increase in the potential risk to Landlord arising out of or relating to Hazardous Materials; and (iii) such Transfer will not cause any portion of the amounts received by Landlord pursuant to this Lease or any sublease to fail to qualify as "rents from real property" within the meaning of Section 856(d) of the Internal Revenue Code, or which could cause any other income received by Landlord to fail to qualify as income described in Section 856(c)(2) of the Internal Revenue Code. As used herein, the term "Affiliate" shall mean any corporation, limited liability company or other business entity which controls, is controlled by or is under common control with Tenant, or to any corporation, limited liability company or other business entity resulting from the merger or consolidation with Tenant, or to any person or entity which acquires all the assets of Tenant as a going concern of the business that is being conducted on the Premises, provided that said assignee assumes, in full, the obligations of Tenant under this Lease. As used herein, the term "Permitted Transferee" shall mean any corporation, limited liability company or other business entity which subleases a portion of the Premises from Tenant, provided that the subleases to all Permitted Transferees do not exceed in the aggregate 150,000 square feet of space in the Building at any one time. The entering into of one or more subleases or other transactions with Assignees and/or Permitted Transferees shall not cause Tenant to be prohibited from exercising any option to extend the term or exercise any other rights it may have under this Lease. No assignment of this Lease shall, in any way, affect or limit the liability of Tenant under the terms of this Lease even if after such assignment the terms of this Lease are materially changed or altered without the consent of Tenant, the consent of whom shall not be necessary. Any transfer of stock or other ownership interest of Tenant which is made with the purpose or which has the practical effect of circumventing the Transfer restrictions imposed under this Article XIV shall be deemed to be a Transfer requiring Landlord's consent. The consent of Landlord required hereunder shall not be unreasonably withheld; however, a condition precedent to any consent to a Transfer shall be Tenant's agreement to pay to Landlord as rent any costs and expenses reasonably incurred by Landlord for review and consultation by Landlord's legal counsel and securing credit reports. Notwithstanding the foregoing, Landlord and Tenant agree that, in determining whether to reasonably consent to a proposed transfer, (i) it shall not be unreasonable for Landlord to withhold its consent to any Transfer if a proposed Transferee's anticipated or proposed use of the Premises involves the generation, storage, use, treatment or disposal of any Hazardous Material; and (ii) that Landlord may consider, among other things, any or all of the following factors:

14.2.1 The reputation of the Transferee (including any principals, partners or shareholders of such assignee, subtenant to Transferee), including, without limitation, the Transferee's reputation for dishonesty, criminal conduct or unethical business practices;

14.2.2 The financial capacity of the proposed Transferee to perform its obligations under this Lease;

14.2.3 Whether the business experience and quality of business operations of the proposed Transferee is comparable to that of Tenant;

14.2.4 The credit history of the proposed Transferee;

14.2.5 The intended use of the Premises by the proposed Transferee, and Landlord's assessment of the impact of such use upon the Premises and neighboring properties;

14.2.6 Whether the proposed Transferee's use of the Premises will involve the generation, storage, use, treatment or disposal of any Hazardous Materials, or will in any way increase any potential risk or liability to Landlord arising out of or relating to Hazardous Materials.

14.3 Notwithstanding any permitted Transfer, Tenant shall at all times remain directly, primarily and fully responsible and liable for the payment of rent and for compliance with all obligations under the terms, provisions and covenants of this Lease. All Transfer agreements shall expressly provide that, in the event of a default by Tenant under this Lease, the Transferee covenants and agrees with Landlord, contemporaneously with receipt of written notice from Landlord that Tenant is in default of this Lease, and for so long as such default continues, but not for a period of time in excess of the term of the Transfer, to accept Landlord as Landlord of Transferee, to attorn to Landlord as Landlord, to thereafter perform all duties and responsibilities under the Transfer agreement directly to Landlord for Landlord's sole benefit, and to cure any default of Tenant under this Lease. Upon the occurrence of any default by Tenant, if the Premises or any part thereof are then sublet, Landlord, in addition to any other remedies herein provided or provided by law, may at its option collect directly from such subtenant all rents becoming due to Tenant under such sublease and apply such rent against any sums due to Landlord from Tenant hereunder, and no such collection shall be construed to constitute a novation or release of Tenant from the further performance of Tenant's obligations under this Lease. Any sale, assignment, transfer or hypothecation of Tenant's interest under this Lease, and any proposed subletting or occupancy of the Premises not in compliance with this Article XIV shall be void and shall, at the option of Landlord exercisable by notice to Tenant, terminate this Lease.

14.4 Should Tenant desire to make a Transfer of the Premises, Tenant shall give not less than thirty (30) days' prior written notice thereof to Landlord setting forth the name of the proposed Transferee, the term, use, rental rate and other relevant particulars of the proposed Transfer, including, without limitation, evidence reasonably satisfactory to Landlord that the proposed Transferee will not use, store or dispose of any Hazardous Materials in or on the Premises. Such notice shall be accompanied, in the case of a sublease, by a copy of the proposed sublease, and in the case of any Transfer, any documents or financial information Landlord may require in order to make a determination as to the suitability of the Transferee. If Landlord fails to respond within thirty (30) days following Landlord's receipt of all of the documents and information required under this Article XIV relating to a proposed Transfer, then Landlord shall be deemed to have consented to such Transfer.

14.5 Landlord shall have the right to condition its consent to any subletting or assignment upon payment by Tenant to Landlord of fifty percent (50%) of all "Transfer Consideration" (as defined herein) received or to be received, directly or indirectly, by Tenant on account of such subletting or assignment. For the mutual benefit of Landlord and Tenant, Tenant shall secure Transfer Consideration from any such assignee, sublessee or transferee which is generally equivalent to then-current market rent, but in no event shall Tenant's monetary obligations to Landlord, as set forth in this Lease, be reduced. Such Transfer Consideration shall be paid to Landlord at the same time or times as the same is paid to Tenant. "Transfer Consideration" shall mean (i) in the case of a sublease, the net amount (after deducting the actual and

reasonable amounts incurred by Tenant for attorneys' fees, brokerage commissions, reasonable third party marketing expenses, and reasonable costs of renovating or demising the subleased premises as reasonably necessary to facilitate the sublease transaction) of any consideration paid or given, directly or indirectly, by the sublessee to Tenant pursuant to the sublease for the use of the Premises, or any portion thereof, over and above the rent, however denominated, in this Lease, payable by Tenant to Landlord for the use of the Premises (or portion thereof), prorating as appropriate the amount payable by Tenant to Landlord under this Lease if less than all of the Premises is sublet, and (ii) in the case of an assignment, the gross amount of any consideration paid or given, directly or indirectly, by the assignee to Tenant in exchange for entering into the assignment. In the event of a sublease priced to the subtenant on a "gross" basis, the portion of the Transfer Consideration payable to Landlord shall be forty percent (40%) rather than fifty percent (50%). Notwithstanding anything contained in this Lease to the contrary, Tenant shall not (i) sublet or assign the Premises or this Lease on any basis such that the rent or other amounts to be paid by the sublessee or assignee thereunder would be based, in the whole or in part, on the income or profits derived by the business activities of the sublessee or assignee; (ii) sublet or assign the Premises or this Lease to any person that Tenant or Landlord owns, directly or indirectly (by applying the constructive ownership rules set forth in Section 856(d)(5) of the Internal Revenue Code [the "Code"]), provided, however, that the restriction contained in this item (ii) shall not apply to an assignment of this Lease to an Affiliate of Tenant if no Transfer Consideration arises and if Landlord does not own, directly or indirectly (as described above), an interest in such assignee; or (iii) sublet or assign the Premises or this Lease in any other manner which could cause any portion of the amounts received by Landlord pursuant to this Lease or any sublease to fail to qualify as "rents from real property" within the meaning of Section 856(d) of the Code, or which could cause any other income received by Landlord to fail to qualify as income described in Section 856(c)(2) of the Code.

14.6 The parties agree that the term "Transfer" under this Lease shall not include arrangements commonly known as "contract warehousing" or "3PL," pursuant to which Tenant may agree with one or more third parties to warehouse such third parties' inventory at the Premises and provide internal logistics services to such parties with regard to such inventory. Any consideration received by Tenant for any such contract warehousing or 3PL arrangement shall not be considered to be Transfer Consideration, nor shall the entering into of one or more contract warehousing or 3PL arrangements cause Tenant to be prohibited from exercising any option to extend the term or exercise any other rights it may have under this Lease. The parties further agree that no Transfer Consideration shall be payable to Landlord with respect to any assignment of this Lease to Bank of America (or any Affiliate of Bank of America) in connection with any personal property financing arrangement between Nature's Best and Bank of America or any related sublease of the Premises from Bank of America (or its Affiliate) to Nature's Best, and no such assignment or sublease shall cause Tenant to be prohibited from exercising any option to extend the term or exercise any other rights it may have under this Lease. However, while any such assignment/sublease transaction continues in effect, Landlord shall be entitled to receive Transfer Consideration under any sub-sublease of all or any portion of the Premises in the same manner in which Landlord would be entitled to such Transfer Consideration under a sublease.

14.7 Tenant shall in no event assign less than its entire interest in this Lease. This Lease shall not be assignable by operation of law, except that if Tenant is a natural person, this Lease shall be binding upon and inure to the benefit of the estate of Tenant.

14.8 If this Lease is assigned to any person or entity pursuant to the provisions of the "Revised Bankruptcy Act" (Title 11 of the United States Code; 11 U.S.C. §101 et seq.), any and all monies or other consideration payable or otherwise to be delivered in connection with such assignment shall be paid or delivered to Landlord, shall be and remain the exclusive property of Landlord, and shall not constitute property of Tenant or of the estate of Tenant within the meaning of the Revised Bankruptcy Act. Any and all monies or other considerations constituting Landlord's property under this

Article XIV not paid or delivered to Landlord shall be held in trust for the benefit of Landlord and shall be promptly paid or delivered to Landlord. Any person or entity to which this Lease is assigned pursuant to the provisions of the Revised Bankruptcy Act shall be deemed without further act or deed to have assumed all of the obligations arising under this Lease on and after the date of such assignment.

14.9 Landlord shall have the right to sell, transfer, delegate or assign any of its rights or obligations under this Lease.

ARTICLE XV Event of Default

15.1 Tenant shall be in default under this Lease if:

15.1.1 Tenant shall fail to make any payment of Minimum Rent, any additional rent payable hereunder, or any other monetary obligation required of Tenant under this Lease (including, without limitation, restoration of any security deposit as required under this Lease) and such failure shall continue for ten (10) days after Tenant's receipt of written notice from Landlord that said rent or monetary obligation is due and payable as provided in this Lease (which notice shall be in lieu of, and not in addition to any notice required pursuant to California Code of Civil Procedure Sections 1161 or 1161(a), as amended); or

15.1.2 Tenant shall neglect or fail to perform or observe any of the covenants herein contained on Tenant's part to be performed or observed, and Tenant shall fail to remedy the same within thirty (30) days after Landlord shall have given to Tenant written notice specifying such neglect or failure (provided, however, that if the performance or observance of any such covenant reasonably requires more than thirty (30) days to perform, Tenant shall not be in default under this Lease as a result of its failure to perform or observe any such covenant within such thirty (30) day period, so long as Tenant has commenced the actions necessary to perform or observe such covenant within such thirty (30) day period, and is diligently pursuing such cure to completion); or

15.1.3 Tenant shall abandon the Premises and such abandonment shall continue for a period of fourteen (14) consecutive days during which Minimum Rent for the Premises has remained unpaid.

15.2 In the event of any default by Tenant, and without any further notice or demand, Landlord shall have the right at Landlord's election, then or at any time thereafter, to:

15.2.1 Terminate this Lease, which shall terminate Tenant's right to the use, occupancy and possession of the Premises, and Tenant shall immediately surrender possession of the Premises to Landlord; or

15.2.2 Re-enter and take possession of the Premises or any part thereof as provided by law, in which event this Lease shall terminate effective when Landlord takes possession; or

15.2.3 Continue this Lease in effect and enforce any or all rights and remedies of Landlord under this Lease, including the right to recover Minimum Rent, additional rent and charges equivalent to rent (sometimes collectively referred to herein as "rent") as they become due under this Lease, for so long as Landlord does not terminate Tenant's right to possession of the Premises; or

15.2.4 Seek any legal or equitable relief permitted by law.

15.3 If Landlord terminates this Lease as provided in subparagraphs 15.2.1 or 15.2.2 hereof, Landlord shall have the right to recover from Tenant:

15.3.1 The worth, at the time of the award, of the unpaid rent that had been earned at the time of termination of this Lease; and

15.3.2 The worth, at the time of the award, of the amount by which the unpaid rent that would have been earned after the date of termination of this Lease until the time of award exceeds the amount of the loss of rent that Tenant proves could have been reasonably avoided; and

15.3.3 The worth, at the time of the award, of the amount by which the unpaid rent for the balance of the term after the time of award exceeds the amount of the loss of rent that Tenant proves could have been reasonably avoided; and

15.3.4 Any other amount necessary to compensate Landlord for all detriment proximately caused by Tenant's breach or which in the ordinary course of things would be likely to result therefrom; such as, the cost of recovering possession of the Premises, expenses of reletting including attorney's fees and any real estate commissions paid or payable, necessary repair, restoration, renovation, or alteration of the Premises, and care and safekeeping of the Premises.

"The worth, at the time of the award," as used in subparagraphs 15.3.1 and 15.3.2 of this paragraph, is to be computed by allowing interest at the Lease Interest Rate in effect when each installment of rent referred to in said subparagraphs became payable.

"The worth, at the time of the award," as referred to in subparagraph 15.3.3 of this paragraph, is to be computed by discounting the amount at the discount rate of the Federal Reserve Bank of San Francisco at the time of the award, plus one percent (1%).

15.4 If Tenant shall breach this Lease and abandon the Premises, this Lease shall continue in full force and effect for so long as Landlord does not terminate Tenant's right to possession of the Premises, and Landlord may enforce all of its rights and remedies under this Lease, including but not limited to the right to recover rent and charges equivalent to rent as they become due under this Lease. For the purposes of this Paragraph 15.4 and Paragraph 15.2, the following acts by Landlord shall not constitute a termination of Tenant's right to possession of the Premises: (i) maintenance or preservation of the Premises, (ii) efforts to relet the Premises, or (iii) the appointment of a receiver upon initiative of Landlord to protect Landlord's interest under the Lease.

15.5 In the event Landlord re-enters and takes possession of the Premises, Landlord may at Landlord's option require Tenant to remove from the Premises any of Tenant's property located therein. If Tenant fails to do so, Landlord shall not be responsible for the care or safekeeping thereof and may remove any of the same from the Premises and place the same in storage in a public warehouse at the cost, expense and risk of Tenant with authority to the warehouseman to sell the same in the event that Tenant shall fail to pay the costs of transportation and storage, all in accordance with the rules and regulations applicable to the operation of a public warehouseman's business. Any refusal by a public warehouseman to accept personal property located in the Premises upon such condition shall be conclusive evidence that the same is of no substantial value, and shall be an unconditional warrant to Landlord for disposing of the same in any manner Landlord may see fit, and without accountability for any alleged value thereof. In addition, Landlord may, at Landlord's election, dispose of said property pursuant to the provisions of Sections 1980 through 1991 of the California Civil Code. In any and all such cases of re-entry, Landlord may make any repairs in, to or upon the Premises which may be necessary, desirable or convenient, and Tenant hereby waives any and all claims for damages which may be caused or occasioned by such reentry or any of the aforesaid acts of Landlord or by reason of any loss or destruction or damage to any property in or about the Premises or any part thereof.

15.6 Tenant further covenants and agrees that if Landlord fails or neglects for any reason to take advantage of any of the terms hereof provided for the termination of this Lease or for the termination or forfeiture of the estate hereby leased,

or if Landlord, having the right to declare this Lease terminated or the estate hereby leased terminated or forfeited, shall fail so to do, any such failure or neglect of Landlord shall not be or be deemed or be construed to be a waiver of any provisions for the termination of this Lease continuing to exist or for the termination or forfeiture of the estate hereby leased subsequently arising, or as a waiver of any of the covenants, terms or conditions of this Lease or of the prompt performance thereof by Tenant. None of the covenants, terms or conditions of this Lease can be waived by conduct of the parties or by estoppel; any claim or waiver must be in writing and signed by the party entitled to the benefit thereof.

ARTICLE XVI Surrender of Premises

16.1 Upon any termination of this Lease, whether by lapse of time, cancellation pursuant to an election provided for herein, forfeiture, or otherwise, Tenant shall immediately surrender possession of the Premises and all buildings and improvements on the same (excepting those improvements which Landlord shall have required Tenant to remove therefrom pursuant to Paragraph 9.3 hereof and Tenant's equipment and trade fixtures [including, without limitation, freezer/coolers and racking]) to Landlord in a clean and orderly condition and appearance, state of repair and operating order, and with all such improvements thereon in a good, safe, fully operable condition (excluding freezer/coolers to be removed by Tenant), subject to ordinary wear and tear, casualty and condemnation and in full compliance with all Federal, State and local laws, rules, regulations and ordinances in effect as of the date such improvements were constructed (including, without limitation, any laws, rules, regulations and ordinances relating to Hazardous Materials) and each provision of this Lease, including without limitation the provisions of Article IX hereof. If possession is not immediately surrendered, Landlord may, with process of law, enter the Premises and repossess the same and expel Tenant or any subtenant or occupant therefrom. Landlord shall hold the Premises after any such re-entry free of any right, privilege or estate of Tenant and without any duty or obligation to Tenant in respect of any subsequent reletting or disposition of the Premises. If Tenant's business operations on the Premises or uses of the Premises involve any generation, storage, use, treatment or disposal of any Hazardous Material, Tenant shall be responsible for removing any such Hazardous Materials from the Premises and for decontaminating the Premises and any neighboring properties affected by such Hazardous Materials.

16.2 Upon the termination of this Lease, Tenant shall have the right to remove, and if directed so to do by Landlord shall remove, from the Premises, all of Tenant's machinery, equipment (excluding building service equipment), trade fixtures, signs, furniture, furnishings, supplies and inventory then installed or in place in, on or about the Premises, including freezer/coolers and racking. Except as hereinafter expressly set forth, such removal shall be completed prior to the expiration or earlier termination of this Lease. Tenant shall make all repairs to the Premises required because of such removal and Tenant shall restore the Premises to their condition as existed when the Lease Term commenced, subject to ordinary wear and tear, casualty and condemnation. If this Lease shall terminate at any time other than the time herein fixed as the expiration of the Lease Term, then Tenant shall have a reasonable time thereafter to effect the removal of the foregoing items, not to exceed thirty (30) days. Tenant shall pay Minimum Rent and items designated in this Lease as additional rent to Landlord on a per diem basis during the time such removal is taking place.

16.3 If any of Tenant's machinery, equipment, trade fixtures, signs, furniture, furnishings, supplies and inventory remain on the Premises after the end of the term hereof or time allowed to remove the same, such property (following written notice to Tenant and the passage of an additional ten (10) days following such written notice during which Tenant shall be allowed to remove such machinery and other items) shall be deemed abandoned by Tenant and it shall become the property of Landlord without any claim therein of Tenant should Landlord so elect.

16.4 Upon termination of this Lease, Tenant shall surrender the Premises in a "broom-clean" condition, with all refuse and debris removed therefrom, and with all electrical, plumbing, heating and air conditioning installations in a good, safe and fully operable condition (subject to the provisions of this Lease respecting freezer/coolers), and prior to such termination, Tenant shall fill or repair any holes or openings made by Tenant in the walls, roof or floor of the building, remove any protuberance, and perform any maintenance or repairs required of Tenant by this Lease. Nothing contained in this Paragraph 16.4 shall be deemed to limit Tenant's repair and maintenance obligations pursuant to Article IX of this Lease. If directed so to do by Landlord, Tenant shall also remove any improvements, additions or alterations made to the Premises by Tenant (but excluding the initial primary office improvements constructed by Landlord as provided in Paragraph 5 of the attached Lease Rider) and thereafter restore the Premises to their original condition, even though such improvements by the terms of this Lease become a part of the Premises and the property of Landlord.

ARTICLE XVII Delays – Extensions of Time

17.1 The time within which Landlord or Tenant is obligated herein to construct, repair or rebuild any building, improvement or other structure shall be extended and the performance excused when the delay is occasioned by the other party (such as failure to promptly give required approvals, or installation of machinery and equipment during construction which interferes with or delays the contractor); or by strikes, threats of strikes or lockouts; blackouts, war, threats of war, bombing, insurrection, riot or invasion; acts of God, calamities, civil commotions, violent action of the elements or fire; action, inaction or delayed action of any governmental agency; regulations or laws of any national, state or local governmental authority; unavailability of materials at reasonable prices, delays in delivery of materials by suppliers or weather conditions which impair or delay construction; or other matters or things, whether similar or dissimilar to the foregoing, beyond the reasonable control of the obligated party; excluding, however, financial difficulties of either Landlord or Tenant. Delayed action by a governmental agency shall be deemed to occur if a grading and foundation only permit is not issued within twenty-one (21) days after drawings and specifications for such permit are filed for plan check with the appropriate governmental agency, or if a building permit is not issued within forty-five (45) days after drawings, specifications, and engineering calculations for such permit are filed for plan check with such governmental agency.

ARTICLE XVIII Attorneys' Fees

18.1 In the event that either Landlord or Tenant brings any action or proceeding against the other for possession of the Premises or for the recovery of any sum due hereunder, or because of the breach of any covenant, condition or provision hereof, or for any other relief against the other, declaratory or otherwise, including appeals therefrom, and whether being an action based upon a tort or contract, then the prevailing party to this Lease in any such proceeding shall be paid attorneys' fees and costs of such action or proceeding which shall be enforceable whether or not such action or proceeding, is prosecuted to final judgment, and including an allowance for attorneys' fees for appeals and rehearings. In addition to the foregoing award of attorneys' fees to the prevailing party, the prevailing party in any such lawsuit shall be entitled to its attorneys' fees incurred in any post-judgment proceedings to collect or enforce the judgment. This provision is separate and several and shall survive the merger of this Lease into any judgment on this Lease. As used here, the term "attorneys' fees" means the full costs of legal services performed in connection with the matters involved, calculated on the basis of usual fees charged by an attorney performing those services, and not limited to "reasonable attorneys' fees" as defined in any statute or rule of the court.

ARTICLE XIX
Statement of Lease

19.1 Tenant shall, at any time and from time to time during the Lease Term (or any Extended Term), upon not less than twenty (20) days' prior written notice from Landlord, execute, acknowledge and deliver to Landlord a written certificate substantially in the form attached hereto as Exhibit F, certifying: (i) that this Lease represents the entire agreement between Landlord and Tenant, and (if such is true) is unmodified and in full force and effect (or, if modified, stating the nature of such modification and certifying that this Lease, as so modified, is in full force and effect [if such is true]); (ii) the dates to which Minimum Rent and other charges or additional rent have been paid in advance, if any; (iii) the Commencement Date and Termination Date of the Lease Term; (iv) whether Tenant has assigned, subleased or otherwise transferred the Premises, this Lease or any interest of Tenant therein; (v) the then-current amount of Minimum Rent and any Security Deposit paid by Tenant to Landlord under this Lease; (vi) the date upon which, and the amount or method by which, Minimum Rent, additional rent or other charges payable under this Lease will next be adjusted or increased (if at all); (vii) that there are no options to extend the term of this Lease, or if any such options exist, describing any such options and stating the terms and conditions upon which any such options may be exercised; (viii) that there are no rights of first refusal to purchase the Premises or lease additional space contiguous to the Premises, or if any such rights of first refusal exist, stating the terms and conditions upon which the same may be exercised; (ix) that to the best knowledge of Tenant there are not any uncured defaults on the part of Landlord under this Lease, and that Tenant has no right of offset, counterclaim or deduction against Minimum Rent or other payment obligations of Tenant under this Lease, or specifying such defaults if any are claimed together with the amount of any offset, counterclaim or deduction alleged by Tenant; and (x) that Landlord has fully performed each and all of its construction, repair and maintenance obligations (if any), as required under this Lease, except as may be specifically set forth in said statement (if applicable), and that Tenant, subject to any such stated exception(s), accepts the Premises in their present condition. Landlord shall, at any time and from time to time during the Lease Term, upon not less than twenty (20) days' prior written notice from Tenant, execute, acknowledge and deliver to Tenant a written certificate certifying the items described in (i), (ii), (iii), (v), (vi) and (vii), above, and certifying, to the best of Landlord's knowledge, whether Tenant is then in default under this Lease.

19.2 In addition to the certificate required pursuant to Paragraph 19.1, above, Landlord shall have the right to require Tenant to execute a commercially reasonable statement or certificate in a form requested by an existing or potential purchaser, lender or other party which may acquire the Premises or hold a security interest in the Premises (or the real property or Building of which the Premises are a part), or any other commercially reasonable certificate or form as may be requested by Landlord.

19.3 Any such certificate or statement referred to in this Article XIX may be relied upon by any such existing or potential purchaser, lender, other secured party, and Tenant's failure or refusal to execute and deliver such statement within such time shall, at the option of Landlord, constitute a material default under this Lease, and in any event, shall be conclusive and binding upon Tenant that: (a) this Lease is in full force and effect, without modification, except as may be represented by Landlord; (b) there are no uncured defaults in Landlord's performance and that Tenant has no right of offset, counterclaim or deduction against Minimum Rent or other payment obligations under this Lease; and (c) no more than one (1) months' Minimum Rent or other payment obligations under this Lease (together with the Security Deposit) has been paid in advance.

19.4 Landlord is hereby irrevocably appointed and authorized as agent and attorney-in-fact of Tenant to execute and deliver any such certificate or statement in the event that Tenant fails or refuses to execute and deliver such certificate or

statement within twenty (20) days after notice from Landlord requesting execution and delivery thereof.

19.5 If Landlord desires to finance, refinance, or sell all or any portion of the real property of which the Building or the Premises are a part, Tenant hereby agrees to deliver to any lender or purchaser designated by Landlord such financial statements and other documents and instruments of Tenant as may be reasonably required by any such lender or purchaser, but only as may be prepared by Tenant in the ordinary course of business. Such statements shall include the last three (3) years' financial statements of Tenant. All such financial statements and other information shall be received by Landlord and any such lender or purchaser in confidence (except for disclosures to auditors and regulatory authorities, and except for other disclosures required by law), and shall be used only for the purposes herein set forth.

19.6 Tenant acknowledges and agrees that Tenant's obligation to provide such certificates or statements constitutes a material inducement to Landlord to execute this Lease, and Tenant shall provide Landlord with such certificates and statements within twenty (20) days following Tenant's receipt of Landlord's written request therefore.

ARTICLE XX
Rights Reserved by Landlord

20.1 Landlord expressly reserves all rights in and with respect to the land hereby leased not inconsistent with Tenant's use of the Premises as provided in this Lease, including (without in any way limiting the generality of the foregoing) all rights to the subsurface of the land more than five (5) feet below ground level, except where building improvements extend more than five (5) feet below ground level; and all rights to the airspace more than ten (10) feet above the roof of any building; and the rights to enter upon the Premises for itself or to give easements to others for the purpose of installing, using, maintaining, renewing and replacing such overhead or underground water, oil, gas, sewer drainage, and other pipe lines, and telephone, electric, power, television and other lines, cables and conduits as Landlord may deem desirable in connection with the development or use of any other property in the neighborhood of the Premises, whether owned by Landlord or not, all of which pipelines, lines and conduits shall be buried to a sufficient depth or raised to a sufficient height so as not to interfere with the use or stability of the Premises.

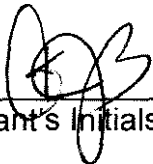
ARTICLE XXI
Covenant of Quiet Enjoyment

21.1 Landlord does hereby covenant, promise and agree to and with Tenant that Tenant, for so long as it is not in default hereof and is in compliance with all of the terms and conditions of this Lease, shall and may at all times peaceable and quietly have, hold, use, occupy and possess the Premises throughout the term of this Lease, subject to all of the terms and conditions of this Lease, without any molestation or eviction by Landlord or any persons claiming by or through Landlord.


ARTICLE XXII
Recordation

22.1 Tenant may, if it so desires, record a short form of memorandum of this Lease (in the form attached hereto as Exhibit J) in the office of the San Bernardino County Recorder. In the event of any such recordation, Tenant shall be solely responsible for any documentary transfer taxes or other taxes relating to or arising out of any such recordation. Upon the expiration or sooner termination of this Lease, Tenant shall deliver to Landlord a recordable form of quitclaim deed or termination of memorandum of lease sufficient to remove the effect of the memorandum of lease from record title to the property and sufficient to enable title insurance companies to issue

title insurance policies for the property without showing this Lease or such memorandum as a title exception. TENANT ACKNOWLEDGES ITS UNDERSTANDING AND AWARENESS IF TENANT SHOULD FAIL TO DELIVER TO LANDLORD SUCH A RECORDABLE FORM OF QUITCLAIM DEED OR TERMINATION OF MEMORANDUM OF LEASE TO LANDLORD, IT WOULD BE IMPRACTICAL AND EXTREMELY DIFFICULT TO ESTIMATE THE DAMAGES WHICH LANDLORD MAY SUFFER AS A RESULT OF SUCH FAILURE. THEREFORE TENANT AND LANDLORD HEREBY AGREE THAT A REASONABLE ESTIMATE OF THE DETRIMENT THAT LANDLORD WOULD SUFFER IN THE EVENT THAT TENANT FAILS TO CAUSE SUCH A QUITCLAIM DEED OR MEMORANDUM OF TERMINATION WITHIN THIRTY (30) DAYS OF THE DATE OF THE EXPIRATION OR SOONER TERMINATION OF THIS LEASE (THE "REQUIRED DATE") IS AND SHALL BE AN AMOUNT EQUAL TO ONE THOUSAND DOLLARS (\$1,000.00) PER DAY FOR EACH DAY FOLLOWING THE REQUIRED DATE THAT SUCH QUITCLAIM DEED OR MEMORANDUM OF TERMINATION HAS NOT BEEN DELIVERED TO LANDLORD. THIS LIQUIDATED DAMAGES PROVISION APPLIES ONLY TO TENANT'S DELAY IN RECORDING THE QUITCLAIM DEED OR MEMORANDUM OF TERMINATION AS REQUIRED UNDER THIS PARAGRAPH 22.1 AND SHALL NOT LIMIT, MODIFY OR IMPAIR ANY OF LANDLORD'S RIGHTS OR REMEDIES FOR ANY OTHER BREACH OR DEFAULT OF THIS LEASE BY TENANT.



Tenant's Initials



Landlord's Initials

ARTICLE XXIII Subordination

23.1 This Lease and Tenant's rights hereunder are and will remain subject and subordinate to any ground lease, mortgage, deed of trust or any other hypothecation for security now or hereafter placed upon the real property of which the Premises are a part (the "Property"), and to all increases, renewals, modifications, consolidations, replacements, and extensions thereof (collectively referred to as the "Mortgage"). If the holder of a Mortgage becomes the owner of the Property by reason of foreclosure or acceptance of a deed in lieu of foreclosure, at such holder's election (but subject to the terms of any applicable non-disturbance agreement), Tenant will be bound to such holder or its successor-in-interest under all terms and conditions of this Lease, and Tenant will be deemed to have attorned to and recognized such holder or successor as Landlord's successor-in-interest for the remainder of the Lease Term or any extension thereof. The foregoing shall be effected by a written commercially reasonable Subordination, Non-Disturbance and Attornment Agreement, which Tenant will, within twenty (20) days after written request, execute and deliver without charge in order to confirm the subordination and attornment set forth above. No indemnification obligation of Landlord under this Lease shall be assumed by or binding upon any such Mortgage holder. Should the holder of a Mortgage request that this Lease and Tenant's rights hereunder be made superior, rather than subordinate, to the Mortgage, then Tenant will, within ten (10) days after written request, execute and deliver without charge such agreement as may be reasonably required by such holder in order to effectuate and evidence such superiority of the Lease to the Mortgage. If Landlord has made an assignment of rents and leases to the Mortgage holder, Tenant agrees to comply with any provisions of such assignment requiring the payment of rents to the Mortgage holder.

23.2 If Tenant fails to execute and deliver any documents as and when required above, such failure will constitute a default under this Lease, entitling Landlord to the same rights and remedies as if such default were with respect to non-payment of Minimum Rent. With respect to each Mortgage that may encumber the Property at or after the commencement of the Lease Term, Landlord agrees that Landlord will obtain from the holder of the Mortgage a "non-disturbance agreement," in the usual form used by such holder. Landlord represents and warrants to Tenant that, as of the date of this Lease, the Premises is not encumbered by any Mortgage. The term "non-disturbance

agreement" as used herein means, in general, an agreement that as long as Tenant is not in default under this Lease, this Lease will not be terminated if such holder acquires title to the Property by reason of foreclosure proceedings or acceptance of a deed in lieu of foreclosure, provided that Tenant attorns to such holder in accordance with such holder's requirements. Such non-disturbance agreement shall also evidence Tenant's agreement to subordinate this Lease to such Mortgage and the parties' execution and delivery of such agreement shall be a condition precedent to Tenant's agreement to subordinate this Lease.

ARTICLE XXIV Security Deposit

24.1 As security for the faithful performance of the terms, covenants, conditions and provisions of this Lease, as well as to indemnify Landlord from any damages, costs, expenses, real estate brokerage commissions or attorneys' fees which Landlord may incur or suffer by reason of any default by Tenant, Tenant hereby agrees to deposit with Landlord, upon execution of this Lease, the sum set forth in Item 1.11 of the Basic Lease Provisions. If, as a result of the redetermination of the Annual Tax Base Amount, Annual Insurance Base Amount and Annual Landscape Base Amount pursuant to Paragraph 4.1, above, there is an adjustment to the Initial Minimum Rent, the security deposit shall be adjusted so that it is equal in amount to such adjusted Initial Minimum Rent. If the security deposit decreases as a result of such adjustment, Landlord shall promptly refund to Tenant the excess amount and if the security deposit increases as a result of such adjustment, Tenant shall promptly pay to Landlord the increased amount. If the Minimum Rent shall, from time to time, increase during the term of this Lease, Tenant shall thereupon deposit with Landlord additional security deposit so that the amount of security deposit held by Landlord shall at all times bear the same proportion to current Minimum Rent as the original security deposit bears to the original Minimum Rent set forth in Item 1.6 of the Basic Lease Provisions. Landlord shall not be required to keep said deposit separate from its general accounts. No interest shall be paid by Landlord to Tenant on said deposit, and no trust relationship is created between Landlord and Tenant with respect to the security deposit.

24.2 In the event Tenant shall be in default hereof at any time prior to the end of the term hereof, then Landlord may apply all or any portion of the security deposit in payment of Landlord's costs, expenses, damages, real estate broker's commissions, and attorneys' fees in enforcing the terms, covenants, conditions and provisions hereof. Nothing herein contained shall be construed to mean that the recovery of damages by Landlord against Tenant shall be limited to the sum of the security deposit. In the event any portion or all of the security deposit is applied by Landlord in accordance with the foregoing, then Tenant shall, within ten (10) days after written notice, deposit with Landlord additional sums so that the security deposit in the hands of Landlord shall be at all times not less than the sum of the deposit herein provided for.

24.3 Should the Lease Term and the occupancy of the Premises by Tenant fail to commence through no fault of Tenant, then Landlord shall return the security deposit and any prepaid rent previously paid to Landlord by Tenant within thirty (30) days after such event occurs. Upon the expiration of the Lease Term or if this Lease should terminate for any reason other than the default of Tenant, Landlord shall account for and return the security deposit (or appropriate portion thereof) to Tenant within thirty (30) days after Landlord's inspection of the Premises (which inspection shall occur prior to or within ten (10) days following the expiration of the Lease Term) and confirmation that the Premises are surrendered in the condition as required under the terms of this Lease.

ARTICLE XXV
Holding Over

25.1 If Tenant remains in possession of the Premises after the expiration of the Lease Term or any extension or renewal hereof, such holding over shall not operate to extend or renew this Lease but shall be construed as a tenancy from month-to-month which may be terminated by Landlord upon ten (10) days' prior written notice if Tenant is then in default of this Lease (for a reason other than Tenant's mere occupancy of the Premises), or by either party upon at least thirty (30) days' prior written notice directed to the end of a calendar month. Such month-to-month tenancy by Tenant shall be subject to all the terms and provisions of this Lease, except that the Minimum Rent payable during the period of holding over shall be the greater of:

(a) Minimum Rent set forth in Item 1.6 of the Basic Lease Provisions, plus a percentage of such rent equal to the percentage change in the CPI between the Commencement Date of this Lease and the period of holding over; or (b) one hundred twenty five percent (125%) of the average monthly Minimum Rent payable by Tenant during the last twelve (12) months of the Lease Term or any extension or renewal thereof. Any options, rights, or privileges granted to Tenant, if any, to extend the Lease Term, to acquire the Premises, or re-lease the same, shall not be applicable during said period of holding over.

ARTICLE XXVI
General

26.1 Remedies Cumulative. The specific remedies to which Landlord may resort under the terms of this Lease are cumulative and are not intended to be exclusive of any other remedies or means of redress to which Landlord may be lawfully entitled in case of any breach or threatened breach by Tenant of any provision of this Lease.

26.2 Successors and Assigns. The covenants and agreements herein contained shall bind and inure to the benefit of Landlord, its successors and assigns, and Tenant, its successors and assigns, subject to the provisions of this Lease.

26.3 Payments and Interest. Except as otherwise specifically provided in this Lease, each covenant, agreement or stipulation by a party hereto shall be performed at such party's own cost and expense, and without cost or expense to the other party. Any monetary obligations due from one party under this Lease to the other party which are not paid when due shall bear interest from the due date until paid to the other party at the Lease Interest Rate. Such interest shall be paid at the time of payment of the principal obligation as a condition of remedy of such principal obligation. Any check tendered by Tenant which is dishonored by the drawee bank shall not constitute payment of any obligation under this Lease. If any check tendered by Tenant is dishonored by the drawee bank, then the checks for all payment obligations of Tenant under this Lease for the next six (6) months shall be in the form of cashiers' checks drawn on a major bank with offices located throughout the state of California.

26.4 Late Charge. Tenant acknowledges that late payment of Minimum Rent and items designated in this Lease as additional rent will cause Landlord to incur costs and suffer damages not contemplated by this Lease, the exact amount of which will be impracticable to ascertain. Such costs and damages include, but are not limited to, late charges which may be imposed on Landlord by the terms of any trust deed covering the Premises; additional administrative duties of Landlord's personnel in determining delinquent rents and attempts to collect such rents by reasonable means other than litigation; additional accounting and budgetary duties of Landlord's personnel; possible adverse effects on Landlord's credit rating resulting from impairment of Landlord's cash flow; and attorneys' fees resulting from consultations with counsel. Accordingly, if any installment of Minimum Rent or items designated as additional rent are not received by Landlord within ten (10) days after the same are due, Tenant shall pay Landlord, as additional rent, a late charge equal to five percent (5%) of

such overdue amount. Landlord and Tenant agree that such late charge represents a fair, equitable, and reasonable estimate of the costs and damages Landlord will incur because of Tenant's late payment.

26.5 Late Payments and Impounds. In the event that a late charge is payable pursuant to Paragraph 26.4, whether or not collected, for two (2) consecutive installments of rent, then (i) rent shall automatically become due and payable quarterly in advance, rather than monthly, notwithstanding Paragraph 4.1 or any other provision of this Lease to the contrary; (ii) if requested by Landlord, Tenant shall furnish to Landlord Tenant's latest financial statements covering at least the past two fiscal years and any interim statements covering the current fiscal year; and (iii) Tenant shall pay to Landlord, if Landlord shall so request, in addition to any other payments required under this Lease, a quarterly advance installment payable at the same time as the quarterly rent, as estimated by Landlord, for real property taxes and insurance expenses on the Premises which are payable by Tenant to Landlord under the terms of this Lease. Such fund shall be established to insure payment when due, before delinquency, of any or all such real property taxes and insurance premiums. If the amounts paid to Landlord by Tenant under the provisions of this Paragraph are insufficient to discharge the obligations of Tenant to pay such real property taxes and insurance premiums as the same become due, Tenant shall pay to Landlord, upon Landlord's demand, such additional sums necessary to pay such obligations. All monies paid to Landlord under this Paragraph may be intermingled with other monies of Landlord and shall not bear interest. In the event of a default in the obligations of Tenant to perform under this Lease, then any balance remaining from funds paid to Landlord under the provisions of this Paragraph may, at the option of Landlord, be applied to the payment of any monetary default of Tenant in lieu of being applied to the payment of real property tax and insurance premiums. All advance payments provided for in this Paragraph shall be deemed rent under this Lease when so applied by Landlord, but shall be considered an additional security deposit until so applied. The provisions of this Paragraph 26.5 requiring quarterly payments shall be suspended after Tenant has made timely payments of rent and other periodic payments required under this Lease for a period of twelve (12) consecutive months, but may be reinstated thereafter in the subsequent event of a late charge becoming payable pursuant to Paragraph 26.4 for two (2) consecutive installments of rent.

26.6 Notices. Any notice or demand required or permitted by law or by any of the provisions of this Lease shall be in writing. All notices or demands by either party shall be deemed to have been properly given upon delivery when served personally; two (2) business days after being deposited with the U.S. Postal Service when sent by registered or certified mail, postage prepaid; or by noon on the business day following the day of deposit with an overnight express carrier when sent by overnight express service, such as Federal Express. Notices from Landlord to Tenant shall be given to Tenant at the address as stated in Paragraph 1.15 of the Basic Lease Provisions. Notices or demands to Landlord shall be given to Landlord at 22010 Wilmington Avenue, Suite 400, Carson, California 90745. Either party hereto may change the place to which notices are to be given by advising the other party in writing.

26.7 Captions. The headings or captions of Articles in this Lease are for convenience and reference only, and they in no way define, limit or describe the scope or intent of this Lease or the provisions of such Articles.

26.8 Pronouns and Singular/Plural. Feminine or neuter pronouns shall be substituted for those masculine form or vice versa, and the plural shall be substituted for the singular number of vice versa, in the place or places herein where the context may require such substitution or substitutions.

26.9 Time of Essence. Time is hereby declared to be of the essence of this Lease and of each and every covenant, term, condition or provision hereof.

26.10 Reasonable Consent. Unless otherwise provided in this Lease, whenever the consent or approval of Landlord or Tenant is required by the provisions of this Lease, such consent or approval shall not be unreasonably withheld or delayed.

26.11 Fair Meaning. The language in all parts of this Lease shall be in all cases construed as a whole according to its fair meaning, and not strictly for nor against either Landlord or Tenant.

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

26.13 No Accord and Satisfaction. No payment by Tenant or receipt by Landlord of a lesser amount than that stipulated herein for Minimum Rent, additional rent or any other charge shall be deemed to be other than on account of the earliest stipulated Minimum Rent, additional rent or other charge then due, nor shall any endorsement or statement on a check or letter accompanying any check or payment be deemed an accord and satisfaction, and Landlord may accept such check or payment without prejudice to rights to recover the balance of such Minimum Rent, additional rent, or other charges or pursue any other remedy in this Lease, at law or in equity.

26.14 Choice of Law. This Lease shall be governed by and construed pursuant to the laws of the State of California.

26.15 Non-Discrimination. Tenant herein covenants by and for itself, its heirs, executors, administrators and assigns, and all persons claiming under or through it; and this Lease is made and accepted upon and subject to the following conditions: That there shall be no discrimination against or segregation of any person or group of persons, on account of race, color, creed, national origin, or ancestry in the leasing, subleasing, transferring, use, occupancy, tenure or enjoyment of the Premises, nor shall the Tenant itself, or any person claiming under or through it, establish or permit any such practice or practices of discrimination or segregation with reference to the selection, location, number, use or occupancy of tenants, lessees, sublessees or vendees on the Premises.

26.16 Counterparts. This Lease may be executed in several counterparts, each of which shall constitute an original.

26.17 Corporate Resolution. If Tenant is a corporation, Tenant shall deliver to Landlord, contemporaneously with delivery of this Lease executed by Tenant, a certified copy of a resolution of Tenant's Board of Directors authorizing the execution of this Lease and naming the representatives authorized to execute this Lease on behalf of Tenant.

26.18 Reimbursements to Landlord. If Tenant, or any third party on behalf of Tenant or with whom Tenant is engaged or contemplates engaging in business, requests that Landlord review or approve any drawings, specifications or engineering calculations respecting any improvements Tenant intends to install in the Premises or execute any agreement or written instrument; and if Landlord reasonably refers such matter to any third party architect, engineer, surveyor or other professional or administrative personnel or to legal counsel for review and advice to Landlord, then Tenant agrees to reimburse Landlord as additional rent for all actual out-of-pocket professional fees and costs reasonably incurred by Landlord at the actual commercially reasonable cost thereof incurred by Landlord. If Tenant requests that Landlord consent to an assumption and/or assignment of this Lease or a subletting of the Premises to a third party for which Landlord's written consent is required, Tenant agrees to reimburse Landlord, as additional rent, for all commercially reasonable third party actual out-of-pocket expenses reasonably incurred by Landlord in connection with such request. Landlord shall be reimbursed at the actual commercially reasonable cost of professional fees and costs incurred by Landlord for persons not in the direct employ of Landlord, for each such request made by Tenant. This reimbursement provision shall not apply to the original negotiation and preparation of this Lease.

26.19 No Guard Service. Tenant hereby acknowledges that the rent payable to Landlord hereunder does not include the cost of guard service or other security measures, and that, following the date of Substantial Completion of the Base Building Improvements, Landlord shall have no obligation whatsoever to provide any such service or measures. Tenant assumes all responsibility for the protection of Tenant, its agents and invitees from acts of third parties.

26.20 Brokers. Tenant represents and warrants to Landlord that Tenant has had no dealings with any real estate broker, finder or other person with respect to this Lease in any manner, excepting only the brokers specifically named in Item 1.12 of the Basic Lease Provisions. Tenant hereby indemnifies and holds Landlord harmless from any liability or claim that may be asserted against Landlord by any broker, finder or person with whom Tenant has purportedly dealt whose name is not inserted in Item 1.12 of the Basic Lease Provisions.

26.21 Brokerage Commission. Tenant acknowledges its understanding that Landlord has paid a real estate brokerage commission for securing Tenant's tenancy at the Premises for the term of this Lease. If Tenant defaults under this Lease and discontinues paying the rent specified herein, Tenant shall, within thirty (30) days of such event, reimburse Landlord for the unamortized portion of such brokerage commission pursuant to the following formula:

$$\frac{\text{Total amount of brokerage commission}}{\text{Number of months of lease term}} \times \text{Number of months of unexpired lease term}$$

26.22 Limitation of Liability. Tenant hereby agrees that, in the event of any actual or alleged failure, breach or default hereunder by Landlord, Tenant's sole and exclusive remedy shall be against and shall be satisfied from the Landlord's equity interest in the Premises, including rentals and insurance and condemnation proceeds. Tenant agrees that the obligations of Landlord under this Lease do not constitute personal obligations of the individual directors, officers or shareholders of Landlord, and Tenant shall not seek recourse against the individual directors, officers or shareholders of Landlord or any of their personal assets for satisfaction of any liability with respect to this Lease. Landlord agrees that the obligations of Tenant under this Lease do not constitute personal obligations of the individual directors, officers or shareholders of Tenant, and Landlord shall not seek recourse against the individual directors, officers or shareholders of Tenant or any of their personal assets for satisfaction of any liability with respect to this Lease.

26.23 Parking. Tenant shall instruct and require to the extent reasonably possible that Tenant's employees, agents, visitors and business invitees park motor vehicles within the parking areas included on the Premises; and such employees, agents, visitors and invitees shall not park on the streets within the Watson Commerce Center. If there is insufficient parking area included on the Premises for parking of such motor vehicles, Tenant shall use its best efforts to obtain off-street parking privileges on other properties in the vicinity of the Premises.

26.24 Lease Reviewed. Landlord and Tenant have carefully read and reviewed this Lease and each term and provision contained herein, and each of them has referred this Lease to its own legal counsel for review and advice as to the legal consequences of this Lease. Landlord and Tenant acknowledge their informed and voluntary consent thereto. Landlord and Tenant further agree that, at the time this Lease is executed, the terms of this Lease are commercially reasonable and effectuate the intent and purpose of Landlord and Tenant with respect to the Premises.

26.25 Financial Statements. As a material inducement to Landlord's execution of this Lease, Tenant hereby represents and warrants that Tenant has furnished to Landlord true, complete, current and unqualified audited annual financial

statements of Tenant for the last three (3) years prepared in accordance with generally accepted accounting principles in a manner consistently applied in each case. Throughout the Lease Term, Tenant shall, within ten (10) days following Landlord's request, provide Landlord with Tenant's then-current annual financial statements. Landlord shall maintain such financial statements in confidence, except for disclosure to prospective purchasers of the Premises and prospective lenders whose loans would be secured in whole or in part by this Lease or the Premises. Throughout the Lease Term, Tenant will furnish to Landlord prompt notice of (i) any material adverse development with respect to the business, financial condition or results of operations of Tenant; and (ii) any default under this Lease or any event, the occurrence or nonoccurrence of which constitutes, or which with the giving of notice or the passage of time or both would constitute, a default under Lease.

26.26 Lease Interest Rate. As used in this Lease, the "Lease Interest Rate" shall be a rate equal to one and one-half percent (1 ½%) per year in excess of the "Prime Rate" most recently announced by Bank of America, Los Angeles from time to time, provided however that if Bank of America ceases to announce such Prime Rate, then such rate shall be a rate comparable to such Prime Rate; and provided further, however, that in no event shall the Lease Interest Rate exceed the highest lawful rate of interest permissible by law.

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

"LANDLORD"

Watson Land Company
a California corporation

Signature

President & CEO

Title

Bruce A. Choate

Printed Name

12/28/06

Date

Signature

Executive V.P.

Title

Kirk R. Johnson

Printed Name

12/28/06

Date

"TENANT"

Nature's Best,
a California corporation

Signature

President/CEO

Title

James A. Beck

Printed Name

12/26/06

Date

Signature

SVP-CFO

Title

I. J. Groff

Printed Name

12/26/06

Date

EXHIBIT A

Watson Land Company Performance Standards

1. PURPOSE

The purpose of these Performance Standards is to establish and maintain a planned industrial center with design, operation and use controls in addition to the existing standards imposed by the applicable local governmental authority.

2. REVIEW BOARD CONTROL OF IMPROVEMENTS

All proposed plans and specifications for improvements affecting the Premises shall be presented to and approved in writing by the Watson Review Board (the "Board"). The Board shall consist of no fewer than three (3) members, who shall be appointed by Watson Land Company and who shall meet from time to time in order to conduct the Board's business.

3. GENERAL CONDITIONS FOR IMPROVEMENTS

A. Uses and Operations

Uses of the Premises are limited to activities permitted under the applicable Zoning Ordinances of the applicable local governmental authority, except the following shall NOT be permitted:

1. Uses determined by the Board to be unsafe or dangerous, such as those creating explosion, radiation or environmental contamination hazards.
2. Uses determined by the Board to be objectionable or which constitute a nuisance by reason of creating odor, dust, fumes, smoke, noise, vibration, refuse matter or water-carried waste.
3. Uses determined by the Board to be objectionable by reason of their adverse effects on neighboring properties.

The Board shall review all proposed uses and actual uses for control and regulation of odor, noise, fumes, waste disposal and other problems affecting the Premises or neighboring properties. Tenant shall not be permitted to maintain any nuisance or waste upon the Premises.

B. Building Setbacks

Intentionally Deleted.

C. Parking

1. Parking facilities and use shall conform to the requirements of the applicable local governmental authority.
2. No on-street parking, queuing, loading and unloading is permitted.

D. Landscaping

1. Landscaped areas of the Premises shall be maintained by the party designated in the Lease. Any landscape maintenance work shall be subject to the then-current requirements of the Board.
2. The Board shall require that landscape maintenance service be performed regularly and thoroughly. Landscape maintenance service shall include, at a minimum, the following: lawn mowing, weeding, trimming of ground cover, shrubbery and trees, fertilization, irrigation, and replacement of components of landscaping where necessary.
3. As a part of such landscaping, there shall be included a flag pole on the Premises. The American flag shall be flown properly by Tenant during daylight business hours.
4. Landscaping materials, including street trees, shall conform to a list of materials approved by the Board.
5. All parking areas shall be landscaped in a manner approved by the Board.

E. Construction Regulations

1. All improvements shall be designed by or under the supervision of a California Registered Architect and/or California Registered Structural Engineer.
2. Preliminary design studies and outline specifications shall be reviewed by the Board.

3. Final plans and specifications shall be reviewed and approved by the Board in writing prior to commencing construction. Improvements shall conform to normal and customary standards of appearance and construction consistent with good design for industrial and commercial buildings.

F. Materials

1. All exterior surfaces shall be painted or factory color finished in colors approved by the Board.
2. Exterior walls shall be of concrete or masonry construction. Materials not allowed for use as an exterior skin include corrugated or plain sheet metal, plastics or wood. However, the Board may, in its discretion, permit these materials to be used in a decorative manner.
3. Planter construction shall be of masonry or concrete materials.
4. The foregoing provisions in respect to materials are based on such materials as are known today and the Board may approve new applications as they are developed.

G. Outside Storage and Loading Areas

1. No outside storage of materials, supplies or equipment or outside operations or processes, shall be allowed unless approved by the Board and said usage shall be screened to full height by permanent screening material.
2. Front-facing loading docks or truck doors shall be screened from view. All side-facing loading docks and truck doors shall be screened to minimize the view from the front street.

H. Power Transformers

The location of electrical service transforming equipment must be approved by the Board. All transforming equipment shall be on on-ground installation and shall be screened. Service from the main transmission lines to the Building shall be underground.

I. Exterior Repainting

The Building exterior surfaces shall be repainted every four to six years, but not more than once every five years of occupancy. The Board, in its judgment, shall determine the need to repaint, which shall be commenced within ninety (90) days after notification from the Board to the responsible party (and diligently and continuously pursued to completion) and which shall be performed in accordance with standard painting specifications designated by the Board.

J. Resurfacing Paved Areas

All asphalt or concrete paved surfaces shall be resurfaced or sealed every three to five years, as determined by the Board, and the cost of such work shall be borne by the party designated in the Lease as the party responsible for such work. Any fractures, cracks, potholes, fissures, etc., resulting from any negligence or willful misconduct of Tenant or any of Tenant's agents, employees, shippers, customers, invitees or contractors, shall be repaired at Tenant's sole cost and expense. Said resurfacing or sealing shall be commenced within ninety (90) days after notification from the Board to the responsible party (and diligently and continuously pursued to completion) and shall be performed in accordance with specifications designated by the Board.

K. Mechanical Service Controls

All heating, air conditioning and ventilation equipment within the Building shall be covered by a current full-service inspection and repair maintenance contract with an accredited heating and air conditioning maintenance firm. The contract and services included shall be paid for by the Tenant. A copy of the signed contract shall be forwarded to Landlord within ninety (90) days after occupancy of the Building, with any changes of the contract over the term of occupancy forwarded to the Landlord when executed.

L. Maintenance Notification

If required maintenance as indicated above is neglected on the Premises, the Board shall notify the responsible party in writing of the corrective action necessary. If required corrective work is not commenced within ninety (90) days of receipt of written notice, the Board shall cause the necessary corrective work to be performed and the responsible party shall be responsible for the payment of the costs of such work.

M. Temporary Structures

No temporary structures or trailers are to be permitted except for construction companies' use during period of construction.

N. Signs

1. All signs which shall be erected shall have the prior written approval of the Board as to size, color, location and content.
2. No billboard or outdoor advertising leases shall be permitted on the Premises; however, the owners and/or developers of the property may erect a sign or signs identifying, describing or advertising the master development in which the Premises is located and available buildings or land, and may operate, maintain, repair and replace any existing billboard or outdoor advertising signs. No advertising sign shall be placed by Tenant anywhere on the Premises. Real estate broker signs advertising any Premises (or portion thereof) for sub-lease by Tenant shall not be permitted.
3. A single sign shall be permitted on the front of each facility (facing the roadway), stating only the name or identification of the Tenant of the facility. Under special circumstances, a second sign may be permitted with the Board's prior written approval, in the Board's discretion.
4. Signs shall be single-faced and shall be confined to the walls of the larger Building or to secondary structures which are lower than the main Building. Free standing signs will be permitted only upon the Board's written approval.
5. Signs located other than on the main Building (gateways, concrete or masonry yard enclosures) shall be subject to the written approval of the Board.

O. Screening of Mechanical Equipment

All mechanical equipment on Building exteriors, roofs, or parking areas must be screened from view of all front and side streets and adjoining side properties. All protrusions, vents, etc., penetrating the roof shall be so screened when extending six (6) inches or more above parapet walls or eave lines. Plans for such screening shall be submitted to the Board for its review and written approval prior to installation.

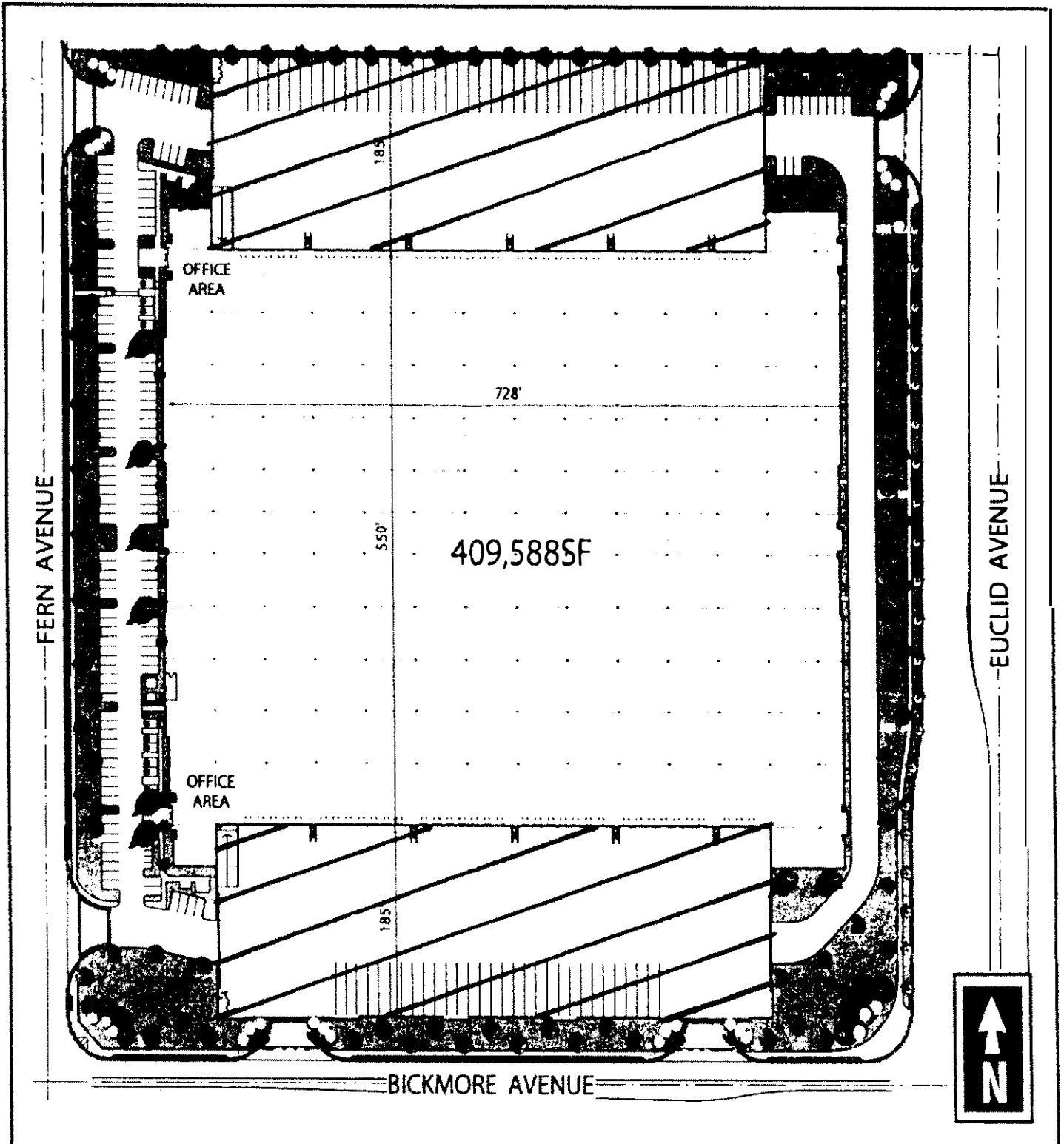
4. APPROVALS, VARIANCES, WAIVERS AND CHANGES TO PERFORMANCE STANDARDS

The Board shall have the right to change the standards set forth herein at any time. The Board shall also have the exclusive right to grant approvals required by these standards and to waive or vary the standards in particular situations whenever, in its opinion, such waiver or variance is in the best interests of the owner, occupant, and/or the adjoining property. No approval, waiver, or variance by the Board shall be effective unless it is in writing, and it shall apply only to the applicant to whom such approval, waiver, or variance is so granted on an individual basis.

In the event of any conflict between the provisions of the Lease and the provisions of these Performance Standards, the provisions of the Lease shall govern. Any capitalized term which is not specifically defined in these Performance Standards shall have the same meaning ascribed to such term in the Lease.

EXHIBIT B

OUTLINE OF BUILDING AND TENANT YARD AREA



 - TENANT YARD AREA

EXHIBIT C

BASE BUILDING IMPROVEMENTS DESCRIPTION

1. The Preliminary Plans for the Base Building Improvements are listed in the attached Exhibit C-1. The Base Building Improvement shall only include the following:

A. CRITERIA	
BUILDING ADDRESS	"X" Fern Avenue Chino, CA
BUILDING NO.	No. 817
Site Area	
Acres	19.53
SF	850,686
Building Footprint Area	409,588
Site Coverage	47.9%
Setbacks	
Building	Varies
Parking	25' min.
Parking	
Required	170
Provided	170
Office Areas (Approx.)	Approx. 5,000 s.f. (subject to Lease Rider, Para. 5)
Clear Height	36' at first column
Wall Height	44' above finish floor approx. (avg.)
Dock Height	48"
Typical Bay Spacing	50' x 54'
Staging Area Bay Spacing	60' x 54' approx.
Building Code	2001 California Building Code
B. SITE DESIGN	
Truck Yard Width	185'-0"
Truck Yard Apron	
Concrete Strength	4,000 PSI
Concrete Thickness	6" min.
Reinforcing Steel	#4 Rebar @ 24"OC
Base	90% compacted soil
Car Lot Paving	Asphalt
Utilities	
Water	TBD
Gas	None
Sewer	TBD
Irrigation (Separate)	TBD
Cable	TBD
Telephone Conduits	TBD
Electrical Conduits	TBD
Fiberoptic Conduits	TBD
Reclaimed Water	TBD
Fencing/Screen Wall/Gates	Tubular Steel/Conc. Walls/ Chain link

Flag Poles	1
C. BUILDING DESIGN	
Floor Slab:	
Concrete Strength	4,000 PSI
Concrete Thickness	7" min.
Staging	7" min.
Office	90% compacted soil
Reinforcing	#4 Rebar @ 18"
General	Dowel Baskets
Construction Joints	
Base Color	Natural
Sealer	"Ashford"
Slope	0.50% Max (TBD)
Flatness	FF-35
Levelness	FL-25
Stairs – Exterior:	Concrete
Single Dock High Doors:	
Quantity	76
Future (Knock Outs)	0
Size	9' x 10'
Type	Vertical Sectional with vision panels
Z Guards	4'-0" High Bent Plate
Dock Levelers	To be installed by Landlord, with the costs charged against the Tenant Improvement Allowance provided in Lease Rider Para. 4. ¹
Single Drive-In Door:	
Quantity	2
Future (Knock Outs)	0
Size	12' x 14'
Door Gauge	20
Concrete Tilt-up Wall:	
Exterior Finish	Architecturally Enhanced & Painted
Interior Finish	Painted
Interior Columns:	
Steel Columns	OSHA Yellow to 8' AFF
Shear walls:	
Chevron Braces	Yes
Roof System:	
Type	Panelized Wood
Decking	5/8" AND 1/2" OSB
Insulation – Warehouse Roof:	None
Insulation – Warehouse Walls:	None
Vented Smoke Hatches/Skylights:	
Percentage of Floor Area	3.00%
Type	TriStar/Acrylicite
Glazing:	
Color	Blue-Reflective
Performance	Medium
Class "A" Roofing	Built-Up 4 ply

¹ Tenant must deliver its specifications for the dock levelers to Landlord no later than January 31, 2007 in order to avoid a potential Tenant Delay and/or increased costs.

D. ELECTRICAL	
Power: Amps Capacity Amps Installed Service	2000A ² 2000A ³ 277/480v/3 phase/4 wire
Lighting: Site Site Type Warehouse Warehouse Type	1 fc avg. Metal Halide 20 fc avg. T-8 Fluorescent with photo sensors ⁴
E. MECHANICAL	
Mechanical: AC Ventilation Heating	None Skylight Venting w/ Louvers 1 Air Change/Hr. None
F. FIRE PROTECTION	
Sprinkler density: K17 ESFR At: Pump House Area fire hose cabinets Smoke Curtains	52 psi Yes None None

² Base Building Power Standard. 3000A to be installed during Base Building Construction with incremental cost over 2000A installation to be paid by Tenant.

³ Base Building Power Standard. 3000A to be installed during Base Building Construction with incremental cost over 2000A installation to be paid by Tenant.

⁴ Warehouse area lighting to be located in a manner consistent with Tenant's racking plan, so long as Tenant provides Landlord with Tenant's warehouse racking plan no later than February 14, 2007.

EXHIBIT C-1

PRELIMINARY PLANS

Tenant has been provided sheets A1-1 and A2-1 of the preliminary plans for the Building which were prepared by RGA Architects with an original background date of August 30, 2006 and a revision date of November 15, 2006 reflecting that most recent round of plan check corrections. The A1-1 and A2-1 sheets described above are generally reflected below in a reduced format.

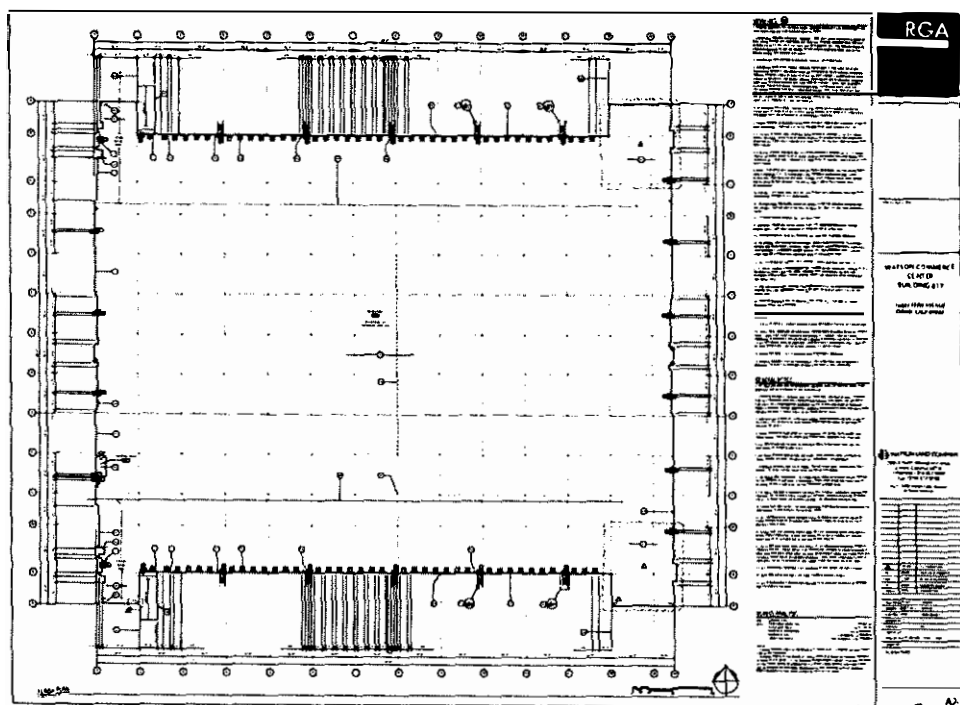
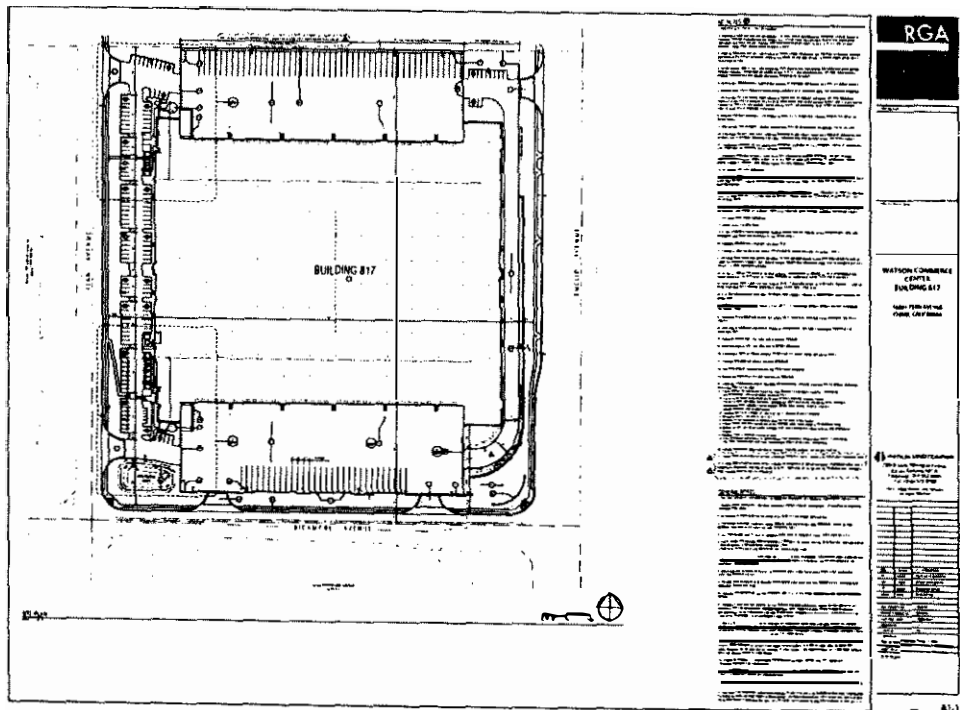


EXHIBIT C-2

Watson Legacy Building 817
Early Access/Substantial Completion

Item	Early Access (Furniture, Fixtures, & Equipment) Approximate Building Condition	Substantial Completion
Floor		
Warehouse Floor	Caulked & Sealed (unless caulking and sealing work is impaired or precluded due to Tenant's racking or freezer/cooler installation)	Same
Roof		
Structure	Complete	Same
Roofing	In progress (not water tight)	Same
Skylight	Curb (no dome)	Complete
Electrical		
Warehouse Lighting	Installed (not operational)	Operational
Switchgear	Temp power	Complete
HVAC	Installed (not operational)	
Plumbing		
Fixtures	Not installed	Complete
Office Finishes		
Paint	In progress	Complete
Plug & switches	Not installed	Complete
Light Fixtures	Installed (not operational)	Complete
Ceiling	T-Bar installed and tiles in progress	Complete
Exterior Glazing & Doors		
Glazing	Complete	Same
Doors	Installed (less hardware) BUILDING IS NOT SECURE	Complete
Dock Equipment	In progress	Complete
Landscape	In progress	Complete
Parking Lot	Accessible but some paving may be going on. No striping	Complete
Exterior Paint	In progress	Complete
Site Fencing (Permanent)	In progress	Complete
Temporary Construction Items. (Construction Trailer, Power Poles, and storage bins)	On-site	Removed
Final Clean	Not complete	Complete

The Early Access data (center column above) is being provided for informational purposes to provide Tenant a general summary of the approximated construction progress and Building condition projected upon Tenant's planned early access of the Building.

EXHIBIT D

LEASE ADDENDUM

In accordance with the terms of that certain lease ("Lease") dated December 22, 2006, between Watson Land Company, as Landlord, and Nature's Best, as Tenant, the undersigned Landlord and Tenant hereby confirm and agree that the commencement date of the Lease Term is _____, 20____, and the expiration date of the Lease Term is _____, 20____.

Landlord and Tenant further confirm and agree that the dates on which the rent adjustments provided in Paragraph 3(a) of Lease Rider Number 1 shall occur are as follows:

Landlord:

Watson Land Company,
a California corporation

Tenant:

Nature's Best,
a California corporation

By:_____
Its:_____

By:_____
Its:_____

EXHIBIT E

HAZARDOUS MATERIAL CERTIFICATE

[Letterhead of Tenant]

_____, 20____

Watson Land Company
22010 South Wilmington Avenue
Carson, California 90745

Re: Lease dated December 22, 2006, between Watson Land Company, a California corporation ("Landlord"), and Nature's Best, a California corporation ("Tenant").

Gentlemen:

The undersigned, Nature's Best, a California corporation, as Tenant under the above-captioned Lease, hereby certifies to Watson Land Company, a California corporation, that, as of the date hereof, and to the actual knowledge of _____, Tenant's director of operations at the Premises (and who Tenant represents is the employee of Tenant with the greatest knowledge of Hazardous Material issues relating to the Premises), there are no "Hazardous Materials" in or about the "Premises" (as those terms are defined in the Lease), except as follows [if none, so state]:

_____.

Tenant hereby acknowledges its continuing obligation under Paragraph 9.8 of the Lease, notwithstanding the expiration or other termination of the Lease term, to indemnify, defend and hold Landlord harmless from and against any and all claims, judgments, damages, penalties, fines, costs, liabilities or losses (as more fully set forth in said Paragraph 9.8) as a result of the presence of Hazardous Material brought upon, kept or used in or about the Premises by Tenant, its agents, employees, shippers, contractors or invitees.

The undersigned understands that Landlord will be relying upon the statements of Tenant contained herein in Landlord's continued maintenance and operation of the Premises.

Nature's Best,
a California corporation

Signature

Title

Printed Name

Date

Signature

Title

Printed Name

Date

EXHIBIT F

ESTOPPEL CERTIFICATE

To: _____

("Lender")

Re: Lease Date: December 22, 2006
Tenant: Nature's Best, a California corporation
Landlord: Watson Land Company, a California corporation

The undersigned hereby states, declares, represents, warrants and agrees, on behalf of itself and its successors and assigns, for the benefit of Lender and its successors and assigns, as follows:

1. Nature's Best, a California corporation, as "Tenant" and Watson Land Company, a California corporation, as "Landlord" entered into a written Lease dated December 22, 2006 (the "Lease"), pursuant to which Landlord leased to Tenant certain Premises located in the County of San Bernardino, State of California, commonly known as X Fern Avenue, Chino, California ("Premises").

2. The Lease is in full force and effect, has not been modified, changed, altered or amended in any respect (except as otherwise disclosed herein), and is the only Lease between Tenant and Landlord affecting the Premises. A true and complete copy of the Lease, together with all amendments, supplements, extensions and other modifications thereto, is attached thereto as Schedule F-1.

3. Tenant is paying the full Lease rent, and no rent, security deposit, additional rent, or other charges under the Lease have been paid for more than thirty (30) days in advance of its due date except \$ _____ (for _____) \$ _____ (for _____), and \$ _____ (for _____). The monthly Minimum Rent, and the amount of any security deposit, additional rent and other charges Tenant has paid or is presently paying under the Lease are as follows: current monthly Minimum Rent \$ _____; security deposit \$ _____; additional monthly rent and other charges \$ _____ (for _____) and \$ _____ (for _____).

4. The Commencement Date of the initial Lease Term is _____, _____, and the Termination Date of the initial Lease Term is _____, _____.

5. Tenant has not assigned, subleased, encumbered or otherwise transferred the Lease, the leasehold estate created by the Lease, or any interest of the Tenant therein, except as follows: _____

6. The date upon which, and the amount or method by which the monthly Minimum Rent, and if applicable, additional rent, the security deposit, and other charges payable under the Lease, will next be adjusted or increased (if at all), is as follows: _____

7. There are no option(s) to extend the Lease Term, or if any such option(s) exist, the commencement and expiration dates thereof, and the terms and conditions upon which any such option(s) may be exercised, are as follows: _____

8. There are no rights of first refusal in favor of Tenant to purchase the Premises or to lease additional space contiguous to the Premises, or if any such rights of first refusal exist, the time periods within which, and the terms and conditions upon which, the same may be exercised, are set forth as follows: _____

9. To the best of the knowledge of the undersigned as of the date hereof, there are no uncured defaults of Landlord under the Lease, and Tenant has no right of offset, counterclaim or deduction against Minimum Rent or any other amount due under the Lease, or if any such defaults, offsets, counterclaims or deductions are claimed or alleged by Tenant, the nature and extent of the same, including the dollar amounts and current status thereof, are as follows: _____

10. To the best knowledge of the undersigned as of the date hereof, Landlord has fully performed each and all of Landlord's construction, repair and maintenance obligations (if any), as well as any work required of Landlord under the Lease, except (if applicable) for _____

and Tenant, subject to any such stated exception(s), accepts the Premises in their present condition.

11. To the best knowledge of the undersigned as of the date hereof, no condition or event has occurred or exists which would prevent the Lease from becoming effective or would permit a cancellation or termination of the Lease by Landlord or by Tenant except as follows: _____

12. Tenant agrees to deliver to Lender written notice of any default by the Landlord, concurrently with giving such notice to Landlord, and Tenant agrees to give such notice directly to Lender if Lender acquires Landlord's interest in the Lease.

13. The person or persons signing this Statement of Lease on behalf of the Tenant have the power and authority to execute and deliver this Statement of Lease.

14. This Statement of Lease is intended for use by Landlord in connection with the Landlord's dealings with any existing or potential institutional purchaser, lender or other party which may now or hereafter hold a security interest in the real property of which the Premises are a part, and it is also intended that this Statement of Lease may be relied upon by any such existing or potential purchaser, lender or other secured party, in connection with any such dealings with Landlord. Capitalized terms which are not otherwise defined in this Statement of Lease shall have the meanings ascribed to such terms in the Lease.

DATED: _____

Nature's Best,
a California corporation

Signature

Title

Printed Name

EXHIBIT G

BASE BUILDING CONSTRUCTION PROCEDURES

1. **Construction of Base Building Improvements.** The Base Building Improvements are generally described in Exhibit C to the Lease and the Preliminary Plans for the Base Building Improvements are listed in Exhibit C-1 to the Lease (the "Base Building Improvements Description"). Landlord and licensed general contractor will enter into a construction contract to construct the Base Building Improvements (the "Construction Contract"). Landlord shall direct Contractor to construct the Base Building Improvements pursuant to the Construction Contract such that the scheduled date of "Substantial Completion" (as defined in the Lease) of the Base Building Improvements is on or around October 1, 2007 (subject to any Tenant Delays and Force Majeure Delays), (the "Delivery Date"). For any written Tenant requested change to the Base Building Improvements, Landlord shall provide a cost estimate to be approved by Tenant within three (3) days of receipt, in writing. The approved amount shall then be deducted from Tenant's remaining "Improvement Allowance" (as described in Lease Rider Number 1, Item 4); or if there is no remaining Improvement Allowance, Tenant shall provide a cash deposit for the estimated cost of such change to the Base Building Improvements at the same time is delivers its written approval of the estimate. Should any Tenant requested change delay the Delivery Date for any reason (including, without limitation, interim work suspensions to avoid cost or schedule inefficiencies, the time required to provide Tenant cost estimates and the associated Tenant approval time) any such delay shall be considered a Tenant Delay. Landlord hereby warrants to Tenant that, upon Substantial Completion, the Base Building Improvements shall have been constructed substantially in accordance with the Base Building Improvements Description and in accordance with applicable building codes for the Base Building Improvements as applicable to a general warehouse and distribution facility ("Applicable Laws"). Landlord shall obtain from the general contractor for the Base Building Improvements a construction industry standard one-year warranty providing that the materials and equipment incorporated into the Base Building Improvements will be of good quality and new, that the Base Building Improvement work will be free from defects, that such work will substantially conform to the requirements of the plans and specifications for the Base Building Improvements (exclusive of changes or modifications necessitated as a result of any Tenant requested changes to the Base Building Improvements or any "Tenant Improvements" (as defined in the Work Letter Agreement), and Tenant shall be entitled to the benefit of the general contractor's warranty and any separate manufacturers or subcontractors warranties for portions or components of the Base Building Improvements. The foregoing warranties are collectively referred to herein as the "Construction Warranty". At Landlord's election, Landlord shall either (a) use commercially reasonable efforts to enforce the Construction Warranty on Tenant's behalf; or (b) assign to Tenant the rights under the Construction Warranty during the Lease Term.

2. **Tenant Delays.** Tenant agrees to cause any plans, specifications or other documents to be provided by it hereunder to be prepared promptly and in coordination with the activities of Landlord and all of its agents and consultants including without limitation, Landlord's Contractor. As used herein and in the Lease, a "Tenant Delay" means any act, conduct or omission of Tenant causing a delay in the performance of Landlord's obligations to construct the Base Building Improvements including, without limitation, any of the following:

(a) The failure by Tenant to perform any of its obligations with respect to the Finals, any Change Order Request, Change Order Statement, Change Order or payment of construction costs within the time limits specified herein or elsewhere in the Lease where such failure delays the date of Substantial Completion of the Base Building Improvements that would have otherwise been established in the absence of such failure;

(b) If Tenant or Tenant's agents or consultants delay Landlord's Contractor or any of Landlord's agents or consultants in the completion of Landlord's obligations, to construct the Base Building Improvements;

(c) If Tenant elects to have performed any Change Orders and such election delays the date of Substantial Completion of the Base Building Improvements that would have otherwise occurred in the absence of such election;

(d) The failure of Tenant to perform, prior to the date of Substantial Completion of the Base Building Improvements, any act to be performed by Tenant which is necessary to enable Landlord to obtain occupancy permits upon Substantial Completion of Landlord's construction obligations, provided Tenant has been notified of such non-performance and been given a reasonable opportunity to perform; or

(e) Any out of sequence delays, construction inefficiency delays, remobilization delays or similar delays related to any coordination of the construction of the Base Building Improvements with special improvements (including, without limitation, glycol systems and insulation) related to Tenant's freezer/cooler areas or equipment serving the freezer/cooler areas. Any incremental costs incurred by Landlord in connection with any such items shall be the responsibility of Tenant and shall be reimbursed to Landlord by Tenant within thirty (30) days following Tenant's receipt of an invoice from Landlord, together with reasonable supporting documentation.

Upon Landlord's awareness of the occurrence of a Tenant Delay, Landlord shall, within three (3) business days, notify Tenant's construction designee of the occurrence of the event giving rise to any such Tenant Delay (by telephone [with written confirmation] or in writing or by email) and providing in such notice a reasonable description of the event giving rise to the Tenant Delay. However, no such notice shall be required with respect to Tenant's failure to provide approvals, decisions or submittals when a specific time period is required under the Lease (or any Exhibits or Riders to the Lease) for such approval, decision or submittal. In the event a Tenant Delay occurs concurrently with another construction delay not caused or contributed to by Tenant ("Unrelated Concurrent Delay"), and the Unrelated Concurrent Delay is not ultimately mitigated by Landlord (through overtime, additional shifts or additional staffing), then Tenant shall not be charged with a Tenant Delay for each day that the Tenant Delay overlaps with the Unrelated Concurrent Delay. For the purposes of any notices relating to the construction of the Base Building Improvements or the Tenant Improvements, Tenant's construction designee shall be:

Brian McCarthy

Telephone: (714) 441-2378, ext. 5100
Email: brianmccarthy@naturesbest.net
Address: 105 South Puente Street
Brea, CA 92821

and Landlord's construction designee shall be:

Stephen S. Hollis, Hollis Development

Telephone: (949) 351-7243
Email: shollis@theholliscompanies.com
Address: 700 Lido Park Drive, Suite 29
Newport Beach, CA 92663

3. Substantial Completion. "Substantial Completion" of the Base Building Improvements shall mean Landlord has provided Tenant with a certificate of substantial completion from Landlord's architect for the Building advising Tenant that, except for minor "punchlist" items that do not materially interfere with Tenant's commencement of construction of the Tenant Improvement Work, the Base Building Improvements have been substantially completed in accordance with the Base Building Improvement Description. Substantial Completion of the Base Building Improvements shall, at a

minimum, require completion (subject to punchlist corrections) of each component listed in the attached Exhibit C-2.

4. Inspection and Punch List. Within seven (7) days after Tenant is notified by Landlord of the Substantial Completion of the Base Building Improvements, Landlord and Tenant shall jointly conduct a walk-through inspection of the Base Building Improvements and prepare a written punch list ("Punch List") setting forth the corrective work to the Base Building Improvements which is necessary to bring the Base Building Improvements in conformity with the requirements of the Construction Contract and the final plans and specifications. Landlord agrees that it shall use commercially reasonable efforts to have any Punch List work completed within a reasonable time.

EXHIBIT H

WORK LETTER AGREEMENT

THIS WORK LETTER AGREEMENT (this "Work Letter Agreement") is entered into as of December 22, 2006 by and between Watson Land Company, a California corporation ("Landlord"), and Nature's Best, a California corporation ("Tenant").

RECITALS

A. Concurrently with the execution of this Work Letter Agreement, Landlord and Tenant are entering into a lease (the "Lease") affecting certain property (the "Premises") more particularly described in the Lease.

B. Landlord and Tenant desire to enter this Work Letter Agreement to provide for the construction of certain interior improvements located within the "Building" described in the Lease upon the terms and subject to the conditions set forth herein.

NOW, THEREFORE, for valuable consideration, the receipt and adequacy of which is hereby acknowledged, the parties agree as follows:

1. Tenant Improvements. Tenant shall cause to be constructed within the Building, the improvements described in the attached Exhibit I (the "Tenant Improvements"). Promptly following the execution of the Lease by Landlord and Tenant, Tenant shall cause the Architect to prepare Final Drawings and Specifications (the "Finals") for the Tenant Improvements. The Finals shall reflect the intent, purpose and meaning of the approved Prelims. The Finals shall be submitted to Landlord for approval. Landlord shall have twenty (20) days after receipt of the Finals to approve or disapprove the same; and if Landlord does not disapprove the Finals within this twenty (20) day period, Landlord shall be presumed to have approved the Finals. If Landlord disapproves the Finals, Landlord shall give immediate written notice to Tenant designating the specific item(s) disapproved, specifying Landlord reasons for such disapproval and indicating the modifications necessary for the Finals to be acceptable. Tenant shall thereupon cause the Finals to be revised to eliminate the cause(s) of disapproval by Landlord. After the Finals, as revised (the "Revised Finals"), are completed by the Architect, they shall be resubmitted to Landlord for approval. If Landlord does not disapprove the Revised Finals within ten (10) business days of receipt thereof, Landlord shall be presumed to have approved the Revised Finals. If Landlord disapproves the Revised Finals by written notice to Tenant within said ten (10) day period, then such revision and approval process shall continue until the Finals have been approved.

2. Construction of Tenant Improvements. After the Finals have been prepared and approved, and a building permit for the Tenant Improvements has been issued, Tenant shall cause its contractor to begin construction of the Tenant Improvements in accordance with the Finals and shall coordinate the completion of such work. Landlord shall provide Tenant with access to the Premises upon Substantial Completion of the Base Building Improvements or such earlier date as Landlord, in its reasonable judgment, determines that Tenant may enter onto the Premises for the purpose of commencing its improvement work. In addition, at the appropriate stage or stages of construction of the floor slab of the Building, Landlord shall provide Tenant's freezer/cooler contractor with access to that portion of the floor slab area of the Building in which specialized improvements must be installed to accommodate Tenant's freezer/cooler space within the Building. Subject to coordination with Landlord's general contractor, Tenant's freezer/cooler contractor shall also be provided with reasonable storage and staging areas on the project site for the time reasonably necessary to complete such specialized improvements. Landlord and Tenant and their respective contractors agree to cooperate with one another to facilitate the overall completion of the Building in an efficient and expeditious manner.

3. Change Orders. Tenant shall cause the commencement and thereafter the completion of the Tenant Improvements as set forth on the approved Finals in accordance with the terms and conditions of the Lease and this Work Letter Agreement. If Tenant desires to change any material item shown in the Finals previously approved, Tenant shall promptly submit to Landlord a written request for a change approval (the "Approval Request") detailing the desired change. Landlord shall not unreasonably withhold, condition or delay its consent to any Approval Request, and Landlord's failure to disapprove any Approval Request (with an accompanying reasonably detailed reason for such disapproval) within five (5) days following submittal of the Approval Request shall be deemed to be Landlord's approval. Once Landlord approves or is deemed to have approved Tenant's Approval Request, Tenant may proceed with the change.

4. Tenant Change Orders to Base Building Improvements. If, in order to incorporate the Tenant Improvement work proposed by Tenant and _____ (insert Architect), changes to the Base Building Improvements as defined in Exhibit C are required, then Tenant shall be responsible for all engineering, architectural and other professional fees to incorporate such changes and for all incremental and consequential construction costs resulting from or related to such changes. Tenant shall provide a written request for any changes to the Base Building Improvements and shall follow the procedure as set forth in the Exhibit G "Construction of Base Building Improvements" paragraph in communicating its approval and acceptance of cost estimates. Any changes to the Base Building Improvements, related to or resulting from Tenant requested changes, shall be incorporated into the base building plans by the Landlord's architects and engineers. The fees and costs of any design or construction work shall be charged against the Tenant Improvement Allowance; or paid in cash by Tenant upon approval and acceptance of the cost estimate for such change to the Base Building Improvements. Any delay in the Substantial Completion of the Base Building Improvements arising out of or resulting from any such changes shall constitute a "Tenant Delay" pursuant to the terms of the Lease.

5. Governmental Approvals. The Tenant or Tenant's Contractor shall obtain all necessary approvals from any governmental agencies necessary for the construction of the Tenant Improvements and shall see that the Tenant Improvements are constructed in compliance with all then existing state or local laws, ordinances, or regulations applicable thereto.

6. Guarantees. Tenant agrees to obtain from the Contractor a construction industry standard one-year warranty providing that the materials and equipment incorporated into the Tenant Improvements will be of good quality and new, that the Tenant Improvement work will be free from defects, that such work will substantially conform to the requirements of the plans and specifications for the Tenant Improvements.

7. Interpretation of Documents. In the event of any conflict between the provisions of the Lease and the provisions of this Work Letter Agreement, the provisions of the Lease shall govern.

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

Landlord:

Watson Land Company,
a California corporation

By: _____

Print
Name: _____

Its: _____

Tenant:

Nature's Best,
a California corporation

By: _____

Print
Name: _____

Its: _____

EXHIBIT I

LANDLORD'S WAIVER AGREEMENT (Personal Property Financing)

THIS LANDLORD'S WAIVER AGREEMENT ("Agreement") is made and entered into as of the ____ day of _____, _____, by and among Watson Land Company, a California corporation ("Landlord") Bank of America _____ ("Lender"), and Nature's Best, a _____ ("Debtor").

Recitals

A. Lender has or is about to enter into a security transaction with Debtor covering, in part all accounts, inventory, equipment, furniture, furnishings, and trade fixtures of Debtor, including, without limitation, the items generally described in the attached Exhibit A, whether now owned or hereafter acquired, and the proceeds and products thereof and all replacements, substitutions, additions and accessions thereto (collectively the "Personal Property").

B. The Personal Property is or may be located in the future at the premises leased by Debtor at _____ Chino, California (the "Premises").

C. Landlord has an interest in the Premises as owner and landlord:

Agreement

For good and valuable consideration, the receipt of which is hereby acknowledged, the parties hereby agree as follows:

1. Subject to the limitations set forth in this Agreement, Landlord hereby subordinates to the lien of Lender on the Personal Property, all of Landlord's rights of levy or distraint for rent with respect to the Personal Property for so long as Lender has a security interest in said Personal Property. Notwithstanding anything to the contrary contained herein, Landlord's waiver is limited solely to Landlord's right, title and interest in and to the Personal Property and nothing contained in this Agreement shall be interpreted or construed to prevent Landlord from exercising any right or remedy against Debtor which Landlord may be entitled under the terms of the Lease or as may be provided by applicable law. In addition, Landlord's rights in the Personal Property shall be subordinated only to the rights of the Lender set forth herein, and nothing contained herein shall be deemed to give any third party other than Lender any rights of any kind or nature, including without limitation, any rights in and to the Personal Property of Debtor.

2. The Personal Property may be installed on the Premises and shall not be deemed a fixture or a part of the real estate even though it may be placed on, or attached to, the Premises, but shall at all times be considered personal property; provided, however, that nothing contained in this Agreement or the definition of Personal Property shall constitute or result in a subordination, waiver, relinquishment, release or quitclaim by Landlord of any rights Landlord may have in and to any items of Personal Property which constitute real property as of the date hereof under the terms of Debtor's lease for the Premises (the "Lease") or under applicable law, whether as fixtures or otherwise, or which are installed in the Premises as replacements or repair components of any item which Tenant is required to repair or install in the Premises pursuant to the terms of the Lease.

3. Upon at least five (5) days prior written notice to Landlord, Lender or its representative may at any reasonable time, to the extent of and in the exercise of Lender's rights or remedies under the security agreement evidencing Lender's security interest in the Personal Property, enter upon the Premises to inspect or remove the Personal Property. In the event Lender enters upon the Premises to remove any or all of the Personal Property, Lender shall act reasonably upon such entry and shall act to minimize damage to the Premises and Landlord may, as a condition to such entry,

require that Lender or its representatives be accompanied by a representative of Landlord. Lender agrees to indemnify, defend and hold Landlord harmless from and against any and all liabilities, claims, demands, losses, costs, including attorney's fees and costs, made, brought or sought against Landlord by Debtor or any other person arising from, related to or caused by Lender's entry onto or use of the Premises or the removal of the Personal Property from the Premises. Debtor hereby consents to any such entry by Lender and waives any claims against Landlord which relate to or arise out of Landlord's consent to, or facilitation of, such entry.

4. If Lender does enter onto the Premises for the purposes permitted herein, then as soon as reasonably possible after said entry and at Lender's sole cost and expense, Lender shall repair all damage caused by or arising out of said entry, including without limitation, any damage caused by the removal of any Personal Property, and Lender shall restore the Premises to the condition which existed prior to the installation or removal of the Personal Property.

5. At the option of Lender, the Personal Property may remain on the Premises (without Lender being deemed to be taking possession of the Premises) for a period of ninety (90) days after delivery of written demand for the removal of the Personal Property from Landlord to Lender at the address set forth below (the "Removal Period"), which demand may only be given following a default by Debtor under the Lease between Landlord and Tenant (the "Lease"). Said Personal Property may remain on the Premises for such Removal Period notwithstanding termination of the Lease between the undersigned and Debtor, provided that Debtor or Lender pays rent and other charges under the Lease, prorated on a per diem basis on the basis of a 30-day month, until all such Personal Property has been removed. If any Personal Property has not been removed from the Premises by the end of the Removal Period, Lender shall be deemed to have waived its rights against Landlord under this Agreement, and Landlord may remove and dispose of the Personal Property in any manner permitted under the Lease or pursuant to applicable law.

6. Landlord shall not be deemed to be a bailee with respect to the Personal Property and, except as provided in this Agreement, Landlord shall have no duties or obligations to Lender with respect to the Personal Property, and Lender waives any claims against Landlord relating to any damage to or loss of the Personal Property not caused by Landlord's deliberate or negligent acts.

7. During the Removal Period, Lender or any of its agents, employees, contractors or representatives may authorize, engage in or conduct on the Premises a publicly noticed sale or auction of the Personal Property that is or will be installed or located on the Premises (the "Sale"). However, as a condition to any such Sale, Landlord shall have the right to require Lender or any person conducting the Sale on Lender's behalf to furnish to Landlord evidence of liability insurance satisfying the requirements of the liability insurance required of Tenant pursuant to the provisions of Paragraph 8.3 of the Lease. Lender agrees to advertise and conduct the Sale in a manner that is consistent with attracting likely and qualified buyers given the nature of the Personal Property, and which will not needlessly attract members of the general public.

8. Within ten (10) days after the obligations of Debtor to Lender have been satisfied and discharged, Lender shall deliver a notice of termination of this Agreement to Landlord, in form reasonably satisfactory to Landlord and duly executed on behalf of Lender.

9. All notices to Landlord shall be delivered to Landlord by U.S. Certified or Registered Mail, return receipt requested, or by messenger or by overnight delivery service at: 22010 South Wilmington Avenue, Suite 400, Carson, California 90745, Attention: Vice President of Asset Management. All notices to Lender shall be delivered to Lender by U.S. Certified or Registered Mail, return receipt requested, or by messenger or by overnight delivery service at : _____

10. This Agreement shall be binding upon and inure to the benefit of the heirs, executors, personal representatives, successors and assigns of Landlord and on the successors and assigns of Lender and Debtor.

11. This Agreement may be executed in any number of counterparts, each of which shall be deemed an original but all of which together shall constitute one and the same agreement.

12. This Agreement constitutes the entire understanding between the parties with respect to the subject matter hereof and supersedes any and all prior arrangements or understandings between the parties with respect thereto.

13. In the event that at any time after the date hereof either Landlord, Debtor or Lender shall institute any action or proceeding against the other(s) relating to this Agreement, then and in that event, the party(ies) not prevailing in such action or proceeding shall reimburse the prevailing party for the reasonable expenses of attorneys' fees and all costs and disbursements incurred therein by the prevailing party.

IN WITNESS WHEREOF, the parties have entered into this Agreement as of the date first above written.

LANDLORD:
Watson Land Company,
a California corporation

Signature

Title

Printed Name

Date

Signature

Title

Printed Name

Date

LENDER:

Signature

Title

Printed Name

Date

Signature

Title

Printed Name

Date

DEBTOR:
_____, a
_____ corporation

Signature

Title

Printed Name

Date

Signature

Title

Printed Name

Date

EXHIBIT J

RECORDING REQUESTED BY:

Watson Land Company
22010 South Wilmington Avenue, Suite 400
Carson, CA 90745

WHEN RECORDED MAIL TO:

Dennis W. Ghan, Esq.
Palmieri, Tyler, Wiener, Wilhelm & Waldron LLP
2603 Main Street, Suite 1300
Irvine, CA 92614-6228

SPACE ABOVE THIS LINE RESERVED FOR RECORDER'S USE

MEMORANDUM OF LEASE

This Memorandum of Lease ("Memorandum") is made and entered into as of _____, 2006, by and between Watson Land Company, a California corporation ("Landlord") and Nature's Best, a California corporation ("Tenant").

RECITALS

A. Landlord is the owner of that certain real property located in the City of Chino, County of San Bernardino, State of California, commonly known as _____ and more particularly described in Exhibit "A" attached hereto (the "Property").

B. Landlord desires to lease the Property to Tenant, and Tenant desires to lease the Property from Landlord, all subject to the terms and provisions of this Memorandum.

AGREEMENT

NOW, THEREFORE, the parties agree as follows:

Lease of the Property. Landlord hereby leases the Property to Tenant, and Tenant hereby leases the Property from Landlord for an initial term of ten (10) years commencing on _____ and terminating on _____, (with an option to extend the term for one (1) single period of ten (10) years) all subject to and on terms and conditions more fully set forth in that certain Lease executed by and between Landlord and Tenant and dated _____ (the "Lease"). The Lease is incorporated herein by this reference. Should any party require any information concerning the Lease, they should contact the Landlord and Tenant at the above-referenced addresses.

IN WITNESS WHEREOF, the parties hereto have executed this Memorandum on the day and year first above written.

Watson Land Company,
a California corporation

Nature's Best,
a California corporation

Signature

Signature

Title

Title

Printed Name

Printed Name

Date

Date

[signatures continued on next page]

Signature

Title

Printed Name

Date

Signature

Title

Printed Name

Date

STATE OF CALIFORNIA)
) ss.
COUNTY OF _____)

On _____, 2006, before me, the undersigned, a Notary Public in and for said State, personally appeared _____ personally known to me (or proved to me on the basis of satisfactory evidence) to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged that he\she\they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the within instrument.

WITNESS my hand and official seal.

Notary Public

STATE OF CALIFORNIA)
) ss.
COUNTY OF _____)

On _____, 2006, before me, the undersigned, a Notary Public in and for said State, personally appeared _____ personally known to me (or proved to me on the basis of satisfactory evidence) to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged that he\she\they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the within instrument.

WITNESS my hand and official seal.

Notary Public

EXHIBIT K

FUEL TANK PROVISIONS

Subject to: (i) Tenant's obtaining approval by all local, state and federal governmental organizations or entities having jurisdiction over such matters; and (ii) Tenant's compliance with all applicable federal, state and local laws, decisions of the courts and regulations, rules, directives, decrees, and orders of federal, state and local governmental authorities including, without limitation, all zoning and land use laws, ordinances, rules and regulations and all laws, ordinances, rules and regulations applicable by virtue of the Premises proximity to the Chino Airport (collectively, the "Tank Requirements"); and (iii) Tenant's compliance with all of the terms and conditions set forth below, Tenant shall be permitted to install and maintain on a portion of the Premises in a location reasonably agreed by Landlord and Tenant, one (1) single above-ground diesel fuel storage tank with a maximum capacity of 1,000 gallons, to be used solely for the purpose of refueling commercial diesel fueled vehicles used in the distribution of products from the Premises (the "Fuel Tank").

The Fuel Tank shall be installed with a secondary containment structure reasonably acceptable to Landlord and sufficient to contain at least 110% of the maximum capacity of the Fuel Tank.

All contractors and subcontractors involved in the filling, maintaining, inspecting and monitoring the Fuel Tank shall be fully and adequately qualified, licensed and insured.

Tenant shall use, maintain, monitor, inspect, inventory, remove, and close the Fuel Tank in strict compliance with all Tank Requirements.

On or before the forty-fifth (45th) day of each calendar year during the Lease Term, Tenant shall (upon written request from Landlord) deliver to Landlord a letter confirming that during the preceding year, (i) Tenant has complied with all applicable Tank Requirements and its obligations hereunder, including, without limitation, all maintenance and monitoring requirements, and (ii) to Tenant's actual knowledge, neither the Fuel Tank nor the substances contained therein have resulted in soil, water, or other contamination on, under, or adjacent to the Premises and do not pose a threat to health, safety, or the environment. If Tenant fails to deliver any such notice on the required date, and such failure is not cured within thirty (30) days following notice from Landlord, such failure shall be a default under the Lease.

Landlord and its representatives shall have the right, at any reasonable time and from time to time, to enter the Premises and to inspect the Fuel Tank and related equipment, property and soil, and to conduct soil or water sampling, testing, monitoring, digging, drilling, and analyses and to review any documents, materials, inventories, financial data, or notices or correspondence to or from private parties or governmental authorities in connection therewith, except for any documents protected from disclosure under attorney-client privilege, attorney work product or other applicable evidentiary privilege. Such actions are collectively referred to herein as "Inspections". All costs and expenses incurred by Landlord in connection with Inspections shall be borne by Landlord unless contamination reasonably determined to be caused by the use or presence of the Fuel Tank is discovered, in which case such costs and expenses shall be payable by Tenant as additional rent, within thirty (30) days following presentation by Landlord of an invoice therefor.

In the event Tenant fails or is not able, for any reason, to comply with the Tank Requirements or its obligations hereunder, in whole or in part, or if Landlord reasonably believes that the Fuel Tank or the substances contained therein have resulted in or threatened to violate any Tank Requirements, Landlord shall have the right, but not the obligation upon thirty (30) days following notice from Landlord (except that no such notice shall be required in the event of an emergency), to act in place of Tenant and to take such action as it may deem necessary or desirable to ensure compliance or to mitigate, abate or correct the contamination or other threat. All costs and expenses that

are necessary and incurred in good faith by Landlord in connection with any such actions, including, without limit, analysis of soils and other testing and consultant's and legal fees, shall become immediately due and payable by Tenant to Landlord as additional rent, upon presentation of an invoice therefor.

On or before the expiration or sooner termination of the Lease, Tenant shall remove and close the Fuel Tank and related equipment and clean up and remove any Hazardous Materials on, from, under and adjacent to the Premises which resulted from the presence or use of the Fuel Tank, in accordance with the requirements of the Tank Requirements and to the reasonable satisfaction of Landlord. Tenant shall also deliver to Landlord a copy of a certificate of closure issued for the Fuel Tank by the appropriate agency of San Bernardino County, but Tenant shall not be required to deliver such a certificate if such certificates are no longer being issued by any such agency of San Bernardino County. (collectively, the "Removal and Closure"). If the Lease is terminated prior to the Termination Date, then Tenant shall commence the Removal and Closure within thirty (30) days following Landlord's written direction to Tenant to do so, and Tenant shall diligently pursue the Removal and Closure to completion.

Tenant's failure to comply with any of the provisions of this Exhibit G shall be deemed to be a default under the Lease, entitling Landlord to pursue all remedies Landlord may have under the Lease and at law and in equity.

Tenant hereby authorizes Landlord to communicate, verbally or in writing, with any governmental authority on any matter relating to the installation, use, maintenance, testing, operation, removal, or closure of the Fuel Tank, the substances contained therein, or the equipment or Tenant's operations in connection therewith.

Tenant shall immediately forward to Landlord copies of any and all notices, correspondence, warnings, guidance, or other written materials received from any governmental authority in connection with the Fuel Tank, the substances contained therein, or the equipment or operations in connection therewith.

EXHIBIT L

LIST OF TENANT HAZARDOUS MATERIAL

LEASE RIDER NUMBER 1

1. Option to Extend Lease. Tenant shall have the option, provided it is not then in default hereunder (after the expiration of any applicable notice and cure periods), to extend the term of the Lease for one (1) period of one hundred and twenty (120) months (the "Extended Term"), upon the same terms and conditions as provided herein, except that: (a) Base Net, Net, Net Rent shall be adjusted as provided in Paragraph 2 below; (b) there shall be added to the Base Net, Net, Net, Rent the then prevailing annual tax base amount, annual insurance base amount and the annual landscape base amount (collectively, the "Gross Charges") in order to arrive at the monthly Initial Minimum Rent for the Extended Term; and (c) no further Extended Terms shall be available to Tenant following the expiration of the Extended Term. Tenant shall exercise such option by serving written notification ("Option Notice") upon Landlord not more than nine (9) months or less than six (6) months prior to the expiration of the Lease Term, of its election to extend this Lease. The option to extend this Lease shall be exercisable by Tenant on the express conditions that at the time of exercise, and at all times prior to the commencement of the Extended Term, Tenant shall not be in default (after the expiration of any applicable notice and cure periods) under any of the provisions of this Lease. Wherever the context of this Lease so requires, the term "Lease Term" shall be deemed to include any Extended Term for which Tenant has exercised its option. The option to extend this Lease is personal to Tenant. If, prior to the exercise of the option, Tenant subleases the Premises to someone other than a Permitted Transferee or assigns or otherwise transfers this Lease or any interest under this Lease to someone other than a Tenant Affiliate, such option shall terminate and be of no further force or effect. Intra-family transfers of stock to members of the extended Lindberg family shall not impair Tenant's ability to exercise the option.

2. Base Net, Net, Net Rent for Extended Term. Base Net, Net, Net Rent for the Premises at the commencement of any Extended Term shall be determined in accordance with the procedure set forth below. The then prevailing Gross Charges shall be added to the Base Net, Net, Net rent in order to arrive at the monthly Initial Minimum Rent for the Extended Term.

(a) Promptly following receipt by Landlord of Tenant's Option Notice, Landlord and Tenant shall attempt to reach agreement on the initial Base Net, Net, Net Rent for the Extended Term. Base Net, Net, Net Rent for the Extended Term shall be at the then current fair market net, net, net rental value for buildings of comparable size, age and quality in the comparable Chino submarket and shall take into account the provisions for periodic CPI rent adjustments as provided in Paragraph 3(b), below. If Landlord and Tenant are able to agree on the initial Base Net, Net, Net Rent for the Extended Term, Landlord and Tenant shall immediately execute an amendment to this Lease stating the initial Base Net, Net, Net Rent for the Extended Term.

(b) If the parties are unable to agree on the initial Base Net, Net, Net Rent for the Extended Term within forty-five (45) days following Landlord's receipt of the Option Notice, then each party, at its cost and by giving notice to the other party, shall have twenty (20) days within which to appoint an MAI certified real estate appraiser with at least five (5) years' full-time commercial appraisal experience in the area in which the Premises are located, to appraise and set the initial Base Net, Net, Net Rent for the Extended Term in accordance with the then current fair market value for buildings of comparable size, age and quality in the comparable Chino submarket. If a party does not appoint an appraiser within such twenty (20) day period, the single appraiser appointed shall be the sole appraiser and shall set the initial Base Net, Net, Net Rent for the Extended Term. If two appraisers are appointed by the parties as stated in this Paragraph, they shall meet promptly and attempt to set the initial Base Net, Net, Net Rent for the Extended Term. If they are unable to agree within forty-five (45) days after the second appraiser has been appointed, they shall attempt to elect a third appraiser meeting the qualifications stated in this paragraph within twenty (20) days after the last day the two appraisers are given to set the initial Base Net, Net, Net Rent for the Extended Term. If they are unable to agree on the third appraiser, either of the parties

to this Lease, by giving ten (10) days notice to the other party can apply to the presiding judge of the superior court of that county, for the selection of a third appraiser who meets the qualifications stated in this paragraph. Each of the parties shall bear one-half (1/2) of the cost of appointing the third appraiser and of paying the third appraiser's fee. The third appraiser, however, selected, shall be a person who has not previously acted in any capacity for either party.

(c) Within twenty (20) days after the selection of the third appraiser, a majority of the appraisers shall set the initial Base Net, Net, Net Rent for the Extended Term. If a majority of the appraisers are unable to set the initial Base Net, Net, Net Rent within the stipulated period of time, the two closest appraisals shall be added together and their total divided by two; the resulting quotient shall be the initial Base Net, Net, Net Rent for the Premises during the Extended Term.

(d) In no event shall Tenant receive free rent during any Extended Term.

3. Rent Adjustments.

(a) Base Net, Net, Net Rent shall be adjusted during the initial Lease Term as shown on the following table. Base Net, Net, Net Rent adjustments of any Extended Term shall be computed as provided in Paragraphs 3(b), below.

	<u>Base Net, Net, Net Rent per square foot</u>	<u>Building square footage</u>	<u>Base Net, Net, Net Rent per month</u>
Months #1-30*	\$.45	409,588	\$184,314.60
Months #31-60	\$.484	409,588	\$198,240.59
Months #61-90	\$.52	409,588	\$212,985.76
Months #91-120	\$.559	409,588	\$228,959.69

*Including in month 30 the number of days, if any, necessary to cause the rental increase specified for month 31 to occur upon the first day of the thirty-first (31st) full calendar month of the initial Lease Term.

(b) In the event Tenant exercises its option to extend the Lease Term (as provided in Paragraph 1, above) each thirty (30) month period of any such Extended Term shall constitute an "Adjustment Period". The first day of the month first following the expiration of each Adjustment Period shall be referred to herein as the "Adjustment Date".

(i) The index to be used in computing adjustments in Base Net, Net, Net Rent shall be the "All Items" Consumer Price Index for Urban Wage Earners and Clerical Workers (1982-84=100) for Los Angeles/Riverside/Orange County, published by the United States Department of Labor's Bureau of Labor Statistics (the "CPI").

(ii) At the end of (i) the first twelve (12) months; (ii) the second twelve (12) months; and (iii) the last six (6) months of each Adjustment Period (each such period being referred to herein as a "Calculation Period"), the increase in the CPI shall be calculated. Said increase shall be computed by comparing the "Beginning CPI" to the "Ending CPI" (as those terms are defined herein), and calculating, on a percentage basis, changes between the Beginning CPI and the Ending CPI.

(iii) The term "Beginning CPI" shall mean and refer to the CPI for the month which is two (2) months prior to the commencement of each Calculation Period, and the "Ending CPI" shall mean the CPI for the month which is two (2) months prior to the last day of each Calculation Period. In the event the CPI increases more than six percent (6%) during any Calculation Period, the CPI shall be deemed to have increased six percent (6%) during such Calculation Period. In the event the CPI

increases less than three percent (3%) during any Calculation Period, the CPI shall be deemed to have increased three percent (3%) during such Calculation Period. For any Calculation Period that is less than one full year, the CPI minimum and maximum increase limitations described above shall be prorated, based upon a comparison of the amount of time in such Calculation Period to a full year.

(iv) Minimum Rent to become effective on the Adjustment Date in question shall be calculated by applying the percentage CPI increase for each Calculation Period to the Base Net, Net, Net Rent which would have been in effect for each month of the immediately preceding Calculation Period if annual increases in the Base Net, Net, Net Rent occurred at the end of each Calculation Period based on the increases in the CPI for such Calculation Period, and adding such increases to the full Base Net, Net, Net Rent for the month immediately preceding the Adjustment Date in question. The Gross Charges shall be added to the adjusted Base Net, Net, Net Rent to arrive at the new Minimum Rent commencing on the Adjustment Date.

(c) If, during the Lease Term, Base Net, Net, Net Rent payable under Paragraph 1.6 is changed by an amendment to this Lease, said rent payable pursuant to the latest Lease amendment shall be the rent which is adjusted by the formula set forth in this paragraph. Once the Initial Minimum Rent for the Extended Term is established, in no event shall Base Net, Net, Net Rent payable under Paragraph 1.6 be reduced below the sum payable thereunder in the calendar month immediately preceding a month when an adjustment in rent becomes effective. If any index is calculated from a base different from the base period 1982-84 = 100, such index shall be converted to a base period of 1982-84 = 100 by use of a conversion factor supplied by said Bureau of Labor Statistics. If the CPI is discontinued or replaced during the term of this Lease, or any extensions thereof, such other governmental Cost of Living Index or computation which replaces the CPI shall be used in order to obtain substantially the same result as would be obtained if the CPI had not been discontinued or replaced.

4. Improvement Allowance. Tenant shall be entitled to a one-time tenant improvement allowance (the "Tenant Improvement Allowance") in the amount of Five Hundred Thousand and 00/100ths Dollars (\$500,000.00). The Tenant Improvement Allowance shall be used for all design, construction and material costs incurred by Tenant for the installation of dock levelers, dock restraints and other components of dock packages ("Dock Packages") and other costs which Landlord and Tenant mutually agree are properly chargeable against the Tenant Improvement Allowance (collectively, "Tenant Improvement Costs"). The costs of such Dock Packages or other Tenant improvement work (up to the maximum amount of the Tenant Improvement Allowance) shall be paid to Tenant from time to time as requested by Tenant (but in no event more frequently than monthly) within thirty (30) days following Landlord's receipt of copies of invoices and mechanics' lien releases for such work. Tenant shall have twelve (12) months from the Commencement Date of this Lease to expend the Tenant Improvement Allowance. No unused portion of the Tenant Improvement Allowance shall be credited against rent obligations or refunded to Tenant. Tenant may direct any unused portion of the Tenant Improvement Allowance (that is, any amount remaining after providing for the costs of the Dock Packages) toward the cost of the office improvements described in Paragraph 5, below, and toward any additional building improvement work which is mutually agreed upon between Landlord and Tenant in writing prior to its construction. To the extent any rebates or refunds are available for any item paid for by Tenant or paid from the Tenant Improvement Allowance, Tenant shall be entitled to such rebate or refund.

5. Office Improvements. Landlord, at Landlord's sole cost and expense up to a maximum allowance of Three Hundred and Fifty Thousand and 00/100ths Dollars (\$350,000.00) (the "Office Allowance"), shall design, permit and construct approximately 5,000 square feet of office area within the building shell as a component of the Base Building Improvements provided that Tenant has approved a space plan in writing no later than January 31, 2007. The space plan, finishes and construction budget shall be mutually agreed upon in writing between Landlord and Tenant. Any soft or hard costs in excess of the above allowance shall be deposited by Tenant

directly to Landlord prior to the commencement of office construction. If Tenant so desires, a portion of the Office Allowance (not to exceed Two Hundred and Fifty Thousand Dollars (\$250,000.00) may be utilized for the costs of constructing a secondary office area within the building shell. Tenant may direct any unused portion of the Tenant Improvement Allowance toward additional building improvement work which is mutually agreed upon between Landlord and Tenant in writing prior to its construction. To the extent any rebates or refunds are available for any item which is paid for out of the Office Allowance, Tenant shall be entitled to such rebate or refund.

6. Tenant's Freezer/Cooler Installation.

(a) Preparation of Plans for Freezer/Cooler. Tenant shall be entitled to construct, at Tenant's sole cost and expense approximately 40,000 square feet of freezer space and 40,000 square feet of cooler space (collectively the "Freezer/Cooler") in those portions of the Building and the Tenant Yard Area designated therefor in the plan prepared by Outsource Installations dated December 9, 2006. Tenant shall prepare, or cause to be prepared, at Tenant's sole cost and expense, the plans and specifications for the Freezer/Cooler, and shall submit such plans and specifications, together with a list of the materials to be used in the construction thereof, to Landlord for Landlord's approval, which shall not be unreasonably withheld. Such plans and specifications shall be submitted to Landlord no later than January 31, 2007 for all Freezer/Cooler construction which affects the foundation and floor slab and the remaining plans and specifications for the Freezer/Cooler shall be submitted to Landlord no later than March 31, 2007. Landlord shall have thirty (30) days following its receipt of such plans and specifications and list of materials for the Freezer/Cooler in which to approve the same or deliver to Tenant written notice of any changes thereto which Landlord may reasonably require. Tenant shall, within five (5) business days of receipt of Landlord's proposed changes, cause such plans and specifications and list of materials to be revised in accordance with the requirements of Landlord, and submit the same to Landlord who shall, within fifteen (15) business days after receipt of such revised plans and specifications and list of materials either approve the same or deliver written notice to Tenant of additional changes which Landlord may reasonably require thereto, which process shall continue until the plans and specifications and list of materials for the Freezer/Cooler are reasonably approved by Landlord. The failure of Landlord to deliver to Tenant written notice of such corrections or changes within said thirty (30) day period or said fifteen (15) business day period, as applicable, shall be conclusively deemed to constitute Landlord's approval of the submitted plans and specifications and list of materials.

(b) Construction of Freezer/Cooler. Promptly following the approval of the plans and specifications and list of materials for the Freezer/Cooler as provided above, Tenant shall engage a general contractor, approved by Landlord in its reasonable discretion, to commence construction of the Freezer/Cooler in accordance with the approved plans and specifications and list of materials. Tenant and its general contractor shall coordinate the construction of the Freezer/Cooler with Landlord's Construction Representative and Landlord's general contractor in charge of construction of the Base Building Improvements, particularly with respect to grading, floor, foundations, and structural elements of or affected by the Freezer/Cooler, so that the Freezer/Cooler portion of the Building and the Tenant Yard Area shall meet the requirements therefor and duplicative work will be avoided to the extent possible. The design and construction of the Freezer/Cooler shall be performed in such a manner so as to not interfere with or delay in any way the design and construction of the Base Building Improvements. At the appropriate stage or stages of construction of the floor slab of the Building, Landlord shall provide Tenant's freezer/cooler contractor with access to that portion of the floor slab area of the Building in which specialized improvements must be installed to accommodate Tenant's freezer/cooler space within the Building. Subject to coordination with Landlord's general contractor, Tenant's freezer/cooler contractor shall also be provided with reasonable storage and staging areas on the project site for the time reasonable necessary to complete such specialized improvements. Landlord and Tenant and their respective contractors agree to cooperate with one another to facilitate the overall completion of the Building in an efficient and expeditious manner. In no event shall any delay in the design, construction and completion of the Freezer/Cooler, regardless of the cause thereof,

delay the Commencement Date in any way. In the event Substantial Completion of the Base Building Improvements is delayed as a result of any act, omission, interference by Tenant, or by Tenant requested or performed alterations to the Base Building Improvements ("Tenant Delay"), then the Commencement Date shall be deemed to have occurred on the date that Substantial Completion of the Base Building Improvements would have first occurred, but for such delay.

(c) Quality of Construction. All work performed by or on behalf of Tenant in connection with the construction of the Freezer/Cooler shall be performed in a good and workmanlike manner and in compliance with all applicable requirements and all rules, regulations, and orders of the insurers of the Premises, and shall be consistent with the approved plans and specifications and list of materials for the Freezer/Cooler.

(d) Surrender. Upon the expiration or earlier termination of this Lease and notwithstanding any contrary provision of this Lease, Tenant shall have the right to, and if directed to do so by Landlord shall, remove any personal property or trade fixture component of the Freezer/Cooler from the Premises, such as, but not limited to, compressors, coils, refrigeration units, shelving, temperature controls and related items, nonbearing Freezer/Cooler walls, Freezer/Cooler subceiling and doors, and other nonstructural components of the Freezer/Cooler. Tenant shall repair any damage occasioned by the installation, maintenance or removal of any such component of the Freezer/Cooler. Tenant shall not, however, remove, at any time, any of the structural components and elements of the Freezer/Cooler below the slab surface (collectively, the "Structural Elements"); such items shall be surrendered to Landlord at the expiration or the earlier termination of this Lease in good order and condition. All utility, sewer, fire safety and other connections to the Freezer/Cooler area shall be removed by Tenant such that there are no conduits, lines, pipes or protrusions coming up from the floor surface or coming into the building below the roof structure, including but not limited to venting, fire sprinkler drops and electrical conduit. Tenant shall be responsible for any floor slab damage occasioned by the installation, use, maintenance or removal of the Freezer/Cooler to include damage caused by heaving and settlement.

(e) Applicability. The provisions of this Paragraph 6 shall prevail over any conflicting provisions of the Lease, but only with regard to the Freezer/Cooler.