

Customer/Lessee !!					
Address _____		City _____	State _____	County _____	Zip _____
QUANTITY & DESCRIPTION OF THE PROPERTY: MODEL #, CATALOG #, SERIAL # OR OTHER IDENTIFICATION					
PROPERTY LOCATION	Street Address _____		County _____	State _____	Zip _____
MONTHLY RENTAL AMOUNT (PLUS TAX)	BILLING: MONTHLY <input type="checkbox"/> QUARTERLY <input type="checkbox"/> ANNUALLY <input type="checkbox"/>	TERM OF LEASE (NO. OF MONTHS)	DEPOSIT	END OF TERM OPTIONS: <input type="checkbox"/> Fair Market Value (plus tax) <input type="checkbox"/> 10% Buyout (plus tax) <input type="checkbox"/> \$1.00 Buyout	Lessee's Initials

1. AGREEMENT: Lessor agrees to lease to Lessee, and Lessee agrees to lease from Lessor, the hardware, software and other property, as described above, together with any and all replacements, upgrades, repairs, additions, modifications and accessories now or hereafter made a part thereof and hereinafter referred to as the "Property" subject to the terms and conditions stated in this lease agreement (the "Agreement").

2. RENTAL PAYMENTS; TERM: The amount of rent payable is as shown above. Rent under this Agreement first becomes due when Lessee signs and delivers to Lessor an Acknowledgment and Acceptance of Property certifying that all of the Property is delivered and acceptable to Lessee, and Lessee authorizes Lessor to disburse payment(s) to the supplier(s) of the Property ("Authorization Date"). **EXCEPT AS PROVIDED BY THE TERMS OF THIS AGREEMENT, LESSEE'S OBLIGATION TO PAY RENT IS ABSOLUTE AND UNCONDITIONAL AND LESSEE WAIVES ANY AND ALL RIGHTS WHICH LESSEE MAY HAVE TO CANCEL OR TERMINATE THIS AGREEMENT PRIOR TO EXPIRATION OF THE APPLICABLE TERM.** If rent is billed to Lessee on a monthly basis as shown above, such rent is due to Lessor, in advance, for each month or portion of a month from the date that this Agreement commences as provided herein. Rent for portions of a month shall be based on one-thirtieth (1/30th) of the monthly rent per day. Installments of rent are due on or before the first day of each month and shall be past due if not received by Lessor before the 10th of the month. If quarterly rent applies, rent is billed to Lessee on a quarterly basis as shown above. Such rent is due to Lessor, in advance, for each quarter or portion of a quarter from the date that this Agreement commences as provided herein. Rent for portions of a quarter shall be based on one-nineth (1/90th) of the quarterly rent per day. Installments of rent are due on or before the first day of each quarter and shall be past due if not received by Lessor within ten days of its due date. The term of this Agreement begins on the first day of the calendar quarter, (January 1, April 1, July 1, October 1) following the Authorization Date and continues for the number of months reflected above ("Term").

3. LESSOR PROGRESS PAYMENTS TO SUPPLIER(S) OF PROPERTY: By initialing below, Lessee requests, for its benefit, that Lessor advance payments to supplier(s) or manufacturer(s) of the Property (collectively, "Supplier(s)") during the period prior to Lessee's final acceptance of all items of Property (the "Installation Period") and that Lessor make progress payments to such Supplier(s) or otherwise reimburse Lessee for deposits, if any, made to such Supplier(s) (all such Lessor payments and reimbursements collectively referred to as "Progress Payments"). Lessor is willing to accommodate such request by Lessee, and to make such Progress Payments pursuant to the terms provided for in this Section 3. Lessee shall pay to Lessor a daily pro-rata rental fee from the date each item of Property is delivered (such delivery to be confirmed either by Supplier(s) or acknowledged by Lessee) (the "Delivery Date") through the "Authorization Date", as defined in Section 2. of this Agreement. This pro-rata rental shall be a payment obligation separate from and in addition to the rental amount as shown above that is payable by Lessee during the Term of this Agreement. If Lessor makes any Progress Payments, the daily pro-rata rental fee will be calculated from the Delivery Date and shall be calculated as follows: [0. _____ X (the amount of any Progress Payments made on behalf of Lessee ÷ 30)] (the "pro-rata rental"). This pro-rata rental will be billed monthly to Lessee. If all of the Property to be included in this Agreement is not accepted by Lessee within 90 days of the date of Lessor's signed acceptance below (the "Funding Cut-Off Date"), Lessor may, at its sole option, pursue any one of the following alternatives: (a) Commence the Term of this Agreement (using the Funding Cut-Off Date as the Authorization Date) based on the portion of the Property which has been delivered and accepted by Lessee and paid for by Lessor as of the Funding Cut-Off Date; (b) Extend the allowed Installation Period and establish a new Funding Cut-Off Date; or (c) Demand that the Lessee pay to Lessor a total amount equal to all Progress Payments that Lessor has paid to Supplier(s) on behalf of Lessee, plus all pro-rata rentals, taxes, late fees and other payments which are due and owing under the terms of the Agreement. Should such a demand be made by Lessor, Lessee hereby unconditionally agrees to reimburse said funds to Lessor in full within ten (10) business days of said demand, and upon receipt of such payment in full, Lessor shall release Lessee from further payment obligations under the Agreement. Lessee shall provide Lessor with updated financial information throughout the Installation Period as requested by Lessor. Lessor hereby reserves the right to terminate the Installation Period at any time if Lessor determines, at Lessor's sole discretion, that there has been a material adverse change in Lessee's financial condition, at which time Lessor then may elect either (a), (b) or (c) above. Irrespective of the terms in this Section 3, all other terms and conditions under this Agreement including, without limitation, all payment obligations by Lessee under the Agreement shall remain absolute and unconditional without regard in any manner whatsoever to the pro-rata rental obligations and/or pro-rata rental period set forth herein. **The acceptance by Lessee of all items of Property is not a pre-condition to Lessee's performance of any of its obligations under the Agreement, including all rental and other payment obligations.** BY ITS INITIALS, LESSEE KNOWINGLY AND VOLUNTARILY AGREES TO THE NEGOTIATED TERMS AS SET FORTH ABOVE.

Lessee's Initials

This Agreement is subject to acceptance by Lessor's Finance Committee. **By signing below, the signer certifies that he or she has read this entire Agreement, has had an opportunity to discuss its terms with Lessor, and that he or she is authorized to sign on behalf of Lessee.** Until this Agreement has been signed by an authorized signer of Lessor, it will constitute a firm offer by Lessee.

THIS AGREEMENT CONTAINS THE COMPLETE AGREEMENT BETWEEN LESSOR AND LESSEE. THE AGREEMENT CAN ONLY BE MODIFIED IN WRITING, WITH SUCH MODIFICATIONS SIGNED BY A PERSON AUTHORIZED TO SIGN AGREEMENTS ON BEHALF OF LESSEE'S COMPANY AND BY AN AUTHORIZED SIGNER OF LESSOR. NO ORAL OR WRITTEN AGREEMENTS, REPRESENTATIONS OR PROMISES SHALL BE BINDING ON THE PARTIES UNLESS MADE A PART OF THIS AGREEMENT BY A WRITTEN MODIFICATION SIGNED BY AN AUTHORIZED SIGNER OF BOTH LESSEE'S COMPANY AND LESSOR.

<p style="text-align:center;">OFFER</p> <p>LESSEE: _____ !!</p> <p>Signature: _____</p> <p>Name/Title: _____</p> <p>Date: _____</p>	<p style="text-align:center;">ACCEPTANCE</p> <p>LESSOR: _____ California First Leasing Corporation</p> <p>Signature: _____</p> <p>Name/Title: _____</p> <p>Date: _____</p>
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4. DISCLAIMER OF WARRANTIES; LIMITATION OF REMEDIES: THERE ARE NO WARRANTIES BY OR ON BEHALF OF LESSOR. LESSEE KNOWINGLY AND VOLUNTARILY ACKNOWLEDGES AND AGREES AS FOLLOWS: (a) Lessor makes no warranties, either express or implied, as to the condition of the Property, its merchantability, its fitness or suitability for any particular purpose, its design, capacity or quality, or as to any characteristics of the Property; (b) Lessee leases the Property "as is"; (c) Lessee leases the Property solely for commercial or business purposes and not for personal, family or household purposes; (d) if the Property is not properly installed, does not operate as represented or warranted by the Supplier(s) or is unsatisfactory for any reason, regardless of cause or consequence, Lessee's only remedy, if any, shall be against the Supplier(s) of the Property, and not against Lessor; (e) provided Lessee is not in default under this Lease, Lessor assigns to Lessee any warranties made by the Supplier(s) of the Property; (f) Lessee shall have no remedy for consequential or incidental damages against Lessor; and (g) no defect, damage or unfitness of the Property for any purpose shall relieve Lessee of any obligation to pay rent or any other obligation under this Lease. The provisions of this Section 4. shall survive termination and/or expiration of this Agreement.

5. LESSEE AUTHORITY TO ENTER LEASE: With respect to this Agreement, Lessee hereby represents, warrants and covenants that: (i) the execution, delivery and performance thereof have been duly authorized by Lessee; (ii) the individuals executing such have been duly authorized to do so; (iii) the individuals executing such are not authorized whatsoever to bind Lessee to, or rely upon, any oral agreement, promise or representation relating to this Agreement; (iv) the execution and/or performance thereof will not result in any default under, or breach of, any judgment, order, law or regulation applicable to Lessee, or of any provision of Lessee's articles of incorporation, bylaws, or any agreement to which Lessee is a party; and (v) all financial statements and other information submitted by Lessee herewith or at any other time are true and correct without any misleading omissions.

6. NO AGENCY: LESSEE UNDERSTANDS AND ACKNOWLEDGES THAT NO BROKER NOR SUPPLIER, NOR ANY SALESMAN, BROKER OR AGENT OF ANY BROKER OR SUPPLIER, IS AN AGENT OF LESSOR. NO BROKER OR SUPPLIER, OR ANY SALESMAN, BROKER OR AGENT OF ANY BROKER OR SUPPLIER, IS AUTHORIZED TO ALTER ANY TERMS OF THIS AGREEMENT. NO REPRESENTATION AS TO THE PROPERTY OR ANY OTHER MATTER BY ANY BROKER OR SUPPLIER, OR ANY SALESMAN, BROKER OR AGENT OF ANY BROKER OR SUPPLIER SHALL IN ANY WAY AFFECT LESSEE'S DUTY TO PAY RENTALS AND TO PERFORM LESSEE'S OTHER OBLIGATIONS SET FORTH IN THIS AGREEMENT.

7. QUIET ENJOYMENT: Lessee has the right to quietly enjoy the use of the Property without interference by Lessor or its assigns provided Lessee is in compliance with the terms of this Agreement.

8. USE, MAINTENANCE AND OWNERSHIP: At Lessee's own expense, Lessee will provide a suitable place for the installation, operation and maintenance of the Property. The Property shall at all times be located within the United States. Lessee shall maintain the Property in good working order and in its original condition, ordinary wear and tear excepted. Lessee shall keep in force during the entire Term of the Agreement the best standard Suppliers' maintenance agreement(s) which will cause the Supplier(s) to make all the necessary repairs and replacements in accordance with such maintenance agreement(s) and entitle Lessee (through Lessor, if necessary) to obtain available enhancements, updates, upgrades and changes (collectively, "upgrades"). All upgrades become a part of the Property and are owned by Lessor. Software, as described on any Agreement shall also include all updates, revisions, upgrades, new versions, enhancements, modifications, derivative works, maintenance fixes, translations, adaptations, and copies of the foregoing or of the original version of the software, ("Software") and references in this Agreement to Software shall also be interpreted as references to any portions thereof. All additions and modifications to the Property become a part of the Property and are owned by Lessor. Lessee shall not move the Property from the location set forth in the Agreement without Lessor's prior written approval. Lessor may during reasonable business hours enter upon any premises where any of the Property is located for the purpose of confirming compliance with the terms of the Agreement. Lessor shall at all times retain ownership and title to the Property and/or control over Lessee's right to use the Property. Lessee shall at all times protect and defend, at Lessee's own expense, Lessor's title and/or rights in the Property against all claims and liens and shall keep the Property free and clear of all such claims and liens. The Property is and shall remain personal property of Lessor. To the extent Software subject to this Agreement may also be the subject of a license agreement between the Supplier and Lessee, Lessee hereby acknowledges that the license to use the Software is being provided to Lessee solely because of payments made by Lessor to the Supplier and, accordingly, Lessee agrees that Lessor has an interest in the license. Lessee hereby represents and warrants to Lessor that Lessor has paid for a perpetual license on the Software and Lessee's right to use the Software during the Term of this Agreement constitutes full and adequate consideration from Lessor. Lessee agrees that in the event Lessee or any of Lessee's affiliates receives anything of value from the Supplier (including without limitation, a trade-in, substitution or upgrade allowance) other than Lessee's rights to use the Software reflected on the Agreement during the Term of this Agreement, Lessee will advise Lessor and pay to Lessor an amount equal to the additional value obtained by Lessee. Lessee hereby agrees that Lessee will not surrender, transfer or modify the license agreement without first obtaining the written consent of Lessor.

9. INSURANCE AND INDEMNITY: As long as this Agreement is in effect, at Lessee's own expense, Lessee will maintain (i) comprehensive public liability insurance (naming Lessor or its assigns as additional insured) for bodily injury and property damage resulting from the maintenance, use or transport of the Property and (ii) property and casualty insurance (naming Lessor or its assigns as sole loss payee) covering all risks of loss or damage to the Property from any cause whatsoever including, without limitation, fire and theft. All insurance will be from an insurer(s) and in a form and amount satisfactory to Lessor. Lessee shall, deliver to Lessor certificates of insurance stating the above- required coverage. While the Property is in transit and throughout the Term of the Agreement and until the Property is returned to Lessor or purchased by Lessee, Lessee shall assume all responsibility for loss or damage or other Casualty Occurrence as to the Property and shall hold Lessor harmless. A Casualty Occurrence shall occur if, for any reason or by any cause whatsoever, the Property is lost, stolen, requisitioned, confiscated, destroyed, disposed of or transferred by Lessee, or irreparably damaged as judged solely by Lessor. In the case of Software, the erasure, in-operability or other incapacity of the Software triggered by a preprogrammed termination or limiting design or routine embedded in the Software shall also be deemed a Casualty Occurrence. In the event of a Casualty Occurrence as to any Property, Lessee shall immediately inform Lessor. On the next succeeding rental payment date, Lessee shall either: (i) replace the Property with like-kind property acceptable to Lessor, furnish to Lessor all necessary documents vesting in Lessor good, marketable and unencumbered title thereto and continue to pay all rentals without interruption as they come due, or (ii) pay to Lessor all past due rentals and other amounts then late or due and an amount equal to the Stipulated Value. If this Agreement provides Lessee an end of term fair market value purchase option, the Stipulated Value shall be calculated by multiplying the Property's original cost (amount paid by Lessor or its assignee to the Supplier(s) for all the Property) by a Stipulated Factor. The Stipulated Factor shall be 110% as of the Authorization Date and shall decline by 1.5% for each month of the Term for which payment is received by Lessor until said value reaches 25% at which time the Stipulated Factor shall remain constant for the remainder of the Term. If this Agreement provides Lessee an end of term fixed purchase option as shown above (e.g., a ten percent or one-dollar buyout), the Stipulated Value shall be the aggregate amount of all the remaining unpaid gross rentals plus the amount of the end of term buyout, plus any applicable sales tax. When Lessee makes the Stipulated Value payment to Lessor as provided under option (ii) above, the rentals shall cease to accrue and the Term of the Agreement shall end. Insurance proceeds received by Lessor as a result of a Casualty Occurrence shall be applied to reduce Lessee's obligation to pay the Stipulated Value. Lessee assumes liability for, and agrees at Lessee's own expense to indemnify and defend Lessor, its employees, officers, directors and assigns, from and against any and all claims, liabilities, damages, penalties and expenses (including legal expenses) of every kind or nature arising out of the use, condition (including latent and other defects, whether or not discoverable by Lessee or Lessor), operation, lease or ownership of any items of Property (including, without limitation, any claim for patent, trademark or copyright infringement) or for any interruptions of service, loss of business or consequential damages. These indemnities and assumptions shall survive the termination and/or expiration of this Agreement.

10. FURTHER ASSURANCES: Lessee agrees to provide any documents which Lessor deems necessary or desirable for confirmation, assignment and assurance of performance by Lessee of Lessee's obligations under the Agreement or for perfection of this Agreement and the Property. Lessee authorizes Lessor to sign on Lessee's behalf and/or to file any documents necessary for the perfection of Lessor's interest in the Agreement and the Property including, but not limited to, financing statements. Lessee further authorizes Lessor to insert applicable dates and assignment dates as necessary to complete all such documentation. Prior to Lessor's acceptance of the Agreement and throughout the Term of the Agreement, Lessee also agrees to provide Lessor with all credit information reasonably requested by Lessor, including but not limited to audited financial statements for each fiscal year requested by Lessor and comparative financial statements for the most current and interim reporting periods. Lessee shall notify Lessor at least 30 days prior to Lessee changing its name, organizational structure, state of incorporation/formation or location of its chief executive office. Any principal of Lessee owning 20% or more of the outstanding capital stock shall provide their two most current years' personal tax returns and a personal financial statement to Lessor and shall agree to execute a guaranty in

a form acceptable to Lessor. All agreements, representations, warranties and waivers contained in this Agreement, or in any document or certificate delivered pursuant to or in connection with this Agreement, shall survive the termination and/or expiration of this Agreement. If any provision of this Agreement is determined by competent authority to be unenforceable, such determination shall not invalidate the remaining provisions of the Agreement. To the extent permitted by applicable law, Lessee waives any provision of law which renders any provision hereof prohibited or unenforceable in any respect. If Lessee fails to perform any of Lessee's obligations under this Agreement, Lessee agrees that Lessor may, at its option, perform them for Lessee without waiving Lessee's default. Any amount paid by Lessor, and any expense (including reasonable attorneys' fees) or any other liability incurred by Lessor as a result of its performance of any of Lessee's obligations shall be payable to Lessor upon demand with interest at eighteen percent (18%) per annum or the maximum allowed by law. The interest shall accrue from the date of expenditure by Lessor to the date of full reimbursement by Lessee. Lessee acknowledges and agrees that: (i) this Agreement is intended as a statutory "Finance Lease" under Article 2A of the Uniform Commercial Code as adopted in California (with no effect on any tax or accounting treatment of this transaction); (ii) Lessee has selected the Property and its Supplier(s); (iii) Lessor has not participated in any way in Lessee's selection of the Property or the Supplier(s); and (iv) Lessor has not manufactured or supplied the Property. **Lessee is advised that it may have rights under the contract evidencing Lessor's purchase of the Property from the Supplier(s) chosen by Lessee and that Lessee should contact the Supplier(s) for a description of such rights.**

11. NOTICES: All notices to Lessor must be in writing and sent certified mail return receipt requested or through a reputable overnight delivery service to the addresses shown above or to any later address last known to the sender.

12. END OF TERM OPTIONS: Lessee's end of term option is as shown above. If Lessee elects any purchase option, Lessee must purchase all, but not less than all, of the Property on an AS IS BASIS for the amount of such purchase option plus all applicable taxes, unpaid late charges, interest and all other sums then due under the Agreement, in exchange for which Lessor will transfer to Lessee all of its rights, title and interests in and to the Property and terminate any applicable security interests therein created by Lessor. Unless this Agreement expressly provides Lessee an end of term fixed purchase option as shown above (e.g., a ten percent or one-dollar buyout), upon ninety (90) days prior written notice to Lessor, Lessee shall, at the end of the Term, purchase the Property for its then Fair Market Value as defined herein ("FMV"), plus applicable sales tax or return the Property in accordance with the terms of this Agreement. FMV is the price a willing buyer (who is neither a used property dealer or reseller) would pay for the Property in an arm's length transaction to a willing seller under no compulsion to sell. Such FMV shall be determined on the basis that: (a) the Property is assumed to be in the condition in which it is to be maintained under the Agreement and is in complete compliance with all other terms of the Agreement; (b) the Property is assumed to be installed and/or in full service and is valued on an installed basis; and (c) the cost of removal of the Property from its present location is not deducted from the valuation. If the parties are not able to agree on FMV at least 60 days prior to the expiration of the Term, Lessee shall elect one of the following options: (A) Lessee shall terminate the Lease and return all of the Property to Lessor at the expiration of the Term, or (B) Lessee shall purchase all of the Property for FMV and, in connection therewith, Lessor shall appoint an independent appraiser (reasonably acceptable to Lessee) who shall determine FMV, and the parties acknowledge and agree that such determination shall be final and binding with respect to the parties' agreed upon purchase price. Lessee shall pay such amount to Lessor within 10 days of the FMV determination or at the expiration of the applicable Term, whichever is later. Lessee shall pay the cost of the appraisal. In the event Lessee fails to elect either option (A) or (B), then option (A) shall prevail. If Lessee fails to provide Lessor written notice at least ninety (90) days prior to the expiration of the Term of Lessee's election to either purchase the Property for FMV or return the Property, the Lease shall be extended for a period of ninety (90) days at the rental amount shown above. At the end of this ninety (90) day extension period, this Agreement shall continue subject to termination by either Lessor or Lessee at the end of any calendar month, provided at least ninety (90) days' prior written notice of such termination is delivered to the other party. If Lessee elects or if option (A) prevails, Lessee shall, at its own expense, ship all the Property in its original condition (ordinary wear and tear excepted) to a location within the United States as designated by Lessor, and Lessee shall also pay to Lessor a restocking and handling charge equal to five (5) percent of the Property's original cost (the "restocking charge"), and in the case of Software, Lessee will destroy all intangible Software items, and deliver to Lessor all tangible items constituting Software. At Lessor's request, Lessee will also certify in a written form acceptable to Lessor that: (i) all the tangible Software has been delivered to Lessor; (ii) all intangible records have been destroyed; (iii) Lessee has not retained the Software in any form; (iv) Lessee will not use the Software after termination and (v) Lessee has not received from Supplier(s) anything of value relating to or in exchange for Lessee's use, rental or possession of the Software during the duration of the Lease (including a trade-in, substitution or upgrade allowance). If, for any reason or cause other than Lessee electing its end of term termination option, Lessee returns any Property to Lessor, none of Lessee's obligations under this Agreement shall be excused and, in addition, Lessee shall at its own expense ship the Property with all manuals, cables, cartons and packing materials as originally furnished by Supplier to a location within the United States as designated by Lessor, and Lessee shall pay to Lessor the restocking charge.

13. DEPOSIT: The amount which Lessee has deposited with Lessor as shown above shall be returned to Lessee (without interest) if Lessor does not accept this Agreement. If the Agreement is accepted by Lessor, any such deposit shall be held by Lessor during the Term and (if applicable) the extended Term of the Agreement, and returned to Lessee at the end of such Term after all amounts due under the Agreement have been paid by Lessee. Lessee acknowledges and agrees that Lessor shall have the right to commingle any and all deposit amounts with Lessor's own funds.

14. TAXES: All fees, assessments and taxes (except those based upon the income of Lessor) which may now or hereafter become due or are imposed upon the ownership, sale, possession, lease and/or use of the Property are to be paid by Lessee. Lessee's obligations in this regard shall survive termination and/or expiration of this Agreement. While Lessee will be responsible for payment of all personal property taxes, Lessor will file all personal property tax returns. Any and all federal and state tax benefits accrue to the benefit of Lessor.

15. DEFAULT: An Event of Default shall occur if: (a) Lessee fails to pay any installment of rent, or other payment due under the Agreement, within ten (10) days of its due date; (b) Lessee fails to perform or observe any of Lessee's covenants or obligations set forth in this Agreement other than Lessee's rental obligations, and such failure is not cured for ten (10) days after written notice has been provided to Lessee; (c) Lessee files any petition or take action under any bankruptcy, reorganization or insolvency law; (d) any involuntary petition shall be filed under any bankruptcy statute against Lessee or any receiver, trustee or custodian shall be appointed to take possession of Lessee's properties; (e) Lessee attempts to remove, transfer, sell, sublicense, encumber, part with possession, or sublet the Property; (f) Lessee attempts to assign or transfer this Agreement or Lessee's interest under the Agreement without Lessor's prior written consent, (g) Lessee undergoes a sale, buyout, change in control, or change in ownership of any type, form or manner, as judged solely by Lessor; or (h) Lessee's credit worthiness materially deteriorates, as judged solely by Lessor.

16. LATE PAYMENTS: Each past due amount will be assessed a one-time delinquency charge equal to ten (10) percent of the past due amount on the 10th day after the amount is due. Lessee shall pay to Lessor interest on any delinquent payment or past due amount under the Lease, from the due date thereof until paid, at the lesser of the maximum rate allowed by law or eighteen (18) percent per annum.

17. REMEDIES: If an Event of Default occurs, Lessor may exercise at its sole option, but not specifically limited thereto, any one or more of the following remedies: (a) terminate the Agreement and Lessee's rights under the Agreement, (b) by court action, enforce performance by Lessee of the applicable covenants and obligations of this Agreement or recover damages for the breach of those covenants or obligations, (c) by notice in writing to Lessee (unless the giving of such notice is prohibited by law or court order), recover all amounts due on or before the date Lessor declared this Agreement to be in default, plus, as liquidated damages for the loss of a bargain and not as a penalty, accelerate and declare to be immediately due and payable all rentals and other sums payable under the Agreement without any presentment, demand, protest or further notice (all of which are hereby expressly waived by Lessee), at which time the same shall become immediately due and payable, and (d) take immediate possession of the Property, or any part of the Property, from Lessee free from claims by Lessee. In the case of Software, it is agreed that the unauthorized use, disclosure, or transfer of the Software could cause Lessor incalculable, irreparable, and serious harm. Therefore, if Lessee is found to be using (in any manner) any portion of the Software after an Event of Default under the Agreement, or if

Supplier terminates a license of Lessee's right to use the Software for an alleged breach of the use, disclosure, or transfer restrictions imposed on Lessee, then liquidated damages shall be payable immediately to Lessor in an amount which is two (2) times the license fee paid to the Supplier with respect to the Software being used. The exercise of any of the foregoing remedies by Lessor shall not constitute a termination of this Agreement unless Lessor so notifies Lessee in writing. If Lessor repossesses the Property, Lessor may rent or sell the Property in such a manner and at such times as Lessor may determine and without notice to Lessee. In the event Lessor rents the Property to a third party, any rentals received by Lessor for the remaining Term of the Agreement shall be applied to the payment of: (i) all costs and expenses (including reasonable attorneys' fees) incurred by Lessor, and (ii) the rentals for the remainder of the Term and all other sums then remaining unpaid under this Agreement. All rentals received by Lessor for the period commencing after the remaining Term shall be retained by Lessor. Lessee will remain liable to Lessor to the extent that the aggregate amount of the sums referred to in clauses (i) and (ii) above exceed the aggregate rentals received by Lessor under such agreements for the remaining Term applicable to the Property covered by such agreements. In the event that Lessor sells the Property, the proceeds will be applied to the sum of: (i) all costs and expenses (including reasonable attorneys' fees) incurred by Lessor in disposing of the Property, (ii) the rentals accrued under this Agreement, but unpaid up to the time of such disposition, (iii) any and all other sums other than rentals then owing to Lessor by Lessee under the Agreement, and (iv) the Stipulated Value as would be determined in the event of a Casualty Occurrence (as defined in the terms of the Agreement). The remaining balance of such proceeds, if any, will be applied first to reimburse Lessee for any sums previously paid by Lessee as liquidated damages (as set forth in (c) above), and any remaining amounts will be retained by Lessor. Lessee remains liable to Lessor to the extent that the aggregate amount of the sums referred to in clause (i) through (iv) above exceed the proceeds received by Lessor in connection with the disposition of the Property. Lessor's remedies under this Agreement shall not be deemed exclusive. Waiver of any default or breach of this Agreement shall not be construed as a waiver of subsequent or continuing defaults or breaches.

18. DISPUTE RESOLUTION: THE PARTIES AGREE THAT ALL DISPUTES, WHETHER BASED IN TORT OR CONTRACT, RELATING TO OR ARISING OUT OF THIS AGREEMENT (COLLECTIVELY, "LEASE DISPUTES") WILL BE SUBMITTED TO THE ORANGE COUNTY, CALIFORNIA OFFICE OF JAMS, INC. ("JAMS") OR ITS SUCCESSOR FOR A TRIAL OF ALL ISSUES OF LAW AND FACT CONDUCTED BY A RETIRED JUDGE OR JUSTICE FROM THE PANEL OF JAMS, APPOINTED PURSUANT TO A GENERAL REFERENCE UNDER CALIFORNIA CODE OF CIVIL PROCEDURE ("CCP") SECTION 638(a) (OR ANY AMENDMENT, ADDITION OR SUCCESSOR SECTION THERETO), UNLESS LESSOR OR ITS ASSIGNEE SELECTS AN ALTERNATIVE FORUM. IN THE EVENT THAT THE JAMS OFFICE IN THE COUNTY OF ORANGE CEASES TO EXIST, THEN THE PARTIES AGREE THAT A RETIRED JUDGE OR JUSTICE SHALL BE APPOINTED FROM THE PANEL OF AN ALTERNATIVE DISPUTE RESOLUTION ("ADR") SERVICE LOCATED IN ORANGE COUNTY, CALIFORNIA (OR, IF THERE IS NONE, IN LOS ANGELES, CALIFORNIA) PURSUANT TO A GENERAL REFERENCE UNDER CCP SECTION 638 (a) (OR ANY AMENDMENT, ADDITION OR SUCCESSOR SECTION THERETO). IF THE PARTIES ARE UNABLE TO AGREE ON A RETIRED JUDGE OR JUSTICE, THEN ONE SHALL BE APPOINTED BY THE PRESIDING JUDGE OF THE CALIFORNIA SUPERIOR COURT FOR THE COUNTY OF ORANGE. LESSEE AGREES TO SUBMIT TO THE PERSONAL JURISDICTION OF THE CALIFORNIA SUPERIOR COURT FOR ALL LEASE DISPUTES. LESSEE KNOWINGLY AND VOLUNTARILY WAIVES ITS RIGHTS TO A JURY TRIAL IN ANY ACTION ARISING OUT OF OR RELATING TO THIS AGREEMENT. If any party to this Agreement brings any action to enforce any of the terms, or to recover for any breach, then the prevailing party is entitled to recover from the other party reasonable attorney's fees and costs, including all court and JAMS-related (or ADR-related) costs and costs of collection (including judgment enforcement and collection costs). The parties agree that the provisions of this section shall be binding on their respective agents, successors and assigns. This Agreement has been entered into and shall be performed in California and therefore, **THIS AGREEMENT SHALL BE CONSTRUED IN ACCORDANCE WITH AND SHALL BE GOVERNED BY, THE INTERNAL SUBSTANTIVE LAWS OF THE STATE OF CALIFORNIA (EXCLUSIVE OF PRINCIPLES OF CONFLICT OF LAWS).** Time is of the essence of this Agreement.

19. ASSIGNMENT: LESSEE ACKNOWLEDGES AND AGREES THAT LESSOR MAY ASSIGN CERTAIN OF ITS RIGHTS IN THE AGREEMENT AND THE PROPERTY TO AN ASSIGNEE ("ASSIGNEE"). LESSEE HEREBY CONSENTS TO SUCH ASSIGNMENT AND AGREES AS FOLLOWS: (1) THAT ASSIGNEE DOES NOT ASSUME ANY OF THE OBLIGATIONS OF LESSOR UNDER THE AGREEMENT; (2) TO PAY ALL MONIES DUE UNDER THE AGREEMENT DIRECTLY TO ASSIGNEE UNCONDITIONALLY WITHOUT OFFSET WHICH MONIES SHALL BE PAYABLE NOTWITHSTANDING ANY DEFENSE OR COUNTERCLAIM WHATSOEVER WHETHER BY REASON OF BREACH OF THE AGREEMENT, THE EXERCISE OF ANY RIGHT HEREUNDER, OR OTHERWISE, WHICH LESSEE MAY NOW OR HEREAFTER HAVE AGAINST LESSOR (LESSEE RESERVES LESSEE'S RIGHT TO HAVE RECOURSE DIRECTLY AGAINST LESSOR ON ACCOUNT OF ANY SUCH DEFENSE OR COUNTERCLAIM); (3) THAT SUBJECT TO AND WITHOUT IMPAIRMENT OF LESSEE'S LEASEHOLD RIGHTS IN AND TO THE PROPERTY COVERED UNDER THE AGREEMENT, LESSEE SHALL HOLD SAID PROPERTY AND THE POSSESSION THEREOF FOR THE ASSIGNEE TO THE EXTENT OF THE ASSIGNEE'S RIGHTS THEREIN, AND (4) SUCH ASSIGNMENT DOES NOT CHANGE LESSEE'S OBLIGATIONS UNDER THIS AGREEMENT NOR INCREASE THE BURDEN AND RISKS IMPOSED ON LESSEE.

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