

Fill in this information to identify the case

Debtor 1 Fox Ortega Enterprises, Inc.

Debtor 2  
(Spouse, if filing)

United States Bankruptcy Court for the: Northern District of California

Case number 16-40050

**FILED**

**JUN 19 2017**

**BANKRUPTCY COURT  
OAKLAND, CALIFORNIA**

## Official Form 410

### Proof of Claim

12/15

Read the instructions before filling out this form. This form is for making a claim for payment in a bankruptcy case. Do not use this form to make a request for payment of an administrative expense. Make such a request according to 11 U.S.C. § 503.

Filers must leave out or redact information that is entitled to privacy on this form or on any attached documents. Attach redacted copies of any documents that support the claim, such as promissory notes, purchase orders, invoices, itemized statements of running accounts, contracts, judgments, mortgages, and security agreements. Do not send original documents; they may be destroyed after scanning. If the documents are not available, explain in an attachment.

A person who files a fraudulent claim could be fined up to \$500,000, imprisoned for up to 5 years, or both. 18 U.S.C. §§ 152, 157, and 3571.

Fill in all the information about the claim as of the date the case was filed. That date is on the notice of bankruptcy (Form 309) that you received.

#### Part 1: Identify the Claim

1. Who is the current creditor?	<u>ARF Financial, LLC. f/k/a Advance Restaurant Finance, LLC.</u> Name of the current creditor (the person or entity to be paid for this claim)  Other names the creditor used with the debtor _____	
2. Has this claim been acquired from someone else?	<input checked="" type="checkbox"/> No <input type="checkbox"/> Yes. From whom? _____	
3. Where should notices and payments to the creditor be sent?  Federal Rule of Bankruptcy Procedure (FRBP) 2002(g)	<b>Where should notices to the creditor be sent?</b>  <u>Angela A. Velen, Esq., C/O Collection At Law</u> Name <u>3835 E. Thousand Oaks Blvd., Ste. R-349</u> Number Street <u>Westlake Village</u> <u>CA</u> <u>91362</u> City State ZIP Code  Contact phone <u>818-716-7630</u> Contact email _____	<b>Where should payments to the creditor be sent? (if different)</b>  _____ Name _____ Number Street _____ City State ZIP Code  Contact phone _____ Contact email _____
Uniform claim identifier for electronic payments in chapter 13 (if you use one): _____		
4. Does this claim amend one already filed?	<input type="checkbox"/> No <input checked="" type="checkbox"/> Yes. Claim number on court claims registry (if known) _____  Filed on <u>01/26/2016</u> MM / DD / YYYY	
5. Do you know if anyone else has filed a proof of claim for this claim?	<input checked="" type="checkbox"/> No <input type="checkbox"/> Yes. Who made the earlier filing? _____	

**Part 2: Give Information About the Claim as of the Date the Case Was Filed**

6. Do you have any number you use to identify the debtor? ☒ No  
☐ Yes. Last 4 digits of the debtor's account or any number you use to identify the debtor: \_\_\_\_\_

7. How much is the claim? \$ 76,423.04. Does this amount include interest or other charges?  
☒ No  
☐ Yes. Attach statement itemizing interest, fees, expenses, or other charges required by Bankruptcy Rule 3001(c)(2)(A).

8. What is the basis of the claim? Examples: Goods sold, money loaned, lease, services performed, personal injury or wrongful death, or credit card.  
Attach redacted copies of any documents supporting the claim required by Bankruptcy Rule 3001(c).  
Limit disclosing information that is entitled to privacy, such as health care information.  
money loaned to Premier CRU Fine Wines

9. Is all or part of the claim secured? ☒ No  
☐ Yes. The claim is secured by a lien on property.  
**Nature of property:**  
☐ Real estate. If the claim is secured by the debtor's principal residence, file a *Mortgage Proof of Claim Attachment* (Official Form 410-A) with this *Proof of Claim*.  
☐ Motor vehicle  
☐ Other. Describe: \_\_\_\_\_  
**Basis for perfection:** \_\_\_\_\_  
Attach redacted copies of documents, if any, that show evidence of perfection of a security interest (for example, a mortgage, lien, certificate of title, financing statement, or other document that shows the lien has been filed or recorded.)  
**Value of property:** \$ \_\_\_\_\_  
**Amount of the claim that is secured:** \$ \_\_\_\_\_  
**Amount of the claim that is unsecured:** \$ \_\_\_\_\_ (The sum of the secured and unsecured amounts should match the amount in line 7.)  
**Amount necessary to cure any default as of the date of the petition:** \$ \_\_\_\_\_  
**Annual Interest Rate** (when case was filed) \_\_\_\_\_ %  
☐ Fixed  
☐ Variable

10. Is this claim based on a lease? ☒ No  
☐ Yes. Amount necessary to cure any default as of the date of the petition. \$ \_\_\_\_\_

11. Is this claim subject to a right of setoff? ☒ No  
☐ Yes. Identify the property: \_\_\_\_\_

12. Is all or part of the claim entitled to priority under 11 U.S.C. § 507(a)?

☒ No

☐ Yes. Check all that apply:

Amount entitled to priority

A claim may be partly priority and partly nonpriority. For example, in some categories, the law limits the amount entitled to priority.

☐ Domestic support obligations (including alimony and child support) under 11 U.S.C. § 507(a)(1)(A) or (a)(1)(B).

\$ \_\_\_\_\_

☐ Up to \$2,775\* of deposits toward purchase, lease, or rental of property or services for personal, family, or household use. 11 U.S.C. § 507(a)(7).

\$ \_\_\_\_\_

☐ Wages, salaries, or commissions (up to \$12,475\*) earned within 180 days before the bankruptcy petition is filed or the debtor's business ends, whichever is earlier. 11 U.S.C. § 507(a)(4).

\$ \_\_\_\_\_

☐ Taxes or penalties owed to governmental units. 11 U.S.C. § 507(a)(8).

\$ \_\_\_\_\_

☐ Contributions to an employee benefit plan. 11 U.S.C. § 507(a)(5).

\$ \_\_\_\_\_

☐ Other. Specify subsection of 11 U.S.C. § 507(a)( ) that applies.

\$ \_\_\_\_\_

\* Amounts are subject to adjustment on 4/01/16 and every 3 years after that for cases begun on or after the date of adjustment.

Part 3: Sign Below

The person completing this proof of claim must sign and date it. FRBP 9011(b).

If you file this claim electronically, FRBP 5005(a)(2) authorizes courts to establish local rules specifying what a signature is.

A person who files a fraudulent claim could be fined up to \$500,000, imprisoned for up to 5 years, or both. 18 U.S.C. §§ 152, 157, and 3571.

Check the appropriate box:

☐ I am the creditor.

☒ I am the creditor's attorney or authorized agent.

☐ I am the trustee, or the debtor, or their authorized agent. Bankruptcy Rule 3004.

☐ I am a guarantor, surety, endorser, or other codebtor. Bankruptcy Rule 3005.

I understand that an authorized signature on this *Proof of Claim* serves as an acknowledgment that when calculating the amount of the claim, the creditor gave the debtor credit for any payments received toward the debt.

I have examined the information in this *Proof of Claim* and have a reasonable belief that the information is true and correct.

I declare under penalty of perjury that the foregoing is true and correct.

Executed on date 06/14/2017

MM / DD / YYYY

Signature

Print the name of the person who is completing and signing this claim:

Name Angela A. Velen  
First name Middle name Last name  
Title Attorney for Creditor  
Company Collection At Law, Inc.  
Identify the corporate servicer as the company if the authorized agent is a servicer.  
Address 3835 E. Thousand Oaks Blvd., Ste. R-349  
Number Street  
Westlake Village CA 91362  
City State ZIP Code  
Contact phone 818-716-7630 Email \_\_\_\_\_

# Northern District of California Claims Register

[16-40050 Fox Ortega Enterprises, Inc.](#)

**Judge:** William J. Lafferty

**Chapter:** 7

**Office:** Oakland

**Last Date to file claims:** 05/24/2016

**Trustee:** Michael G. Kasolas

**Last Date to file (Govt):**

*Creditor:* (14398037)  
ARF Financial, LLC  
c/o Angela A. Velen, Esq.  
3835 E. Thousand Oaks Blvd.  
#R349  
Westlake Village, CA  
91362      [Claimant History](#)

**Claim No:** 371  
*Original Filed*  
*Date:* 01/26/2016  
*Original Entered*  
*Date:* 01/28/2016  
*Last Amendment*  
*Filed:* 06/19/2017  
*Last Amendment*  
*Entered:* 07/19/2017

*Status:*  
*Filed by:* CR  
*Entered by:* jmb  
*Modified:* 07/20/2017

Amount claimed: \$76423.04

*History:*

- [Details](#)    [371-1](#)    01/26/2016 Claim #371 filed by Advance Restaurant Finance, LLC, Amount claimed: \$146423.04 (ka)
- [Details](#)    [371-2](#)    07/06/2016 Amended Claim #371 filed by Advance Restaurant Finance, LLC, Amount claimed: \$146423.04 (ds)
- [Details](#)    [371-3](#)    06/19/2017 Amended Claim #371 filed by ARF Financial, LLC, Amount claimed: \$76423.04 (jmb)

*Description:*

*Remarks:* (371-1) PDF includes Request for Special Notice with Proof of Service  
(371-2) PDF includes Request for Special Notice with Proof of Service

## Claims Register Summary

**Case Name:** Fox Ortega Enterprises, Inc.

**Case Number:** 16-40050

**Chapter:** 7

**Date Filed:** 01/08/2016

**Total Number Of Claims:** 1

<b>Total Amount Claimed*</b>	\$76423.04
<b>Total Amount Allowed*</b>	

\*Includes general unsecured claims

**The values are reflective of the data entered. Always refer to claim documents for actual amounts.**

	<b>Claimed</b>	<b>Allowed</b>
<b>Secured</b>		
<b>Priority</b>		
<b>Administrative</b>		

Fill in this information to identify the case

Debtor 1 Fox Ortega Enterprises, Inc.

Debtor 2  
(Spouse, if filing)

United States Bankruptcy Court for the: Northern District of California

Case number 16-40050

*CB 11/31/17*  
**FILED**

**JUN 19 2017**

**BANKRUPTCY COURT  
OAKLAND, CALIFORNIA**

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### Proof of Claim

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A person who files a fraudulent claim could be fined up to \$500,000, imprisoned for up to 5 years, or both. 18 U.S.C. §§ 152, 157, and 3571.

Fill in all the information about the claim as of the date the case was filed. That date is on the notice of bankruptcy (Form 309) that you received.

#### Part 1: Identify the Claim

1. Who is the current creditor?	<u>ARF Financial, LLC. f/k/a Advance Restaurant Finance, LLC.</u> Name of the current creditor (the person or entity to be paid for this claim)  Other names the creditor used with the debtor _____	
2. Has this claim been acquired from someone else?	<input checked="" type="checkbox"/> No <input type="checkbox"/> Yes. From whom? _____	
3. Where should notices and payments to the creditor be sent?  Federal Rule of Bankruptcy Procedure (FRBP) 2002(g)	<b>Where should notices to the creditor be sent?</b>  <u>Angela A. Velen, Esq., C/O Collection At Law</u> Name <u>3835 E. Thousand Oaks Blvd., Ste. R-349</u> Number Street <u>Westlake Village</u> <u>CA</u> <u>91362</u> City State ZIP Code  Contact phone <u>818-716-7630</u> Contact email _____	<b>Where should payments to the creditor be sent? (if different)</b>  _____ Name _____ Number Street _____ City State ZIP Code  Contact phone _____ Contact email _____
Uniform claim identifier for electronic payments in chapter 13 (if you use one): _____		
4. Does this claim amend one already filed?	<input type="checkbox"/> No <input checked="" type="checkbox"/> Yes. Claim number on court claims registry (if known) _____  Filed on <u>01/26/2016</u> MM / DD / YYYY	
5. Do you know if anyone else has filed a proof of claim for this claim?	<input checked="" type="checkbox"/> No <input type="checkbox"/> Yes. Who made the earlier filing? _____	

**Part 2: Give Information About the Claim as of the Date the Case Was Filed**

6. Do you have any number you use to identify the debtor? ☒ No  
☐ Yes. Last 4 digits of the debtor's account or any number you use to identify the debtor: \_\_\_\_\_

7. How much is the claim? \$ 76,423.04. Does this amount include interest or other charges?  
☒ No  
☐ Yes. Attach statement itemizing interest, fees, expenses, or other charges required by Bankruptcy Rule 3001(c)(2)(A).

8. What is the basis of the claim? Examples: Goods sold, money loaned, lease, services performed, personal injury or wrongful death, or credit card.  
Attach redacted copies of any documents supporting the claim required by Bankruptcy Rule 3001(c).  
Limit disclosing information that is entitled to privacy, such as health care information.  
money loaned to Premier CRU Fine Wines

9. Is all or part of the claim secured? ☒ No  
☐ Yes. The claim is secured by a lien on property.  
**Nature of property:**  
☐ Real estate. If the claim is secured by the debtor's principal residence, file a *Mortgage Proof of Claim Attachment* (Official Form 410-A) with this *Proof of Claim*.  
☐ Motor vehicle  
☐ Other. Describe: \_\_\_\_\_  
**Basis for perfection:** \_\_\_\_\_  
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**Value of property:** \$ \_\_\_\_\_  
**Amount of the claim that is secured:** \$ \_\_\_\_\_  
**Amount of the claim that is unsecured:** \$ \_\_\_\_\_ (The sum of the secured and unsecured amounts should match the amount in line 7.)  
**Amount necessary to cure any default as of the date of the petition:** \$ \_\_\_\_\_  
**Annual Interest Rate** (when case was filed) \_\_\_\_\_ %  
☐ Fixed  
☐ Variable

10. Is this claim based on a lease? ☒ No  
☐ Yes. Amount necessary to cure any default as of the date of the petition. \$ \_\_\_\_\_

11. Is this claim subject to a right of setoff? ☒ No  
☐ Yes. Identify the property: \_\_\_\_\_

12. Is all or part of the claim entitled to priority under 11 U.S.C. § 507(a)?

☒ No

☐ Yes. Check all that apply:

Amount entitled to priority

A claim may be partly priority and partly nonpriority. For example, in some categories, the law limits the amount entitled to priority.

☐ Domestic support obligations (including alimony and child support) under 11 U.S.C. § 507(a)(1)(A) or (a)(1)(B).

\$ \_\_\_\_\_

☐ Up to \$2,775\* of deposits toward purchase, lease, or rental of property or services for personal, family, or household use. 11 U.S.C. § 507(a)(7).

\$ \_\_\_\_\_

☐ Wages, salaries, or commissions (up to \$12,475\*) earned within 180 days before the bankruptcy petition is filed or the debtor's business ends, whichever is earlier. 11 U.S.C. § 507(a)(4).

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☐ Taxes or penalties owed to governmental units. 11 U.S.C. § 507(a)(8).

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Check the appropriate box:

☐ I am the creditor.

☒ I am the creditor's attorney or authorized agent.

☐ I am the trustee, or the debtor, or their authorized agent. Bankruptcy Rule 3004.

☐ I am a guarantor, surety, endorser, or other codebtor. Bankruptcy Rule 3005.

I understand that an authorized signature on this *Proof of Claim* serves as an acknowledgment that when calculating the amount of the claim, the creditor gave the debtor credit for any payments received toward the debt.

I have examined the information in this *Proof of Claim* and have a reasonable belief that the information is true and correct.

I declare under penalty of perjury that the foregoing is true and correct.

Executed on date 06/14/2017

MM / DD / YYYY

Signature

Print the name of the person who is completing and signing this claim:

Name Angela A. Velen  
First name Middle name Last name

Title Attorney for Creditor

Company Collection At Law, Inc.  
Identify the corporate servicer as the company if the authorized agent is a servicer.

Address 3835 E. Thousand Oaks Blvd., Ste. R-349  
Number Street

Westlake Village CA 91362  
City State ZIP Code

Contact phone 818-716-7630 Email \_\_\_\_\_



**Fill in this information to identify the case:**

Debtor 1 Fox Ortega Enterprises, Inc.

Debtor 2  
(Spouse, if filing) \_\_\_\_\_

United States Bankruptcy Court for the: Northern District of California

Case number 16-40050

LM 3:21 PM  
**FILED**

JUL 6 - 2016

BANKRUPTCY COURT  
OAKLAND, CALIFORNIA

**Official Form 410**

**Proof of Claim**

12/15

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A person who files a fraudulent claim could be fined up to \$500,000, imprisoned for up to 5 years, or both. 18 U.S.C. §§ 152, 157, and 3571.

Fill in all the information about the claim as of the date the case was filed. That date is on the notice of bankruptcy (Form 309) that you received.

**Part 1: Identify the Claim**

1. Who is the current creditor?

ARF Financial, LLC. f/k/a Advance Restaurant Finance, LLC.

Name of the current creditor (the person or entity to be paid for this claim)

Other names the creditor used with the debtor \_\_\_\_\_

2. Has this claim been acquired from someone else?

☒ No

☐ Yes. From whom? \_\_\_\_\_

3. Where should notices and payments to the creditor be sent?

Federal Rule of Bankruptcy Procedure (FRBP) 2002(g)

Where should notices to the creditor be sent?

Angela A. Velen, Esq., C/O Collection At Law

Name

3835 E. Thousand Oaks Blvd., Ste. R-349

Number Street

Westlake Village

CA

91362

City

State

ZIP Code

Contact phone 818-716-7630

Contact email \_\_\_\_\_

Where should payments to the creditor be sent? (if different)

Name

Number

Street

City

State

ZIP Code

Contact phone \_\_\_\_\_

Contact email \_\_\_\_\_

Uniform claim identifier for electronic payments in chapter 13 (if you use one):  
\_\_\_\_\_

4. Does this claim amend one already filed?

☐ No

☒ Yes. Claim number on court claims registry (if known) \_\_\_\_\_

Filed on 01/26/2016

MM / DD / YYYY

5. Do you know if anyone else has filed a proof of claim for this claim?

☒ No

☐ Yes. Who made the earlier filing? \_\_\_\_\_

**Part 2: Give Information About the Claim as of the Date the Case Was Filed**

6. Do you have any number you use to identify the debtor? ☒ No  
☐ Yes. Last 4 digits of the debtor's account or any number you use to identify the debtor: \_\_\_\_\_

7. How much is the claim? \$ 146,423.04. Does this amount include interest or other charges?  
☒ No  
☐ Yes. Attach statement itemizing interest, fees, expenses, or other charges required by Bankruptcy Rule 3001(c)(2)(A).

8. What is the basis of the claim? Examples: Goods sold, money loaned, lease, services performed, personal injury or wrongful death, or credit card.  
Attach redacted copies of any documents supporting the claim required by Bankruptcy Rule 3001(c).  
Limit disclosing information that is entitled to privacy, such as health care information.  
money loaned to Premier CRU Fine Wines

9. Is all or part of the claim secured? ☐ No  
☒ Yes. The claim is secured by a lien on property.  
**Nature of property:**  
☐ Real estate. If the claim is secured by the debtor's principal residence, file a *Mortgage Proof of Claim Attachment* (Official Form 410-A) with this *Proof of Claim*.  
☐ Motor vehicle  
☒ Other. Describe: \_\_\_\_\_  
**Basis for perfection:** loan  
Attach redacted copies of documents, if any, that show evidence of perfection of a security interest (for example, a mortgage, lien, certificate of title, financing statement, or other document that shows the lien has been filed or recorded.)  
**Value of property:** \$ \_\_\_\_\_  
**Amount of the claim that is secured:** \$ 146,423.04  
**Amount of the claim that is unsecured:** \$ \_\_\_\_\_ (The sum of the secured and unsecured amounts should match the amount in line 7.)  
**Amount necessary to cure any default as of the date of the petition:** \$ \_\_\_\_\_  
**Annual Interest Rate** (when case was filed) \_\_\_\_\_ %  
☐ Fixed  
☐ Variable

10. Is this claim based on a lease? ☒ No  
☐ Yes. Amount necessary to cure any default as of the date of the petition. \$ \_\_\_\_\_

11. Is this claim subject to a right of setoff? ☒ No  
☐ Yes. Identify the property: \_\_\_\_\_

**12. Is all or part of the claim entitled to priority under 11 U.S.C. § 507(a)?**

A claim may be partly priority and partly nonpriority. For example, in some categories, the law limits the amount entitled to priority.

☒ No

☐ Yes. Check all that apply:

☐ Domestic support obligations (including alimony and child support) under 11 U.S.C. § 507(a)(1)(A) or (a)(1)(B).

☐ Up to \$2,775\* of deposits toward purchase, lease, or rental of property or services for personal, family, or household use. 11 U.S.C. § 507(a)(7).

☐ Wages, salaries, or commissions (up to \$12,475\*) earned within 180 days before the bankruptcy petition is filed or the debtor's business ends, whichever is earlier. 11 U.S.C. § 507(a)(4).

☐ Taxes or penalties owed to governmental units. 11 U.S.C. § 507(a)(8).

☐ Contributions to an employee benefit plan. 11 U.S.C. § 507(a)(5).

☐ Other. Specify subsection of 11 U.S.C. § 507(a)( ) that applies.

**Amount entitled to priority**

\$ \_\_\_\_\_

\$ \_\_\_\_\_

\$ \_\_\_\_\_

\$ \_\_\_\_\_

\$ \_\_\_\_\_

\$ \_\_\_\_\_

\* Amounts are subject to adjustment on 4/01/16 and every 3 years after that for cases begun on or after the date of adjustment.

**Part 3: Sign Below**

**The person completing this proof of claim must sign and date it. FRBP 9011(b).**

If you file this claim electronically, FRBP 5005(a)(2) authorizes courts to establish local rules specifying what a signature is.

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Check the appropriate box:

☐ I am the creditor.

☒ I am the creditor's attorney or authorized agent.

☐ I am the trustee, or the debtor, or their authorized agent. Bankruptcy Rule 3004.

☐ I am a guarantor, surety, endorser, or other codebtor. Bankruptcy Rule 3005.

I understand that an authorized signature on this *Proof of Claim* serves as an acknowledgment that when calculating the amount of the claim, the creditor gave the debtor credit for any payments received toward the debt.

I have examined the information in this *Proof of Claim* and have a reasonable belief that the information is true and correct.

I declare under penalty of perjury that the foregoing is true and correct.

Executed on date

06/30/2016  
MM DD YYYY

Signature

**Print the name of the person who is completing and signing this claim:**

Name

Angela A. Velen

First name

Middle name

Last name

Title

Attorney for Creditor

Company

Collection At Law, Inc.

Identify the corporate servicer as the company if the authorized agent is a servicer.

Address

3835 E. Thousand Oaks Blvd., Ste. R-349

Number Street

Westlake Village

City

CA

State

91362

ZIP Code

Contact phone

818-716-7630

Email

F1150

<b>UNITED STATES BANKRUPTCY COURT</b> <b>Northern District of California</b>		<b>PROOF OF CLAIM</b>
Name of Debtor: Fox Ortega Enterprises, Inc.	Case Number: 16-40050	<div style="text-align: right; font-size: small;">         2016 JAN 26 12:10:24          U.S. BANKRUPTCY COURT          NORTHERN DIST. OF CAL.          OAKLAND, CA.       </div>
NOTE: Do not use this form to make a claim for an administrative expense that arises after the bankruptcy filing. You may file a request for payment of an administrative expense according to 11 U.S.C. § 503.		
Name of Creditor (the person or other entity to whom the debtor owes money or property): Advance Restaurant Finance, LLC.		
Name and address where notices should be sent: Angela A. Velen, Esq., C/O Collection at Law, 3835 E. Thousand Oaks Blvd., Suite R-349, Wstlake Village, CA 91362		<div style="text-align: center; font-weight: bold; font-size: small;">COURT USE ONLY</div> <input type="checkbox"/> Check this box if this claim amends a previously filed claim.  <b>Court Claim Number:</b> _____ <i>(If known)</i>  <b>Filed on:</b> _____
Telephone number: (818) 716-7630      email:		<input type="checkbox"/> Check this box if you are aware that anyone else has filed a proof of claim relating to this claim. Attach copy of statement giving particulars.
Name and address where payment should be sent (if different from above):  Telephone number:                      email:		
<b>1. Amount of Claim as of Date Case Filed:</b> \$ <u>146,423.04</u>		
If all or part of the claim is secured, complete item 4.  If all or part of the claim is entitled to priority, complete item 5.  <input type="checkbox"/> Check this box if the claim includes interest or other charges in addition to the principal amount of the claim. Attach a statement that itemizes interest or charges.		
<b>2. Basis for Claim:</b> <u>Money Loaned</u> (See instruction #2)		
<b>3. Last four digits of any number by which creditor identifies debtor:</b>	<b>3a. Debtor may have scheduled account as:</b> <u>Premier CRU Fine Wines</u> (See instruction #3a)	<b>3b. Uniform Claim Identifier (optional):</b> _____ (See instruction #3b)
<b>4. Secured Claim</b> (See instruction #4) Check the appropriate box if the claim is secured by a lien on property or a right of setoff, attach required redacted documents, and provide the requested information.		
Nature of property or right of setoff: <input type="checkbox"/> Real Estate <input type="checkbox"/> Motor Vehicle <input checked="" type="checkbox"/> Other Describe:		<b>Amount of arrearage and other charges, as of the time case was filed, included in secured claim, if any:</b> \$ _____
Value of Property: \$ <u>TBD</u>		<b>Basis for perfection:</b> <u>loan</u>
Annual Interest Rate _____ % <input type="checkbox"/> Fixed or <input type="checkbox"/> Variable (when case was filed)		<b>Amount of Secured Claim:</b> \$ <u>146,423.04</u>  <b>Amount Unsecured:</b> \$ _____
<b>5. Amount of Claim Entitled to Priority under 11 U.S.C. § 507 (a).</b> If any part of the claim falls into one of the following categories, check the box specifying the priority and state the amount.		
<input type="checkbox"/> Domestic support obligations under 11 U.S.C. § 507 (a)(1)(A) or (a)(1)(B).	<input type="checkbox"/> Wages, salaries, or commissions (up to \$12,475*) earned within 180 days before the case was filed or the debtor's business ceased, whichever is earlier – 11 U.S.C. § 507 (a)(4).	<input type="checkbox"/> Contributions to an employee benefit plan – 11 U.S.C. § 507 (a)(5).
<input type="checkbox"/> Up to \$2,775* of deposits toward purchase, lease, or rental of property or services for personal, family, or household use – 11 U.S.C. § 507 (a)(7).	<input type="checkbox"/> Taxes or penalties owed to governmental units – 11 U.S.C. § 507 (a)(8).	<input type="checkbox"/> Other – Specify applicable paragraph of 11 U.S.C. § 507 (a)(____).
<b>Amount entitled to priority:</b> \$ _____		
<small>*Amounts are subject to adjustment on 4/01/16 and every 3 years thereafter with respect to cases commenced on or after the date of adjustment.</small>		
<b>6. Credits.</b> The amount of all payments on this claim has been credited for the purpose of making this proof of claim. (See instruction #6)		

**7. Documents:** Attached are **redacted** copies of any documents that support the claim, such as promissory notes, purchase orders, invoices, itemized statements of running accounts, contracts, judgments, mortgages, security agreements, or, in the case of a claim based on an open-end or revolving consumer credit agreement, a statement providing the information required by FRBP 3001(c)(3)(A). If the claim is secured, box 4 has been completed, and **redacted** copies of documents providing evidence of perfection of a security interest are attached. If the claim is secured by the debtor's principal residence, the Mortgage Proof of Claim Attachment is being filed with this claim. (See instruction #7, and the definition of "redacted".)

DO NOT SEND ORIGINAL DOCUMENTS. ATTACHED DOCUMENTS MAY BE DESTROYED AFTER SCANNING.

If the documents are not available, please explain:

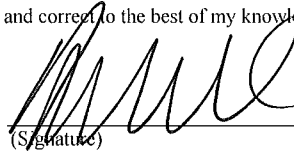
**8. Signature:** (See instruction #8)

Check the appropriate box.

☐ I am the creditor. ☒ I am the creditor's authorized agent. ☐ I am the trustee, or the debtor, or their authorized agent. ☐ I am a guarantor, surety, indorser, or other codebtor. (See Bankruptcy Rule 3005.) (See Bankruptcy Rule 3004.)

I declare under penalty of perjury that the information provided in this claim is true and correct to the best of my knowledge, information, and reasonable belief.

Print Name: Angela A. Velen, Esq.  
Title: Attorney for Creditor  
Company: Collection at Law, Inc.  
Address and telephone number (if different from notice address above):  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
Telephone number: \_\_\_\_\_ email: \_\_\_\_\_

  
(Signature)

1-20-16  
(Date)

*Penalty for presenting fraudulent claim:* Fine of up to \$500,000 or imprisonment for up to 5 years, or both. 18 U.S.C. §§ 152 and 3571.

**INSTRUCTIONS FOR PROOF OF CLAIM FORM**

*The instructions and definitions below are general explanations of the law. In certain circumstances, such as bankruptcy cases not filed voluntarily by the debtor, exceptions to these general rules may apply.*

**Items to be completed in Proof of Claim form**

**Court, Name of Debtor, and Case Number:**

Fill in the federal judicial district in which the bankruptcy case was filed (for example, Central District of California), the debtor's full name, and the case number. If the creditor received a notice of the case from the bankruptcy court, all of this information is at the top of the notice.

**Creditor's Name and Address:**

Fill in the name of the person or entity asserting a claim and the name and address of the person who should receive notices issued during the bankruptcy case. A separate space is provided for the payment address if it differs from the notice address. The creditor has a continuing obligation to keep the court informed of its current address. See Federal Rule of Bankruptcy Procedure (FRBP) 2002(g).

**1. Amount of Claim as of Date Case Filed:**

State the total amount owed to the creditor on the date of the bankruptcy filing. Follow the instructions concerning whether to complete items 4 and 5. Check the box if interest or other charges are included in the claim.

**2. Basis for Claim:**

State the type of debt or how it was incurred. Examples include goods sold, money loaned, services performed, personal injury/wrongful death, car loan, mortgage note, and credit card. If the claim is based on delivering health care goods or services, limit the disclosure of the goods or services so as to avoid embarrassment or the disclosure of confidential health care information. You may be required to provide additional disclosure if an interested party objects to the claim.

**3. Last Four Digits of Any Number by Which Creditor Identifies Debtor:**

State only the last four digits of the debtor's account or other number used by the creditor to identify the debtor.

**3a. Debtor May Have Scheduled Account As:**

Report a change in the creditor's name, a transferred claim, or any other information that clarifies a difference between this proof of claim and the claim as scheduled by the debtor.

**3b. Uniform Claim Identifier:**

If you use a uniform claim identifier, you may report it here. A uniform claim identifier is an optional 24-character identifier that certain large creditors use to facilitate electronic payment in chapter 13 cases.

**4. Secured Claim:**

Check whether the claim is fully or partially secured. Skip this section if the

claim is entirely unsecured. (See Definitions.) If the claim is secured, check the box for the nature and value of property that secures the claim, attach copies of lien documentation, and state, as of the date of the bankruptcy filing, the annual interest rate (and whether it is fixed or variable), and the amount past due on the claim.

**5. Amount of Claim Entitled to Priority Under 11 U.S.C. § 507 (a).**

If any portion of the claim falls into any category shown, check the appropriate box(es) and state the amount entitled to priority. (See Definitions.) A claim may be partly priority and partly non-priority. For example, in some of the categories, the law limits the amount entitled to priority.

**6. Credits:**

An authorized signature on this proof of claim serves as an acknowledgment that when calculating the amount of the claim, the creditor gave the debtor credit for any payments received toward the debt.

**7. Documents:**

Attach redacted copies of any documents that show the debt exists and a lien secures the debt. You must also attach copies of documents that evidence perfection of any security interest and documents required by FRBP 3001(c) for claims based on an open-end or revolving consumer credit agreement or secured by a security interest in the debtor's principal residence. You may also attach a summary in addition to the documents themselves. FRBP 3001(c) and (d). If the claim is based on delivering health care goods or services, limit disclosing confidential health care information. Do not send original documents, as attachments may be destroyed after scanning.

**8. Date and Signature:**

The individual completing this proof of claim must sign and date it. FRBP 9011. If the claim is filed electronically, FRBP 5005(a)(2) authorizes courts to establish local rules specifying what constitutes a signature. If you sign this form, you declare under penalty of perjury that the information provided is true and correct to the best of your knowledge, information, and reasonable belief. Your signature is also a certification that the claim meets the requirements of FRBP 9011(b). Whether the claim is filed electronically or in person, if your name is on the signature line, you are responsible for the declaration. Print the name and title, if any, of the creditor or other person authorized to file this claim. State the filer's address and telephone number if it differs from the address given on the top of the form for purposes of receiving notices. If the claim is filed by an authorized agent, provide both the name of the individual filing the claim and the name of the agent. If the authorized agent is a servicer, identify the corporate servicer as the company. Criminal penalties apply for making a false statement on a proof of claim.

**DEFINITIONS****Debtor**

A debtor is the person, corporation, or other entity that has filed a bankruptcy case.

**Creditor**

A creditor is a person, corporation, or other entity to whom debtor owes a debt that was incurred before the date of the bankruptcy filing. See 11 U.S.C. §101 (10).

**Claim**

A claim is the creditor's right to receive payment for a debt owed by the debtor on the date of the bankruptcy filing. See 11 U.S.C. §101 (5). A claim may be secured or unsecured.

**Proof of Claim**

A proof of claim is a form used by the creditor to indicate the amount of the debt owed by the debtor on the date of the bankruptcy filing. The creditor must file the form with the clerk of the same bankruptcy court in which the bankruptcy case was filed.

**Secured Claim Under 11 U.S.C. § 506 (a)**

A secured claim is one backed by a lien on property of the debtor. The claim is secured so long as the creditor has the right to be paid from the property prior to other creditors. The amount of the secured claim cannot exceed the value of the property. Any amount owed to the creditor in excess of the value of the property is an unsecured claim. Examples of liens on property include a mortgage on real estate or a security interest in a car. A lien may be voluntarily granted by a debtor or may be obtained through a court proceeding. In some states, a court judgment is a lien.

A claim also may be secured if the creditor owes the debtor money (has a right to setoff).

**Unsecured Claim**

An unsecured claim is one that does not meet the requirements of a secured claim. A claim may be partly unsecured if the amount of the claim exceeds the value of the property on which the creditor has a lien.

**Claim Entitled to Priority Under 11 U.S.C. § 507 (a)**

Priority claims are certain categories of unsecured claims that are paid from the available money or property in a bankruptcy case before other unsecured claims.

**Redacted**

A document has been redacted when the person filing it has masked, edited out, or otherwise deleted, certain information. A creditor must show only the last four digits of any social-security, individual's tax-identification, or financial-account number, only the initials of a minor's name, and only the year of any person's date of birth. If the claim is based on the delivery of health care goods or services, limit the disclosure of the goods or services so as to avoid embarrassment or the disclosure of confidential health care information.

**Evidence of Perfection**

Evidence of perfection may include a mortgage, lien, certificate of title, financing statement, or other document showing that the lien has been filed or recorded.

**INFORMATION****Acknowledgment of Filing of Claim**

To receive acknowledgment of your filing, you may either enclose a stamped self-addressed envelope and a copy of this proof of claim or you may access the court's PACER system ([www.pacer.psc.uscourts.gov](http://www.pacer.psc.uscourts.gov)) for a small fee to view your filed proof of claim.

**Offers to Purchase a Claim**

Certain entities are in the business of purchasing claims for an amount less than the face value of the claims. One or more of these entities may contact the creditor and offer to purchase the claim. Some of the written communications from these entities may easily be confused with official court documentation or communications from the debtor. These entities do not represent the bankruptcy court or the debtor. The creditor has no obligation to sell its claim.

However, if the creditor decides to sell its claim, any transfer of such claim is subject to FRBP 3001(e), any applicable provisions of the Bankruptcy Code (11 U.S.C. § 101 *et seq.*), and any applicable orders of the bankruptcy court.





MISSION VALLEY BANK

## Mission Valley Bank

9116 Sunland Blvd., Sun Valley, CA 91352  
Toll Free Phone: 866-702-4430, Toll Free Fax: 866-250-9179

Premier CRU Fine Wines  
1011 University Avenue  
Berkeley CA 94710

Your Field Service Representative is

Mark Callagy  
at (650) 341-2850, ext. 22

Reminder: Each returned payment is subject to a \$25 charge.

Loan # 36944

Loan of \$150,000.00 with a payback of \$211,500.00 over term of 78 weeks.

Scheduled payments start on 7/1/2015 and continue until 12/27/2016, or until paid.

**Loan Activity during January, 2016**

	Amount owed as of 1/1/2016:	\$146,423.04
1/4/2016 Loan Payment #815283		\$1,355.77
1/4/2016 Loan Payment #815301		\$1,355.77
1/4/2016 Returned Loan Payment #815283 received on 01/06/2016		\$(1,355.77)
1/4/2016 Returned Loan Payment #815301 received on 01/06/2016		\$(1,355.77)
1/5/2016 Loan Payment #815331		\$1,355.77
1/5/2016 Returned Loan Payment #815331 received on 01/07/2016		\$(1,355.77)
1/6/2016 Loan Payment #816102		\$1,355.77
1/6/2016 Loan Payment #816103		\$1,355.77
1/6/2016 Returned Loan Payment #816102 received on 01/08/2016		\$(1,355.77)
1/6/2016 Returned Loan Payment #816103 received on 01/08/2016		\$(1,355.77)
1/7/2016 Loan Payment #816795		\$677.88
1/7/2016 Loan Payment #816796		\$677.89
1/7/2016 Returned Loan Payment #816795 received on 01/11/2016		\$(677.88)
1/7/2016 Returned Loan Payment #816796 received on 01/11/2016		\$(677.89)
1/11/2016 Loan Payment #816903		\$1,355.77
1/11/2016 Loan Payment #816904		\$1,355.77

1/11/2016	Returned Loan Payment #816903 received on 01/13/2016	\$(1,355.77)
1/11/2016	Returned Loan Payment #816904 received on 01/13/2016	\$(1,355.77)

Total activity for January, 2016:	\$0.00
Remaining amount as of 1/31/2016:	\$146,423.04

**Administrative Fees**

1/4/2016	NSF Fee on Returned ACH #813506	\$25.00
1/4/2016	NSF Fee on Returned ACH #814188	\$25.00
1/5/2016	NSF Fee on Returned ACH #814568	\$25.00
1/5/2016	NSF Fee on Returned ACH #814569	\$25.00

Total Fees Due This Month:	\$100.00
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Total Collected This Month:	\$100.00
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Uncollected This Month:	\$0.00
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**Any unpaid administrative fees will be collected at the end of the loan.**





MISSION VALLEY BANK

# MERCHANT AGREEMENT

Mission Valley Bank

9116 Sunland Boulevard • Sun Valley, CA 91352

Toll Free Phone: 866-702-4430 Toll Free Fax: 866-702-4431

Legal Name of Merchant:	Fox Ortega Enterprises	Date of Organization:	02/22/2000
D/B/A of Merchant:	Premier CRU Fine Wines	State of Organization:	California
Merchant's Business Address:	1011 University Avenue		
City:	Berkeley	State:	California
		Zip:	94710

1. This Merchant Agreement is dated for reference purposes as of the date that it is executed by the Merchant. Subject to the terms and conditions set forth in this Merchant Agreement which has been entered into in Sun Valley, California and become binding upon Merchant, Guarantor and Mission Valley Bank ("Lender") upon execution by Lender at its Home Office, the Merchant agrees to borrow, and the Lender agrees to extend to the Merchant, the Loan Amount as set forth below. This Merchant Agreement incorporates by this reference all information provided by the Merchant in the Universal Merchant Credit Application ("Application"). Merchant and the undersigned who is executing this Merchant Agreement as an authorized signatory on behalf of Merchant, warrants that the information Merchant provided to Lender, including the information provided with the Application, prior to entering into this Merchant Agreement is true, complete and accurate. This Merchant Agreement also incorporates any subsequent amendments hereto executed by Merchant and Lender and is hereinafter referred to collectively as the "Merchant Agreement." Capitalized terms used herein, which are not otherwise defined herein shall have the meaning set forth in the Uniform Commercial Code ("UCC"). Each Guarantor is executing and entering into the Merchant Agreement Guaranty ("Guaranty") concurrently herewith as an inducement to and part of the consideration for Lender entering into this Merchant Agreement.

2. The loan terms for the Merchant Agreement are as follows:

Loan Amount: \$	<u>\$150,000.00</u>
Loan Payback Multiple:	<u>1.41</u>
Number of Weeks (Term of Loan):	<u>78</u>
Weekly Payment Amount \$	<u>\$2,711.54</u>
Loan Fee: \$	<u>\$4,500.00</u>
ACH Payment Start Date:	<u>09/24/2014</u>
Total Payments: \$	<u>211,500.00</u> (Loan Amount multiplied Loan Payback Multiple)

Guarantor: John E. Fox

Primary Merchant's Account (Attach Voided Check):

Bank to debit (Name)	[REDACTED]									
Account Number to Debit	[REDACTED]									
ABA Routing Number	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]

(For Additional Accounts See Attached Addendum-Providing Additional Accounts, if applicable)

3. Merchant hereby agrees to pay to Lender the Total Payments in Weekly Payments ("Weekly Payment(s)") in the time and manner set forth in this Merchant Agreement and all other fees, cost and charges due hereunder, without offset, counterclaim, demand or notice. Weekly Payment (more fully described in Section 4 below) shall be in the amount as set forth in Section 2 above. The total finance charges due hereunder, not

Merchant Name: Fox Ortega Enterprises

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Merchant Agreement

Rev.34061.1.lyong

including any additional charges due for late payments or other obligations due hereunder, is the difference between the Total Payments due and the Loan Amount. All charges, late fees, and default interest payable by Merchant hereunder shall constitute interest for purposes of any applicable usury law. Nothing in this Merchant Agreement will be construed as a violation of any usury laws that may be enacted from time to time in the State of CALIFORNIA. If Lender receives an amount that would exceed any usury limits, all amounts that would be excessive interest will be applied as a reduction in the unpaid principal balance and, if a surplus still remains, all amounts will be remitted by Lender to Merchant. To the extent that Merchant is legally capable of doing so, Merchant agrees that the only relevant usury laws applicable to this Merchant Agreement and the Loan are the relevant laws of the State of CALIFORNIA that are in effect on the date of this Merchant Agreement.

4. All Weekly Payments shall be due and payable by Merchant at Lender's Home Office or as hereinafter designated by Lender. Merchant agrees that the Payments or other amount then due under this Merchant Agreement shall be paid by an automatic bank account debit ("ACH") from the Merchant's bank account as described herein (or such other bank account as the Merchant may designate from time to time by prior written notice to and approval by the Lender) in the amount of the Weekly Payment for credit to Lender's bank account in CALIFORNIA. The Primary Account referenced in Section 2 above along with any Secondary Accounts referenced in an Addendum hereto are collectively referred to herein as the "Account." The Merchant is concurrently providing the Lender with a voided check drawn on the Account and this Merchant Agreement shall constitute Merchant's ACH Payment Instruction notice authorizing the weekly debits to the Account described above, issued by the Merchant and acknowledged by the applicable financial institution. Merchant warrants that the Account for which the ACH is to be drawn is a legitimate, open and active account. The Merchant agrees to maintain immediately available funds in the Account sufficient to pay each Weekly Payment on each business day until the Total Payments and all other Obligations are paid in full (i.e. Monday through Friday). The Weekly Payment may be drawn by automated bank account debits on any business day in Lender's sole and complete discretion along with any past due amounts and any fees and charges due Lender hereunder in its sole discretion. Notwithstanding anything to the contrary contained in this Merchant Agreement, the obligation of the Merchant to pay the Weekly Payments is absolute and unconditional, regardless of whether there are sufficient funds to pay the Weekly Payment in the Account and the Lender shall have full recourse against the Merchant (and/or any Guarantor(s)) to otherwise collect from the Merchant and/or the Guarantor(s) the amounts due under this Merchant Agreement if there are insufficient funds in the Account. Lender will generally debit the Account on a Wednesday but Lender may elect to debit the Weekly Payment on any other day of the week as provided above in its sole and absolute discretion as provided above. Merchant shall pay and Lender may collect/debit Merchant's Account a late payment fee of \$25 for each time that Lender seeks to ACH debit Merchant's Account and there are insufficient funds to satisfy the Weekly Payment(s) and other amounts then due. If all or any Weekly Payment(s) are not paid when due, Lender is authorized in its sole discretion to debit the Account for a lesser or greater sum (then in default) in Lender's sole and complete discretion at any time. If Lender elects to debit for an amount that is less than the outstanding balance of Weekly Payment(s) then due, Lender may do so without waiver of any rights to collect the full amount due hereunder.
5. As security for the payment of the Total Payments and the full and faithful performance of all obligations under this Merchant Agreement, and for any and all other indebtedness and obligations of every kind and description, of Merchant to Lender, now existing or hereafter arising, including without limitation any guaranty by Merchant of a separate obligation due to Lender under another Merchant Agreement, or any transfer, renewal, extension, refinancing or assignment of this Merchant Agreement (collectively the "Obligations"), Merchant hereby grants to Lender a continuing first priority security interest in all of Merchant's now existing or hereafter created or arising personal property (referred to, collectively, as the "Collateral") including, without limitation, all of Merchant's Accounts (including the Account); Deposit Accounts; Documents; General Intangibles, Goods, Equipment, Inventory, Fixtures, Instruments, Money, Supporting Obligations; property of Merchant held by Lender or any other party for whom Lender is acting as agent, including, without limitation, all property of every description now or hereafter in the possession or custody of or in transit to Lender or such other party for any purpose, including, without limitation, safekeeping, collection or pledge, for the account of Merchant or as to which Merchant may have any right or power; other goods and personal property of Merchant, wherever located, whether tangible or intangible, and whether now owned or hereafter acquired, existing, leased or consigned by or to Merchant; and, to the extent not otherwise included, all Proceeds of each of the foregoing and all accessions to, substitutions and replacements for and rents, profits and products of each of the foregoing. If Merchant has multiple business locations, they are listed on Addendum-Additional Locations and all Collateral located or attributable to such additional locations shall be a part of and constitute the "Collateral." Any property that is being acquired by Merchant with the Loan proceeds is specifically listed on Addendum-Specific Collateral Description and shall constitute a part of the Collateral. Merchant and Lender expressly agree that Merchant's rights to payment with any Card Processor under any Card Settlement Agreement for payment in respect of amounts directly or indirectly due to Merchant for goods and services provided where payment is made by credit, charge, debit or similar cards ("Card Payments") shall be deemed to be Accounts of Merchant (as defined in the UCC) for all purposes hereunder. Merchant hereby represents that no such rights to payment have been or will be sold to any Card Processor or have been or will be granted as security to secure advances from any Card Processor. Merchant's Card Settlement Agreement may be identified in any financing statement filed by Lender describing the Collateral. Merchant covenants that it will not enter into any other Card Settlement Agreement without the prior approval of Lender. Merchant represents and warrants that entering into this Merchant Agreement does not conflict with any such Card Settlement Agreement. Merchant hereby irrevocably constitutes and appoints Lender, and any officer or agent of Lender, with full power of substitution, as its true and lawful attorney-in-fact with full, irrevocable power and authority in the place and stead of Merchant and in the name of Merchant or in its own name, from time to time at Lender's discretion, for the purpose of carrying out the terms of this Merchant Agreement, to take any and all appropriate action and to execute and deliver any and all documents and instruments which may be necessary or desirable to accomplish the purposes of this Merchant Agreement and, without limiting the generality of the foregoing, hereby gives Lender the power and right, on behalf of Merchant, without notice to or assent by Merchant to do the following: (a) to ask, demand, collect, receive and give acquittances and receipts for any and all monies due or to become due under any Collateral and, in the name of Merchant, in its own name or otherwise to take possession of, endorse and collect any checks, drafts, notes, acceptances or other Instruments for the payment of monies due under any Collateral and to file any claim or take or commence any other action or proceeding in any court of law or equity or otherwise deemed appropriate by Lender for the purpose of collecting any and all such monies due under any Collateral whenever payable; (b) (1) to direct any person liable for any payment under or in respect of any of the Collateral to make payment of any and all monies due or to become due thereunder directly to Lender or as Lender shall direct, (2) to receive payment of any and all monies, claims and other amounts due or to become due at any time arising out of or in respect of any Collateral, (3) to commence and prosecute any suits, actions or proceedings at law or in equity in any court of competent jurisdiction to collect the Collateral or any part thereof and to enforce any other right in respect of any Collateral, (4) to defend any suit, action or proceeding brought against Merchant with respect to any Collateral, (5) to

settle, compromise or adjust any suit, action or proceeding described above, and in connection therewith, give such discharges or releases as Lender may deem appropriate, and (6) to sell, transfer, pledge, make any agreement with respect to or otherwise deal with any of the Collateral as fully and completely as though Lender were the absolute owner thereof for all purposes; and (c) to do, at Lender's option and Merchant's expense, at any time, or from time to time, all acts and things which Lender may reasonably deem necessary to protect, preserve or realize upon the Collateral and Lender's security interest therein in order to effect the intent of this Security Agreement, all as fully and effectively as Merchant might do. The power of attorney granted herein is a power coupled with an interest and shall be irrevocable until the Obligations are completely and indefeasibly paid and performed in full and Lender no longer has any commitment to make any loans to Merchant.

6. Merchant hereby authorizes Lender to execute or file such documents as Lender shall deem necessary to perfect the security interest granted herein, including, without limitation, financing statements. Merchant will, so long as any Obligations remain outstanding: (a) permit Lender and any of its employees, officers or agents, upon demand, to have access to and examine the Collateral; (b) not move the Collateral from Merchant's business address without first obtaining Lender's agreement in writing; (c) promptly notify Lender of any attachment or other legal process levied against any of the Collateral and any information received by Merchant relative to the Collateral or the rights and remedies of Lender in respect thereto; (d) pay all taxes levied with respect to the Collateral when due; (e) not change the name or place of business, or to use a fictitious business name, without first notifying Lender in writing; (f) not sell, lease, transfer, or otherwise dispose of the Collateral without Lender's prior, written consent; and (g) maintain fire and extended coverage insurance on the Collateral in the amounts and under policies acceptable to Lender, naming Lender under a lender's loss payable clause, and to provide Lender with the original policies and certificates at Lender's request. Merchant represents and warrants that Merchant is, or at the time the Collateral becomes subject to Lender's security interest will be, the true and lawful owner of the Collateral, and has, or at the time the Collateral becomes subject to Lender's security interest will have, good and clear title to the Collateral, which is, or at the time the Collateral becomes subject to Lender's security interest will be free and clear of all liens and encumbrances other than Lender's security interest therein. Merchant also warrants that Merchant is not a debtor under any proceeding in bankruptcy and has no intention to file a petition for relief under the U.S. Bankruptcy Code.
7. Merchant shall not create, incur, assume or suffer to exist prior to satisfaction in full of the Obligations, any security interest, mortgage, pledge, lien, charge or other encumbrance of any nature whatsoever on any of its assets or properties, including the Collateral, except: (a) liens and security interests of Lender; (b) liens securing the payment of taxes, either not yet overdue or the validity of which are being contested in good faith by appropriate proceedings diligently pursued and available to Merchant and with respect to which adequate reserves have been set aside on its books; and (c) purchase money security interests in new equipment (including capital leases). Prior to the satisfaction in full of the Obligations, Merchant shall not incur, create, assume, become or be liable in any manner, with respect to, or permit to exist, any obligations or indebtedness, except: (a) the Obligations; (b) trade obligations and normal accruals in the ordinary course of business; (c) purchase money indebtedness for new equipment (including capital leases) to the extent not incurred or secured by liens (including capital leases) in violation of any other provision of this Agreement; provided, that, (i) Merchant may only make regularly scheduled payments of principal and interest in respect of such indebtedness in accordance with the terms of the agreement or instrument evidencing or giving rise to such indebtedness as in effect on the date hereof, (ii) Merchant shall not, directly or indirectly, (A) amend, modify, alter or change the terms of such indebtedness or any agreement, document or instrument related thereto as in effect on the date hereof, or (B) redeem, retire, defease, purchase or otherwise acquire such indebtedness, or set aside or otherwise deposit or invest any sums for such purpose, and (iii) Merchant shall furnish to Lender all notices or demands in connection with such indebtedness either received by Merchant or on its behalf, promptly after the receipt thereof, or sent by Merchant or on its behalf, concurrently with the sending thereof, as the case may be. Within 48 hours of Lender's written request, Merchant shall provide Lender with true, correct and complete copies of Merchant's credit card processing statements and bank account statements on a monthly basis until the Total Payments are paid in full in order for Lender to verify Merchant's compliance with the terms of this Merchant Agreement. Merchant's failure to provide such statements in a timely and complete manner will constitute a material breach of this Merchant Agreement.
8. **EARLY PAYOFF / PER FINANCE CHARGE SCHEDULE.** The Merchant may pay off the unpaid Loan Amount and finance charges prior to the end of the Term ("Early Payoff") in accordance with this section. The amount due by Merchant for an Early Payoff shall be the Loan Amount, plus a finance charge equal to the percentage of the Loan Amount for the week of the Early Payoff during the Term according to the "Finance Charge Schedule" that is attached to this Merchant Agreement and made a part hereof, plus any late charges or other obligations due hereunder, subtracting the total of the Weekly Payments that have been made by Merchant up to the date of the Early Payoff. Merchant shall notify Lender in writing at least 3 business days of its election to tender an Early Payoff and Lender shall provide to Merchant an "Early Payoff Statement" of the amount necessary to satisfy the Early Payoff. Merchant shall pay such Early Payoff payment with either an official Bank Cashiers Check made payable to Lender or by wire transfer of immediately available funds to Lender's bank account according to wiring instructions separately provided by Lender which have been requested by Merchant in a timely manner. Notwithstanding an Early Payoff tendered by the Merchant, Lender shall continue to collect any Weekly Payment that has been returned or until such time as any tendered Early Payoff amount has cleared Lender's account along with any late charges or other Obligations due by Merchant until such Obligations have been fully satisfied.
9. The following events shall constitute an event of default under this Merchant Agreement (referred to, collectively, as "Events of Default"):
  - (a) the failure to pay any Payment under this Merchant Agreement when due and/or, upon any weekly debit by the Lender pursuant to this Merchant Agreement, the failure to make funds available in the Account sufficient to satisfy such payment obligation;
  - (b) any other breach which shall occur under this Merchant Agreement, ten (10) days after the Lender has notified the Merchant of the breach and such breach has not been cured to the satisfaction of the Lender;
  - (c) any representation or warranty made by the Merchant to the Lender in connection with this Merchant Agreement or any information contained in the Application provided by Merchant in connection with this Merchant Agreement shall be untrue, misleading or incomplete in any respect;
  - (d) any change in the ownership of Merchant or any substantial change in its organizational structure, including, without limitation, any sale(s) of a substantial ownership interest in the Merchant, any merger, any sale of substantially all of its assets or any other company reorganization; or any cessation or suspension of its business operations;



- (c) the Merchant, or any Guarantor, shall make an assignment for the benefit of creditors, file a petition in bankruptcy, petition or apply for a custodian or receiver, or if there shall have been filed any such petition or application, or any such proceeding shall have been commenced against the Merchant or any Guarantor, in which an order for relief is entered, the Merchant consents to such proceeding, or which remains undismissed for a period of thirty (30) days or more.
  - (f) the Collateral or any part of it shall be subject to any additional lien, levy, seizure, transfer, assignment, bulk transfer, encumbrance, attachment, execution, sale or lease without the prior written consent of Lender; or an event of default under any other agreement or obligation owing between Merchant or an affiliate of Merchant and Lender.
  - (g) If at any time during the Term and prior to payment of the Total Payments and any other amounts due under this Merchant Agreement, Merchant Changes its Card Processor or terminates its Card Settlement Agreement without Lender's approval.
10. Upon the occurrence of an Event of Default and at any time thereafter, the Lender may, at its option and without notice, take any or all of the following actions, at the same or different times: (i) declare the Total Payments and all other unpaid obligations due hereunder, to be due and payable in full, without presentment, demand, protest or other notice of any kind, all of which, to the extent permitted by applicable law, are hereby expressly waived, anything contained herein to the contrary notwithstanding, and (ii) take any and all action and pursue any and all remedies as may be permitted by this Merchant Agreement or by applicable law including, but not limited to, the rights and remedies of secured creditors under the UCC, including but not limited to taking possession of the Collateral and disposing of the Collateral by private or public sale. Lender's notice of the time and place of public sale of the Collateral, or the time on or after which a private sale or other disposition of the Collateral will be made, is reasonable if sent to Merchant in the manner for giving notice at least five days before the public or private sale. Lender may at any time, whether before or after an Event of Default and without notifying Merchant of its intention to do so, notify Account Debtors of Merchant (including, without limitation, Card Processor), parties to the contracts of Merchant, and obligors in respect of Instruments of Merchant that the Accounts and the right, title and interest of Merchant in and under such contracts and Instruments have been assigned to Lender and that payments shall be made directly to Lender. Upon the request of Lender, Merchant shall so notify such Account Debtors, parties to such contracts and obligors in respect of such Instruments. Lender may, in its name or in the name of others, communicate with such Account Debtors, parties to such contracts and obligors in respect of such Instruments to verify with such parties, to Lender's satisfaction, the existence, amount, and terms of any such Accounts, contracts or Instruments and provide to such parties copies of this Merchant Agreement and any related documents. The Lender has agreed to the Loan Payback Multiple in consideration of Merchant's promise to pay all Payments in a timely manner. If Merchant fails to pay any Payment in a timely manner as provided herein, Lender shall have the right to increase the Loan Payback Multiple to up to its highest published rate then in effect for the same Term as the Term of this Merchant Agreement and in such event, Lender shall recalculate the Total Payments due hereunder based upon such amended Loan Payback Multiple and shall notify Merchant of such adjustment. In addition, upon the occurrence of an Event of Default, the amount of the Total Payments which remain unpaid shall accrue interest at the rate of 1 1/2 % per month until paid in full.
11. **WAIVER OF JURY TRIAL AND ARBITRATION PROVISION.** Arbitration is a process in which persons with a dispute: (a) waive their rights to file a lawsuit and proceed in court and to have a jury trial to resolve their disputes; and (b) agree, instead, to submit their disputes to a neutral third person (an "arbitrator") for a decision. Each party to the dispute has an opportunity to present some evidence to the arbitrator. Pre-arbitration discovery may be limited. Arbitration proceedings are private and less formal than court trials. The arbitrator will issue a final and binding decision resolving the dispute, which may be enforced as a court judgment. A court rarely overturns an arbitrator's decision. THEREFORE, MERCHANT AND THE GUARANTOR(S) ("COLLECTIVELY REFERRED TO HEREFTER AS THE "BORROWER") ACKNOWLEDGE AND AGREE AS FOLLOWS:
- For the purposes of this Arbitration Provision, the words "dispute" and "disputes" are given the broadest possible meaning and include, without limitation (a) all claims, disputes, or controversies arising from or relating directly or indirectly to the signing of this Arbitration Provision; (b) all federal or state law claims, disputes or controversies, arising from or relating directly or indirectly the Merchant Agreement, including the Application, and/or any past agreement or agreements between Borrower and Lender; (c) all counterclaims, cross-claims and third party claims; (d) all common law claims, based upon contract, tort, fraud, or other intentional torts; (e) all claims based upon a violation of any state or federal constitution, statute or regulation; (f) all claims asserted by Lender against Borrower, including claims for money damages to collect any sum Lender claims Borrower owes Lender; (g) all claims asserted by Borrower against Lender and/or any of Lender's employees, agents, directors, officers, shareholders, governors, managers, members, parent company or affiliated entities (hereinafter collectively referred to as "related third parties"), including claims for money damages, and/or equitable relief; (h) all claims arising from or relating directly or indirectly to the disclosure by Lender or related third parties of any non-public personal information about Merchant/Guarantor.
- (a) Borrower acknowledges and agrees that by entering into this Arbitration Provision: BORROWER IS WAIVING THEIR RIGHT TO HAVE A TRIAL BY JURY TO RESOLVE ANY DISPUTE ALLEGED AGAINST LENDER OR RELATED THIRD PARTIES; BORROWER IS WAIVING THEIR RIGHT TO HAVE A COURT, OTHER THAN A SMALL CLAIMS TRIBUNAL, RESOLVE ANY DISPUTE ALLEGED AGAINST LENDER OR RELATED THIRD PARTIES; BORROWER IS WAIVING THEIR RIGHT TO SERVE AS REPRESENTATIVE, AS A PRIVATE ATTORNEY GENERAL, OR IN ANY OTHER REPRESENTATIVE CAPACITY, AND/OR TO PARTICIPATE AS A MEMBER OF A CLASS OF CLAIMANTS, IN ANY LAWSUIT FILED AGAINST LENDER AND/OR RELATED THIRD PARTIES.
  - (b) Except as provided in Paragraph (e) below, all disputes including any Representative Claims against Lender and/or related third parties shall be resolved by binding arbitration only on an individual basis with Borrower. THEREFORE, THE ARBITRATOR SHALL NOT CONDUCT CLASS ARBITRATION; THAT IS, THE ARBITRATOR SHALL NOT ALLOW BORROWER TO SERVE AS A REPRESENTATIVE, AS A PRIVATE ATTORNEY GENERAL, OR IN ANY OTHER REPRESENTATIVE CAPACITY FOR OTHERS IN THE ARBITRATION.
  - (c) Any party to a dispute, including related third parties, may send the other party written notice by certified mail return receipt requested of their intent to arbitrate and setting forth the subject of the dispute along with the relief requested. Regardless of who demands arbitration, Borrower shall have the right to select either of the following arbitration organizations to administer the arbitration in Los Angeles County, California: The American Arbitration Association (1-800-778-7879) <http://www.adr.org> or the National Arbitration Forum (1-800-474-2371) <http://www.arb-forum.com>. However, the parties may agree to select another arbitrator in Los Angeles County,

California who is an attorney, retired judge, or arbitrator registered and in good standing with an arbitration association and arbitrate pursuant to such arbitrator's rules. The party receiving notice of arbitration will respond in writing by certified mail return receipt requested within twenty (20) days. If Borrower demands arbitration, Borrower must inform Lender in its demand of the arbitration organization Borrower has selected or whether Borrower desires to select another arbitrator as defined above. If related third parties or Lender demands arbitration, Borrower must notify Lender within twenty (20) days in writing by certified mail return receipt requested of Borrower's decision to select an arbitration organization or Borrower's desire to select another arbitrator as defined above. If Borrower fails to notify Lender, then Lender has the right to select an arbitration organization or another arbitrator as defined above. The parties to such dispute will be governed by the rules and procedures of such arbitration organization applicable to commercial disputes, to the extent those rules and procedures do not contradict the express terms of the Merchant Agreement or the Arbitration Provision, including the limitations on the arbitrator below. Borrower may obtain a copy of the rules and procedures by contacting the arbitration organization listed above.

- (d) Regardless of who demands arbitration, Lender will advance Borrower's portion of the expenses associated with the arbitration, including the filing, administrative, hearing and arbitrator's fees ("Arbitrator's Fees"). Throughout the arbitration, each party shall bear its own attorneys' fees and expenses, such as witness and expert witness fees. The arbitrator shall apply applicable substantive law consistent with the Federal Arbitration Act, 9 U.S.C. Section 1-16 ("FAA"), and applicable statutes of limitation, and shall honor claims of privilege recognized at law. The arbitration will be conducted in Los Angeles County, California. The arbitrator may decide, with or without a hearing, any motion that is substantially similar to a motion to dismiss for failure to state a claim or a motion for summary judgment. In conducting the arbitration proceeding, the arbitrator shall not apply any federal or state rules of civil procedure or evidence. If allowed by statute or applicable law, the arbitrator may award statutory damages and/or reasonable attorneys' fees and expenses. If the arbitrator renders a decision or an award in Borrower's favor resolving the dispute, then Borrower will not be responsible for reimbursing Lender for Borrower's portion of the Arbitration Fees, and Lender will reimburse Borrower for any Arbitration Fees that Borrower has previously paid. If the arbitrator does not render a decision or an award in Borrower's favor resolving the dispute, then the arbitrator shall require Borrower to reimburse Lender for the Arbitration Fees Lender has advanced, not to exceed the amount which would have been assessed as court costs if the dispute had been resolved by a state court with jurisdiction, less any Arbitration Fees Borrower had previously paid. At the timely request of any party, the arbitrator shall provide a written explanation for the award. The arbitrator's award may be filed with any court having jurisdiction.
- (e) Notwithstanding any other provision of the Arbitration Provision or Merchant Agreement, Lender retains the right to seek collection or enforcement of any obligation due under the Merchant Agreement or Guaranty thereof by judicial proceedings, including but not limited to any monetary obligations due Lender by Merchant under the Merchant Agreement and from pursuing any rights in the Collateral under the UCC. Merchant agrees that jurisdiction and venue for such judicial proceeding shall be proper in the Superior Court of Los Angeles County, California and submits and consents to the jurisdiction of such court. In addition, all parties, including related third parties, shall retain the right to seek adjudication in a small claims tribunal for disputes within the scope of such tribunal's jurisdiction. Any such dispute, which cannot be adjudicated within the jurisdiction of a small claims tribunal, except for collection or enforcement actions brought by Lender, shall be resolved by binding arbitration. Any appeal of a judgment from a small claims tribunal shall be resolved by binding arbitration.
- (f) This Arbitration Provision is made pursuant to a transaction involving interstate commerce and shall be governed by the FAA. If a final non-appealable judgment of a court having jurisdiction over this transaction finds, for any reason, that the FAA does not apply to this transaction, then Lender's agreement to arbitrate shall be governed by the arbitration law of the State of California.
- (g) This Arbitration Provision is binding upon and benefits Borrower, Borrower's respective heirs, successors and assigns. The Arbitration Provision is binding upon and benefits Lender, Lender's respective heirs, successors and assigns, and related third parties. The Arbitration Provision continues in full force and effect, even if Borrower's obligations have been prepaid because Borrower exercised the right to rescind the Merchant Agreement, paid, or discharged through bankruptcy. The Arbitration Provision survives any termination, amendment, expiration or performance of any transaction between you and Lender and continues in full force and effect unless Borrower and Lender otherwise agree in writing. The parties hereto believe that the provisions of this Arbitration Provision are reasonable. If any portion hereof is held to be unenforceable, that portion shall be severed from this Arbitration Provision and the remaining provisions shall continue in effect without being impaired or invalidated.

12. Time is of the essence with respect to this Merchant Agreement.

13. In the event of (a) any legal or equitable action or proceeding that involves the protection, preservation or enforcement of the Lender's rights or the Merchant's or any Guarantor's obligations under this Merchant Agreement or the Guaranty (including in bankruptcy or appellate proceedings or post-judgment enforcement proceedings) or (b) the Lender's collection or enforcement with or without institution of litigation proceedings, the Lender shall be entitled to reimbursement from the Merchant and each Guarantor of all out of pocket costs and expenses associated therewith or in anyway related thereto, including reasonable attorneys' fees, collection costs and litigation expenses.

14. MERCHANT ACKNOWLEDGES THAT MERCHANT HAS READ, UNDERSTANDS, AND AGREES TO ALL OF THE TERMS OF THIS MERCHANT AGREEMENT. THE MERCHANT HAS OBTAINED OR HAS HAD A REASONABLE OPPORTUNITY TO AND, WITH FULL KNOWLEDGE OF THE CONSEQUENCES THEREOF, ELECTED NOT TO OBTAIN, THE ADVICE OF LEGAL COUNSEL WITH RESPECT TO THIS MERCHANT AGREEMENT AND THE SUBJECT MATTER HEREOF. THE MERCHANT FULLY UNDERSTANDS THE LEGAL EFFECT AND CONSEQUENCES OF ENTERING INTO THIS MERCHANT AGREEMENT. THE MERCHANT IS ENTERING INTO THIS MERCHANT AGREEMENT FREELY AND OF ITS OWN VOLITION AND WITHOUT ANY COERCION OR DURESS AND HAS ALTERNATIVE SOURCES OF CREDIT OTHER THAN THE LENDER IN CONNECTION WITH THIS LOAN AND HAS CONSIDERED SUCH ALTERNATIVES PRIOR TO ENTERING INTO THIS MERCHANT AGREEMENT. IN PARTICULAR, THE MERCHANT FULLY UNDERSTANDS THE FINANCE CHARGES/INTEREST RATE PROVIDED UNDER THIS MERCHANT AGREEMENT AND THE MANNER OF CALCULATING THE FINANCE CHARGES/INTEREST RATE AND AGREES THAT THE FINANCE CHARGES/INTEREST RATE CHARGED ON THE LOAN AMOUNT IS REASONABLE AND JUSTIFIED BY THE CIRCUMSTANCES.

15. THIS MERCHANT AGREEMENT (INCLUDING THE GUARANTY) IS TO BE CONSTRUED AND ENFORCED ACCORDING TO

Merchant Name: Fox Ortega Enterprises

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Merchant Agreement

THE LAWS OF THE STATE OF CALIFORNIA, WITHOUT GIVING EFFECT TO PRINCIPLES OF CONFLICT OF LAWS. THIS MERCHANT AGREEMENT HAS BEEN ENTERED INTO AND HAS BECOME A BINDING AGREEMENT AMONG MERCHANT, GUARANTOR AND LENDER UPON EXECUTION OF THIS MERCHANT AGREEMENT AT LENDER'S HOME OFFICE IN LENDER'S HOME OFFICE, CALIFORNIA. THE WAIVER OF JURY TRIAL AND ARBITRATION PROVISION IS GOVERNED BY THE FEDERAL ARBITRATION ACT, 9 U.S.C. SECTION 1-16 ("FAA").

16. ORAL AGREEMENTS OR ORAL COMMITMENTS TO LEND MONEY, EXTEND CREDIT OR TO FORBEAR FROM ENFORCING REPAYMENT OF A DEBT ARE NOT ENFORCEABLE UNDER CALIFORNIA LAW.

17. THE MERCHANT (AND ANY GUARANTOR HEREOF) HEREBY REPRESENTS, WARRANTS, ACKNOWLEDGES AND AGREES, THAT THE PROCEEDS OF THE LOAN SHALL BE USED SOLELY FOR THE BUSINESS PURPOSES OF THE ESTABLISHMENT AND NOT FOR PERSONAL, FAMILY OR HOUSEHOLD PURPOSES.

18. Each provision of this Merchant Agreement (including the Guaranty) is intended to be severable and the invalidity or illegality of any portion of this Merchant Agreement (including the Guaranty) shall not affect the validity or legality of the remainder hereof.

19. The Lender can delay or refrain from enforcing any of its rights under this Merchant Agreement without losing them. For example, the Lender can extend the time for making some payments without extending others. Any change in the terms of this Merchant Agreement must be in writing and signed by an authorized representative of Lender at its Home Office and shall not be binding upon Lender until so executed. No oral changes are binding. This Merchant Agreement constitutes the final written agreement of the Merchant, the Lender and, the Guarantor(s), as to the Loan. No prior oral or written statements by any party shall be applicable to the matters set forth herein, or in the construction of the terms and conditions hereof.

20. This Merchant Agreement may be executed in any number of counterparts, each of which shall be an original, but all of which shall constitute one instrument. The parties executing this Merchant Agreement on behalf of Merchant represent(s) and warrant(s) that they have the authority to execute this Agreement on behalf of the Merchant.

21. As a material part of this Merchant Agreement between Merchant and Lender, Merchant has agreed to pay the Loan Fee to Lender as provided herein and hereby irrevocably instructs Lender to disburse the Loan Fee from the Loan Amount to Lender at Lender's direction. The balance of the Loan Proceeds shall be disbursed to Merchant into the Primary Merchant Account referenced above unless Merchant otherwise directs Lender in writing.

22. The individual who is executing this Merchant Agreement on behalf of Merchant hereby certifies to Lender that: (i) Merchant is duly organized, validly existing and in good standing under the laws of the jurisdiction of its organization, (ii) Merchant has the power and authority and the legal right to make, deliver and perform its Obligations and has taken all necessary action to authorize the execution, delivery and performance of this Merchant Agreement, (iii) the undersigned has the authority to execute and deliver in the name and on behalf of Merchant, this Merchant Agreement and any other documents in connection herewith and to certify to the matters set forth in this paragraph and is further authorized to exercise managerial decisions on behalf of the Merchant with respect to the Loan being extended under this Merchant Agreement and warrant that the loan proceeds shall be utilized by Merchant for its business purposes and not for any personal, family or household purposes. The undersigned further warrants, certifies and represents that all of the terms and provisions of this Merchant Agreement have been completed along with any Addendum executed concurrently herewith prior to the undersigned's execution of this Merchant Agreement and there are no blanks or missing information at the time of Merchant's execution of this Merchant Agreement.

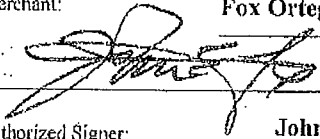
IN WITNESS WHEREOF, the parties hereto have entered into this Merchant Agreement upon execution by Merchant and Lender.

Acknowledged and Agreed:

**MERCHANT:**

Name of Merchant: Fox Ortega Enterprises

By: ☒



Date: 9-17-14

Name of Authorized Signer: John E. Fox

Title of Authorized Signer: President

**LENDER APPROVAL:**

Mission Valley Bank  
A California State Bank

By: ☒ Michael Snow

Print Name: Michael Snow

Dated: 09/18/2014

Title: Vice President/Credit Administrator





MISSION VALLEY BANK

# MERCHANT AGREEMENT GUARANTY GUARANTOR

Mission Valley Bank

9116 Sunland Boulevard • Sun Valley, CA 91352

Toll Free Phone: 866-702-4430 Toll Free Fax: 866-702-4431

This Merchant Agreement Guaranty ("Guaranty") is entered into by and between Mission Valley Bank ("Lender") and each of the undersigned who are executing and entering into this Guaranty as a Guarantor ("Guarantor(s)") and is a Guaranty of the Merchant Agreement and by execution of this Guaranty, Guarantor is also bound by the Arbitration Provisions contained in the Merchant Agreement and all amendments and addendum to the Merchant Agreement entered into concurrently therewith (collectively, the "Merchant Agreement") dated 9-17-14 (Date Merchant Signed Merchant Agreement) between Fox Ortega Enterprises (Print Merchant Name) and Lender. Capitalized terms used herein which are not otherwise defined herein shall have the meaning ascribed to them in the Merchant Agreement.

To cause the Lender to extend the Loan Amount to the Merchant, whomever signs below as a "Guarantor" jointly and severally and unconditionally guarantees payment (and not merely collection) of the principal and finance charges and all other sums owing under the Merchant Agreement. This means that if the Merchant fails to pay when due any money that is owed under the Merchant Agreement, the Guarantor will pay it upon demand. Each Guarantor also agrees to be bound even if one or more other persons guarantee payment of the Merchant Agreement. Each Guarantor also agrees to be bound even if the Lender does one or more of the following with or without notice to Guarantor or demand, and without affecting Guarantor's liability hereunder: (1) gives the Merchant more time to pay one or more payments, (2) gives a release in full or in part to the Merchant or any of the other Guarantors, (3) accelerates any payment due from the Merchant in accordance with the Merchant Agreement, (4) renews, extends, assigns, reassigns or pledges the Merchant Agreement, (5) releases or exchanges any Collateral, or (6) proceeds directly against the Guarantor(s) (or any of them) without first proceeding against the Merchant or seeking to collect any Collateral. The obligations of Guarantor hereunder are independent of the obligations of Merchant under the Merchant Agreement, and a separate action or actions may be brought against Guarantor, whether action is brought against Merchant or whether Merchant be joined in any action or actions, the liability of Guarantor hereunder being primary. Guarantor hereby waives the benefit of any suretyship defenses affecting its liability hereunder or by enforcement thereof. Guarantor hereby waives any right to require Lender to: (a) proceed against Merchant; (b) proceed against or exhaust any Collateral or other security related to the Merchant Agreement; (c) pursue any other remedy in Lender's power. Guarantor waives any defense arising by reason or any defense of Merchant, or by reason of cessation, from any cause whatsoever, or the liability of Merchant under the Merchant Agreement. Guarantor waives any and all demands for performance, notice of nonperformance or default, and notices of cancellation or forfeiture. Lender may apply all proceeds received from Merchant, or others, to such part of Merchant's indebtedness as Lender may deem appropriate without consulting Guarantor and without prejudice to or in any way limiting or lessening the liability of Guarantor under this Guaranty. Each Guarantor hereby waives and agrees not to assert as a defense to performance of his/her obligations hereunder said Guarantor's rights of subrogation, reimbursement, indemnification and contribution. The Guarantor has undertaken its own independent investigation of the financial condition of the Merchant and all other matters pertaining to this Guaranty and is not relying in any manner upon any representation or statement of the Lender with respect thereto. The Guarantor is in a position to obtain, and assumes full responsibility for obtaining, any additional information concerning the financial condition of the Merchant or any other matters pertinent hereto that the Guarantor may desire. The Guarantor is not relying upon or expecting the Lender to furnish to the Guarantor any information now or hereafter in the Lender's possession concerning the financial condition of the Merchant or any other matter. The Guarantor has obtained, or has had a reasonable opportunity to and, with full knowledge of the consequences thereof, elected not to obtain, the advice of legal counsel with respect to this Guaranty and the subject matter hereof. The Guarantor fully understands the legal effect and consequences of making this Guaranty and each of the agreements and waivers herein. The Guarantor is making this Guaranty freely and of his own volition and without any coercion or duress. Each Guarantor (i) acknowledges signing this Guaranty on the same date the Merchant signed the Merchant Agreement and receiving a copy of the Merchant Agreement (including this Guaranty) at the time of signing and (ii) agrees to be bound under this Guaranty and all other provisions of the Merchant Agreement, including the waiver of jury trial, venue and arbitration provisions which shall govern enforcement of this Guaranty. This Guaranty may not be terminated so long as the Merchant has any obligations remaining under the Merchant Agreement. In the event of (a) any legal or equitable action or proceeding that involves the protection, preservation or enforcement of the Lender's rights or the Merchant's or any Guarantor's obligations under this Guaranty or the Merchant Agreement (including in bankruptcy or appellate proceedings or post-judgment enforcement proceedings) or (b) the Lender's collection or enforcement without institution of litigation proceedings, the Lender shall be entitled to reimbursement from the Merchant and each Guarantor of all out of pocket costs and expenses associated therewith or in any way related thereto, including reasonable attorneys' fees and litigation expenses.

Merchant Name: Fox Ortega Enterprises

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Merchant Agreement Guaranty Guarantor

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As security for the payment of the Guaranteed Obligations, each Guarantor that is a business entity (not a natural person) hereby grants to Lender a continuing security interest in all of Guarantor's now existing or hereafter created or arising business personal property (referred to, collectively, as the "Collateral") including, without limitation, all of Guarantor's Business Accounts; Deposit Accounts; Documents; General Intangibles, Goods, Equipment, Inventory, Fixtures, Instruments, Money, Supporting Obligations; property of Guarantor held by Lender or any other party for whom Lender is acting as agent, including, without limitation, all property of every description now or hereafter in the possession or custody of or in transit to Lender or such other party for any purpose, including, without limitation, safekeeping, collection or pledge, for the account of Guarantor or as to which Guarantor may have any right or power; other goods and personal business property of Guarantor, wherever located, whether tangible or intangible, and whether now owned or hereafter acquired, existing, leased or consigned by or to Guarantor; and, to the extent not otherwise included, all Proceeds of each of the foregoing and all accessions to, substitutions and replacements for and rents, profits and products of each of the foregoing. If Guarantor has multiple business locations, they are listed on Addendum-Additional Locations to the Merchant Agreement and all Collateral located or attributable to such additional locations shall be a part of and constitute the "Collateral." Guarantor and Lender expressly agree that Guarantor's rights to payment with any Card Processor under any Card Settlement Agreement for payment in respect of amounts directly or indirectly due to Guarantor for goods and services provided where payment is made by credit, charge, debit or similar cards ("Card Payments") shall be deemed to be Accounts of Guarantor (as defined in the UCC) for all purposes hereunder. Guarantor hereby represents that no such rights to payment have been or will be sold to any Card Processor or have been or will be granted as security to secure advances from any Card Processor. Guarantor's Card Settlement Agreement may be identified in any financing statement filed by Lender describing the Collateral. Guarantor covenants that it will not enter into any other Card Settlement Agreement without the prior approval of Lender. Guarantor represents and warrants that entering into this Guaranty Agreement does not conflict with any such Card Settlement Agreement. Guarantor hereby irrevocably constitutes and appoints Lender, and any officer or agent of Lender, with full power of substitution, as its true and lawful attorney-in-fact with full, irrevocable power and authority in the place and stead of Guarantor and in the name of Guarantor or in its own name, from time to time at Lender's discretion, for the purpose of carrying out the terms of this Guaranty Agreement, to take any and all appropriate action and to execute and deliver any and all documents and instruments which may be necessary or desirable to accomplish the purposes of this Guaranty Agreement and, without limiting the generality of the foregoing, hereby gives Lender the power and right, on behalf of Guarantor, without notice to or assent by Guarantor to do the following: (a) to ask, demand, collect, receive and give acquittances and receipts for any and all monies due or to become due under any Collateral and, in the name of Guarantor, in its own name or otherwise to take possession of, endorse and collect any checks, drafts, notes, acceptances or other Instruments for the payment of monies due under any Collateral and to file any claim or take or commence any other action or proceeding in any court of law or equity or otherwise deemed appropriate by Lender for the purpose of collecting any and all such monies due under any Collateral whenever payable; (b) (1) to direct any person liable for any payment under or in respect of any of the Collateral to make payment of any and all monies due or to become due thereunder directly to Lender or as Lender shall direct, (2) to receive payment of any and all monies, claims and other amounts due or to become due at any time arising out of or in respect of any Collateral, (3) to commence and prosecute any suits, actions or proceedings at law or in equity in any court of competent jurisdiction to collect the Collateral or any part thereof and to enforce any other right in respect of any Collateral, (4) to defend any suit, action or proceeding brought against Guarantor with respect to any Collateral, (5) to settle, compromise or adjust any suit, action or proceeding described above, and in connection therewith, give such discharges or releases as Lender may deem appropriate, and (6) to sell, transfer, pledge, make any agreement with respect to or otherwise deal with any of the Collateral as fully and completely as though Lender were the absolute owner thereof for all purposes; and (c) to do, at Lender's option and Merchant's expense, at any time, or from time to time, all acts and things which Lender may reasonably deem necessary to protect, preserve or realize upon the Collateral and Lender's security interest therein in order to effect the intent of this Security Agreement, all as fully and effectively as Merchant might do. The power of attorney granted herein is a power coupled with an interest and shall be irrevocable until the Guaranteed Obligations are completely and indefeasibly paid and performed in full. Guarantor hereby authorizes Lender to execute or file such documents as Lender shall deem necessary to perfect the security interest granted herein, including, without limitation, financing statements. Guarantor will, so long as any Guaranteed Obligations remain outstanding: (a) permit Lender and any of its employees, officers or agents, upon demand, to have access to and examine the Collateral; (b) not move the Collateral from Guarantor's business address without first obtaining Lender's agreement in writing; (c) promptly notify Lender of any attachment or other legal process levied against any of the Collateral and any information received by Merchant relative to the Collateral or the rights and remedies of Lender in respect thereto; (d) pay all taxes levied with respect to the Collateral when due; (e) not change the name or place of business, or to use a fictitious business name, without first notifying Lender in writing; (f) not sell, lease, transfer, or otherwise dispose of the Collateral without Lender's prior written consent; and (g) maintain fire and extended coverage insurance on the and to provide Lender with the original policies and certificates at Lender's request.

[SIGNATURES ON FOLLOWING PAGE]

Merchant Name: Fox Ortega Enterprises

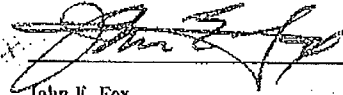
Page 2 of 3

Merchant Agreement Guaranty Guarantor

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INDIVIDUAL GUARANTOR

Guarantor Signature:



Name of Authorized Signer:

John E. Fox

Merchant Name: Fox Ortega Enterprises

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Merchant Agreement Guaranty Guarantor

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MISSION VALLEY BANK

**FINANCE CHARGE SCHEDULE**

Mission Valley Bank

9116 Sunland Boulevard • Sun Valley, CA 91352

Toll Free Phone: 866-702-4430 Toll Free Fax: 866-702-4431

**78 WEEK TERM - LOAN PAYBACK MULTIPLE OF 1.41**

Week	Cumulative Finance Charges Due By Week	Week	Cumulative Finance Charges Due By Week	Week	Cumulative Finance Charges Due By Week
Week 1	1.038%	Week 32	26.615%	Week 63	39.403%
Week 2	2.063%	Week 33	27.227%	Week 64	39.603%
Week 3	3.074%	Week 34	27.826%	Week 65	39.789%
Week 4	4.072%	Week 35	28.411%	Week 66	39.962%
Week 5	5.057%	Week 36	28.983%	Week 67	40.122%
Week 6	6.028%	Week 37	29.542%	Week 68	40.268%
Week 7	6.986%	Week 38	30.088%	Week 69	40.401%
Week 8	7.931%	Week 39	30.620%	Week 70	40.521%
Week 9	8.863%	Week 40	31.139%	Week 71	40.627%
Week 10	9.781%	Week 41	31.645%	Week 72	40.721%
Week 11	10.686%	Week 42	32.137%	Week 73	40.800%
Week 12	11.577%	Week 43	32.616%	Week 74	40.867%
Week 13	12.456%	Week 44	33.082%	Week 75	40.920%
Week 14	13.321%	Week 45	33.535%	Week 76	40.960%
Week 15	14.172%	Week 46	33.974%	Week 77	40.987%
Week 16	15.011%	Week 47	34.399%	Week 78	41.000%
Week 17	15.836%	Week 48	34.812%		
Week 18	16.648%	Week 49	35.211%		
Week 19	17.446%	Week 50	35.597%		
Week 20	18.231%	Week 51	35.970%		
Week 21	19.003%	Week 52	36.329%		
Week 22	19.761%	Week 53	36.675%		
Week 23	20.507%	Week 54	37.008%		
Week 24	21.239%	Week 55	37.327%		
Week 25	21.957%	Week 56	37.633%		
Week 26	22.662%	Week 57	37.926%		
Week 27	23.354%	Week 58	38.206%		
Week 28	24.033%	Week 59	38.472%		
Week 29	24.698%	Week 60	38.724%		
Week 30	25.351%	Week 61	38.964%		
Week 31	25.989%	Week 62	39.190%		

Merchant Name: Fox Ortega Enterprises

Finance Charge Schedule

Page 1 of 2

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**78 WEEK TERM - LOAN PAYBACK MULTIPLE OF 1.41****FINANCE CHARGE SCHEDULE CONTINUED**

IMPORTANT EARLY PAYOFF CONDITION: In accordance with Section 8 of the Merchant Agreement, Lender will provide Merchant with a total Early Payoff amount at such time as Merchant may request it. Lender will assume for the purpose of the Early Payoff request that all Merchant payments in transit will collect. If a Merchant Weekly Payment in transit returns as uncollectible, rejects or is declined, then Merchant is liable for said Weekly Payment(s), even though Lender may have received an Early Payoff payment from the Merchant. The Merchant Agreement will not be considered paid in full and/or satisfied until all Weekly Payments and any other obligations due under the Merchant Agreement are paid in full. The terms of Early Payoff are governed by Section 8 of the Merchant Agreement, which may require the payment in full of the Total Payments due under the Merchant Agreement. This schedule does not represent a calculation of interest due on an annualized percentage rate basis, such finance charges calculated as an annualized percentage rate are likely to be materially higher. If the Terms of Loan or an Amendment thereto, contains a Balloon Payment feature, then this Finance Charge Schedule only covers the accrued finance charges through the Initial Loan Term and not the Loan Term Extension if Merchant elects not to pay the Loan in full prior to the end of the Initial Loan Term. Finance Charges due and payable during the Loan Term Extension are defined in the Balloon Loan Amendment executed separately hereto and will be added to Finance Charges due and payable under this Finance Charge Schedule.

By initialing this Finance Charge Schedule, Merchant hereby acknowledges and agrees to the finance charges to accrue under this Merchant Agreement as set forth herein (unless a different Finance Charge Schedule is agreed to pursuant to an Amendment to the Merchant Agreement) and agrees that this Finance Charge Schedule is a material portion of the Merchant Agreement and is incorporated into the terms of the Merchant Agreement.

Merchant Name: Fox Ortega Enterprises

Finance Charge Schedule

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MISSION VALLEY BANK

## AMENDMENT D • RENEWAL / REFINANCING AMENDMENT

Mission Valley Bank  
9116 Sunland Boulevard • Sun Valley, CA 91352  
Toll Free Phone: 866-702-4430 Toll Free Fax: 866-702-4431

Date of Amendment 6/18/2015

This Amendment (the "Amendment") is entered into by and between Mission Valley Bank ("Lender") and Fox Ortega Enterprises (Print Merchant Name) ("Merchant").

WHEREAS, the Lender and Merchant entered into that certain Merchant Agreement ("Merchant Agreement") on 9/17/2014 (Date Merchant Signed Merchant Agreement), which they both desire to amend in accordance with the terms hereof.

WHEREAS, Merchant has requested that Lender extend an additional Loan Amount ("Additional Advance") under the Merchant Agreement and Lender desires to make such Additional Advance which shall be governed by the terms of the Merchant Agreement and secured by and entitled to the benefits of the terms of the Merchant Agreement and the Guaranty. If Merchant has an outstanding balance due under the Merchant Agreement such amount shall be calculated as an Early Payoff in accordance with Section 8 of the Merchant Agreement, or as amended herein, and is set forth and acknowledged under 3a. below and is hereby designated as the "Original Loan Balance." The total of the Original Loan Balance plus the Additional Advance shall constitute the "New Loan Amount" along with an amended Loan Payment Multiple, Weekly Payment Amount, Term and Total Payments due, all as set forth in Section 3 below.

NOW THEREFORE, in consideration of the mutual covenants and promises of the parties hereto and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, it is mutually agreed as follows:

1. The parties acknowledge that the foregoing Recital is true and correct and that same is incorporated herein by reference.
2. The terms defined in the Merchant Agreement shall have the same meaning herein unless otherwise expressly set forth herein or otherwise required by the context hereof.
3. The terms of the Merchant Agreement are amended as follows:

a. Original Loan Balance: \$	<u>\$88,247.20</u>	
b. Additional Advance: \$	<u>\$61,752.80</u>	
c. New Loan Amount: \$	<u>\$150,000.00</u>	(a + b)
d. Loan Payback Multiple:	<u>1.410</u>	
e. Number Of Weeks (Term Of Loan):	<u>78</u>	
f. New Weekly Payment Amount: \$	<u>\$2,711.54</u>	
g. ACH Payment Start Date:	<u>07/01/2015</u>	
h. Total Payments: \$	<u>\$211,500.00</u>	(c multiplied by f)
i. Finance Charge Schedule - Merchant to Initial Attached Schedule		
j. Loan Fees: \$	<u>\$4,500.00</u>	

4. As a material part of this Amendment between Merchant and Lender, Merchant has agreed to pay the Loan Fee to Lender as provided herein and hereby irrevocably instructs Lender to disburse the Loan Fee from the Loan Amount to Lender at Lender's direction. The balance of the Loan Proceeds shall be disbursed to Merchant into the Primary Merchant Account unless Merchant otherwise directs Lender in writing.
5. Other than the changes in the Amendment set forth herein, the Merchant Agreement shall remain in full force and effect, and the Merchant and the Guarantor hereby ratify and confirm the Merchant Agreement as amended hereby, and waive any and all claims, offsets and defenses to the payment and performance of their obligations under the Merchant Agreement.
6. Section 8 of the Merchant Agreement is amended as follows:

Merchant Name: Fox Ortega Enterprises

Amendment D: Renewal / Refinancing Amendment

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**EARLY PAYOFF / PER FINANCE CHARGE SCHEDULE.** The Merchant may pay off the unpaid Loan Amount and finance charges prior to the end of the Term ("Early Payoff") in accordance with this section. Provided that no Event of Default has occurred during the Term of the Loan, the amount due by Merchant for an Early Payoff shall be the Loan Amount, plus a finance charge equal to the percentage of the Loan Amount for the week of the Early Payoff during the Term according to the "Finance Charge Schedule" that is attached to this Merchant Agreement and made a part hereof, subtracting the total of the Weekly Payments that have been made by Merchant up to the date of the Early Payoff. Merchant shall notify Lender in writing at least 3 business days of its election to tender an Early Payoff and Lender shall provide to Merchant an "Early Payoff Statement" of the amount necessary to satisfy the Early Payoff. Merchant shall pay such Early Payoff payment with either an official Bank Cashiers Check made payable to Lender or by wire transfer of immediately available funds to Lender's bank account according to wiring instructions separately provided by Lender which have been requested by Merchant in a timely manner. If an Event of Default has occurred (even if cured by Merchant), then the Early Payoff amount due shall be the Total Payments which is equal to the full amount of Finance Charges due as if the Loan were paid off at the last week of the Term (i.e. Loan Amount multiplied by the Loan Payback Multiple), subtracting the total of the Weekly Payments that have been made by Merchant up to the date of the Early Payoff, plus any late fees or other Obligations that are due. Notwithstanding an Early Payoff tendered by the Merchant, Lender shall continue to collect any Weekly Payment that has been returned or until such time as any tendered Early Payoff amount has cleared Lender's account along with any late charges or other Obligations due by Merchant until such Obligations have been fully satisfied.

7. Section 9 subsection (a) of the Merchant Agreement is herein amended as follows:

(a) the failure to pay any payment under this Merchant Agreement when due and/or, upon any weekly debit by the Lender pursuant to this Merchant Agreement, the failure to make funds available in the Account sufficient to satisfy such payment obligation, revocation of authorization for ACH debit of the payments due hereunder or closing the Account without first providing Lender with an alternate Account authorization in a form acceptable to Lender;

8. Merchant shall not create, incur, assume or suffer to exist prior to satisfaction in full of the Obligations, any security interest, mortgage, pledge, lien, charge or other encumbrance of any nature whatsoever on any of its assets or properties, including the Collateral, except: (a) liens and security interests of Lender; (b) liens securing the payment of taxes, either not yet overdue or the validity of which are being contested in good faith by appropriate proceedings diligently pursued and available to Merchant and with respect to which adequate reserves have been set aside on its books; and (c) purchase money security interests in new equipment (including capital leases). Prior to the satisfaction in full of the Obligations, Merchant shall not incur, create, assume, become or be liable in any manner, with respect to, or permit to exist, any obligations or indebtedness, except: (a) the Obligations; (b) trade obligations and normal accruals in the ordinary course of business (c) purchase money indebtedness for new equipment (including capital leases) to the extent not incurred or secured by liens (including capital leases) in violation of any other provision of this Agreement; provided, that, (i) Merchant may only make regularly scheduled payments of principal and interest in respect of such indebtedness in accordance with the terms of the agreement or instrument evidencing or giving rise to such indebtedness as in effect on the date hereof, (ii) Merchant shall not, directly or indirectly, (A) amend, modify, alter or change the terms of such indebtedness or any agreement, document or instrument related thereto as in effect on the date hereof, or (B) redeem, retire, defease, purchase or otherwise acquire such indebtedness, or set aside or otherwise deposit or invest any sums for such purpose, and (iii) Merchant shall furnish to Lender all notices or demands in connection with such indebtedness either received by Merchant or on its behalf, promptly after the receipt thereof, or sent by Merchant or on its behalf, concurrently with the sending thereof, as the case may be. Within 48 hours of Lender's written request, Merchant shall provide Lender with true, correct and complete copies of Merchant's credit card processing statements and bank account statements on a monthly basis until the Total Payments are paid in full in order for Lender to verify Merchant's compliance with the terms of this Merchant Agreement. Merchant's failure to provide such statements in a timely and complete manner will constitute a material breach of this Merchant Agreement.

9. Merchant shall have entered and shall have agreed to be bound by this Amendment by execution as set forth below and transmittal of this Amendment to Lender either by facsimile transmission to Lender's Home Office at the fax number provided above, by U.S. mail properly posted to Lender's Home Office or by reputable overnight courier sent to Lender's Home Office. This Amendment shall not be binding upon Lender until it is countersigned by an authorized representative of Lender at its Home Office in Sun Valley, California.

IN WITNESS HEREOF, the parties hereto have entered into the Amendment on the date set forth above.



**MERCHANT:**

Name of Merchant:

Fox Ortega Enterprises

By:

X

DocuSigned by:

John E. Fox

Date: 6/18/2015

Name of Authorized Signer:

John E. Fox

Title of Authorized Signer:

President

**GUARANTOR ACKNOWLEDGEMENT**

Each Guarantor hereby acknowledges and agrees to this Amendment, and agrees that his/her/its Guaranty of the Merchant Agreement, as hereby amended, is, and shall continue to be in full force and effect. Guarantor hereby waives all claims, offsets and defenses to the payment and performance of its Guaranty of the Merchant Agreement.

**INDIVIDUAL GUARANTOR**

Guarantor Signature:

X

DocuSigned by:

John E. Fox

Name of Authorized Signer:

John E. Fox

**LENDER APPROVAL:**

Mission Valley Bank

A California State Bank

By: X

DocuSigned by:

Michael Snow

Title:

Vice President / Credit Administrator

Dated: 06/19/2015



MISSION VALLEY BANK

## FINANCE CHARGE SCHEDULE

Mission Valley Bank  
9116 Sunland Boulevard • Sun Valley, CA 91352  
Toll Free Phone: 866-702-4430 Toll Free Fax: 866-702-4431

## 78 WEEK TERM - LOAN PAYBACK MULTIPLE OF 1.41

Week	Cumulative Finance Charges Due By Week	Week	Cumulative Finance Charges Due By Week	Week	Cumulative Finance Charges Due By Week
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Week 29	24.698%	Week 60	38.724%		
Week 30	25.351%	Week 61	38.964%		
Week 31	25.989%	Week 62	39.190%		

Merchant Name: Fox Ortega Enterprises

Finance Charge Schedule

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**78 WEEK TERM - LOAN PAYBACK MULTIPLE OF 1.41****FINANCE CHARGE SCHEDULE CONTINUED**

**IMPORTANT EARLY PAYOFF CONDITION:** In accordance with Section 8 of the Merchant Agreement, this Finance Charge Schedule shall only apply to a Early Payoff if no Event of Default has occurred under the Merchant Agreement. The terms of Early Payoff are governed by Section 8 of the Merchant Agreement, which may require the payment in full of the Total Payments due under the Merchant Agreement. Lender will provide Merchant with a total Early Payoff amount at such time as Merchant may request it. Lender will assume for the purpose of the Early Payoff request that all Merchant payments in transit will collect. If a Merchant Weekly Payment in transit returns as uncollectible, rejects or is declined, then Merchant is liable for said Weekly Payment(s) and Merchant shall be obligated to pay the full amount of the Total Payments as if the Loan was paid during the last week of the Term, even though Lender may have received an Early Payoff payment from the Merchant. The Merchant Agreement will not be considered paid in full and/or satisfied until all Weekly Payments and any other obligations due under the Merchant Agreement are paid in full. This schedule does not represent a calculation of interest due on an annualized percentage rate basis, such finance charges calculated as an annualized percentage rate are likely to be materially higher. If the Terms of Loan or an Amendment thereto, contains a Flex Pay Balance, then this Finance Charge Schedule only covers the accrued finance charges through the Initial Loan Term and not the Loan Term Extension if Merchant elects not to pay the Loan in full prior to the end of the Initial Loan Term. Finance Charges due and payable during the Loan Term Extension are defined in the Amendment providing for Flex Pay executed separately hereto and will be added to Finance Charges due and payable under this Finance Charge Schedule.

By initialing this Finance Charge Schedule and delivery to Lender's Field Representative or by transmittal to Lender by electronic signature or facsimile to Lender's Home Office at the fax number provided above, by U.S. mail properly posted to Lender's Home Office or by reputable overnight courier sent to Lender's Home Office as set forth above, Merchant hereby acknowledges and agrees to the finance charges to accrue under this Merchant Agreement as set forth herein (unless a different Finance Charge Schedule is agreed to pursuant to an Amendment to the Merchant Agreement) and agrees that this Finance Charge Schedule is a material portion of the Merchant Agreement and is incorporated into the terms of the Merchant Agreement.

Merchant Name: Fox Ortega Enterprises

Page 2 of 2

Finance Charge Schedule

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1 ANGELA A. VELEN, ESQ. #217292  
2 COLLECTION AT LAW, INC.  
3 A PROFESSIONAL LAW CORPORATION  
4 3835 East Thousand Oaks Blvd, Suite R-349  
5 Westlake Village, CA 91362  
6 (818) 716-7630  
7 (818) 716-7775 (Fax)

8 Attorney for Creditor, Advance Restaurant Finance, LLC.

9 UNITED STATES BANKRUPTCY COURT  
10 NORTHERN DISTRICT OF CALIFORNIA

11 IN RE: Fox Ortega Enterprises, Inc. ) CASE NO. 16-40050  
12 )  
13 Debtor. ) REQUEST FOR SPECIAL NOTICE  
14 )  
15 )  
16 )

17 TO THE DEBTORS, TO ALL CREDITORS, AND TO ALL OTHER PARTIES IN  
18 INTEREST:

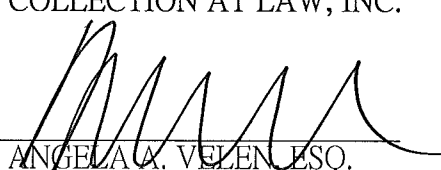
19 The undersigned hereby requests a copy of all notices sent by this Court to creditors, equity  
20 security holders and creditor's committees, also be sent as set forth below:

21 ANGELA A. VELEN, ESQ.  
22 COLLECTION AT LAW, INC.  
23 3835 East Thousand Oaks Blvd, Suite R-349  
24 Westlake Village, CA 91362  
25 (818) 716-7630  
26 (818) 716-7775 (Fax)

27 The undersigned represents Advanced Restaurant Finance, LLC, a California Limited Liability  
28 Company, creditor of the above estate.

29 DATED: 1-20, 2016

COLLECTION AT LAW, INC.

30 By:   
ANGELA A. VELEN, ESQ.

PROOF OF SERVICE

STATE OF CALIFORNIA,  
COUNTY OF VENTURA:

I am employed in the aforesaid County, State of California; I am over the age of 18 years and not a party to the within action; my business address is 3835 East Thousand Oaks Blvd, Suite R-349, Westlake Village, CA 91362.

On Jan. 20, 2016, I served the foregoing REQUEST FOR SPECIAL NOTICE on the interested parties in this action by placing a true copy thereof, enclosed in a sealed envelope, addressed as follows:

Attorney

Stephen D. Finestone, Esq.  
Law Offices of Stephen D. Finestone  
456 Montgomery Street, 20<sup>th</sup> Floor  
San Francisco, CA 94104

Trustee

Michael G. Kasolas  
PO Box 26650  
San Francisco, CA 94126

I caused such envelope with postage thereon fully paid to be placed in the United States mail at Westlake Village, California.

I declare under penalty of perjury, under the laws of the United States of America that the foregoing is true and correct.

Executed on Jan. 20, 2016, at Westlake Village, California.



Melanie Swopes