

H-25

October 5, 2021

HONORABLE MAYOR AND CITY COUNCIL
City of Long Beach
California

RECOMMENDATION:

Receive the supporting documentation into the record, conclude the public hearing, and grant an Entertainment Permit with conditions for entertainment with dancing to Compound F&B, LLC, at 1395 Coronado Avenue. (District 4)

DISCUSSION

The Long Beach Municipal Code (LBMC) requires an application be filed and a hearing held before the City Council whenever this type of activity is requested and before an entertainment permit (Permit) is granted or denied.

The LBMC also requires the City Council to approve the issuance of the Permit if they find that: the issuance of the Permit at the proposed location is consistent with federal, state, and local laws, rules, and regulations; it will not constitute an undue burden on the neighborhood; the applicant(s) or responsible persons have not been convicted of any misdemeanor involving moral turpitude or felony offense within the past five years; and, neither the applicant(s) nor any responsible persons have a history of committing significant violations of the City code and have not provided false or misleading information on their application.

The City Council has the authority to approve the following options: (1) grant the Permit, with or without conditions; or (2) deny the Permit on the application. Once the Permit is granted, pursuant to LBMC 5.72.120.5, the Permit will be subject to an administrative review by the Financial Management Department every two years. This review process will consist of a multi-department analysis to determine compliance and identify if issues exist. This provision does not affect the City's ability to modify, revoke, or suspend a permit at any time.

City departments have conducted their investigations in accordance with the LBMC. Attached are the departmental investigative reports, history, entertainment permit application, and floor plan.

The following summarizes departmental findings:

- The Police Department recommends that the Permit for entertainment with dancing be approved, subject to conditions.
- The Fire Department finds the building/location meets department requirements for the proposed use.

HONORABLE MAYOR AND CITY COUNCIL

October 5, 2021

Page 2

- The Health and Human Services Department finds the building/location meets department requirements for the proposed use, subject to conditions.
- The Development Services Department finds the building/location meets department requirements for the proposed use.

The Financial Management Department, Business Services Bureau, has thoroughly reviewed all submitted department documents and correspondence and recommends the Permit for entertainment with dancing be approved subject to conditions (attached).

In the event that any of the recommended conditions conflict with other permits or licenses, the permittee must adhere to the strictest of the applicable conditions. This location has been licensed as a Restaurant with Alcohol since December 2020.

This matter was reviewed by Deputy City Attorney Amy R. Webber on September 3, 2021.

TIMING CONSIDERATIONS

The hearing date of October 5, 2021, has been posted at the business location, with the applicant and property owners within 300 feet notified by mail.

FISCAL IMPACT

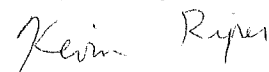
The following fees were collected with the application: Building Review \$23.30 and Zoning Review \$33.00 (Development Services Department), Police Investigation \$1,442.00 (Police Department), and Mailing List \$90.00 (Financial Management Department).

The following fees will be collected if the application is approved: Business License Annual Tax \$390.69, Employee Rate \$20.29 per employee, and Annual Entertainment Regulatory Fee \$1,188.00 (Financial Management Department).

SUGGESTED ACTION:

Approve recommendation.

Respectfully submitted,



KEVIN RIPPER
DIRECTOR OF FINANCIAL MANAGEMENT

APPROVED:



THOMAS B. MODICA
CITY MANAGER

ATTACHMENTS:

- A – FM CONDITIONS
- B – SUMMARY
- C – FIVE YEAR HISTORY
- D – MAP
- E – BUSINESS LICENSE APPLICATION
- F – ENTERTAINMENT PERMIT APPLICATION
- G – INFOR PRINT OUT
- H – PD CONDITIONS

Compound F&B LLC
1395 Coronado Avenue, Long Beach, CA 90804

Attachments Summary:

Attachment A	FM Conditions
Attachment B	Summary of Application for Entertainment Permit
Attachment C	Five Year History of Business Establishment
Attachment D	Map
Attachment E	Business License Application
Attachment F	Entertainment Application Packet
Attachment G	INFOR print out
Attachment H	PD Conditions



**Recommended Conditions of Operation
Compound F&B LLC
1395 Coronado Avenue
Application for Entertainment With Dancing**

The Department of Financial Management recommends **approval** of the Permit subject to the following conditions:

I. STANDARD CONDITIONS OF OPERATION

- 1) The operation of the establishment shall be limited to those activities and elements expressly indicated on the permit application and approved by the City Council. Any change in the operation, which exceeds the conditions of the approved permit, will require that a new permit application be submitted to the City Council for their review and approval.
- 2) Unless separately applied for, reviewed, and approved, no adult entertainment, as defined by section 5.72.115(B) LBMC shall be conducted on the permitted premises.
- 3) The establishment shall remain in compliance with all applicable sections of the Long Beach Noise Ordinance (LMBC Chapter 8.80). In addition, in response to a complaint, the Police Department will enforce Penal Code Section 415 (disturbing the peace) and all other state and local provisions related to the "public peace." Permittee shall conduct all aspects of his or her operation, including before and after-hours deliveries and maintenance, in consideration of residences located nearby. Permittee agrees that the following standard is reasonable: Noise emanating from Permittee's premises shall not be audible from the middle of the street adjoining the premises.
- 4) This Entertainment Permit is an accessory to the primary business. The authorization to provide entertainment on-site is subject to the use remaining a bona fide eating place serving actual and substantial meals. "Meals" means the usual assortment of foods commonly ordered at various hours of the day; the service of such food only as sandwiches or salads shall not be deemed compliant with this requirement. Meals must consist of food prepared on the premises. Hours of sales of alcohol shall be limited to the hours when meals are available.

The premises must be equipped and maintained in good faith. The premises must possess working refrigeration, cooking equipment, utensils, menus, and enough food to make substantial meals. In the event the primary business ceases operation, fails to operate as a bona fide eating place, fails to serve actual and substantial meals, or otherwise fails to comply with this condition, the Entertainment Permit becomes null and void.

The permittee shall not convert the restaurant, or any portion thereof, into a dance/night club. All entertainment activities shall be conducted in conjunction with regular dining or pre-planned banquet activities. A banquet is defined as a function held at a bonafide eating place wherein complete and substantial meals are provided to the persons in attendance by the management of the restaurant where the function is being held. Fast food, snacks, and hors d'oeuvres shall not constitute a complete and substantial meal.

- 5) Due to the proximity of neighboring businesses and residences, all door(s) and windows shall be kept closed at all times during any entertainment, except in cases of emergency and to permit deliveries. Said door(s) is not to consist solely of a screen or ventilated security door. **Sound shall not be audible beyond fifty feet (50') from the exterior of the premises in any direction.** Outdoor amplified entertainment is prohibited.
- 6) The permittee shall not allow employees to discard trash or beer bottles into the outside dumpster between the hours of 10:00 P.M. and 7:00 A.M.
- 7) Deliveries to and from the premises shall be limited to the hours of 8:00 A.M. to 10:00 P.M.
- 8) During all times that the entertainment activities are being conducted, the permittee shall provide an adequate security staff to supervise patrons inside the establishment. For crowds up to fifty (50) people, the permittee shall provide a minimum of one (1) uniformed security guard. For crowds over fifty (50) people, the permittee shall provide a minimum of one (1) additional security guard per fifty (50) people.

The attire of each security guard shall clearly indicate the guard's affiliation with the establishment by means of a pin, shirt, or other visible form of identification. Should the permittee's operations give rise to a substantial increase in complaint/calls for police service, or trash left in the parking lot, the permittee shall increase security staff, implement the use of electronic metal detection equipment, increase outside lighting, or make other changes to the premises or operation as the Chief of Police determines are necessary to protect the safety of the public.

- 9) The permittee shall take reasonable measures to prohibit and prevent the loitering of persons immediately outside any of the entrance/exit doors and the parking lot, at all times while open for business. This should be done by use of security guards and signage indicating words to the effect of, "Please respect our neighbors" or something similar.
- 10) At the conclusion of each event, the permittee shall take reasonable measures to ensure that exiting patrons walk directly to their vehicles, and not loiter in the front of the establishment, the parking lot or the immediate area.



- 11) The permittee agrees to reimburse the City for all costs associated with excessive police services, as determined by the Chief of Police, required as the result of any incident or nuisance arising out of or in connection with the permittee's operations.
- 12) Current occupancy loads shall be posted at all times, and the permittee shall have an effective system to keep count of the number of occupants present at any given time and provide that information to public safety personnel upon request. (LBMC section 18.48.320).
- 13) Any graffiti painted or marked upon the premises, or on any adjacent area under the control of the licensee, shall be removed or painted over within 24 hours of being applied.
- 14) The business, or agents, shall not distribute any advertising matter such as signs, posters, or promotional cards, in or upon any public property, or in or on any vehicle in any such place in the City. Distribution of any advertising matter upon private property shall adhere to the following guidelines: By placing the same matter in a receptacle, clip, or other device designed or intended to receive advertising matter. The permittee shall keep all promoter contracts, including names, addresses, and phone numbers, on file at all times, and be available for inspection at any time.
- 15) The permittee shall be responsible for maintaining free of litter the premises and the area adjacent to the licensed premises over which they have control.
- 16) The permittee shall install and maintain a video surveillance system that monitors no less than the front and rear of the business with full view of the public right-of-ways and any parking lot under the control of the permittee. The video system must be capable of delineating on playback the activity and physical features of persona and areas within the premises. Recordings shall be retained for a minimum of 30 days and be accessible via the Internet by the Long Beach Police Department. A Public Internet Protocol (IP) address and user name/password is also required to allow the Long Beach Police Department to view live and recorded video from these cameras over the internet. All video security cameras shall be installed to the satisfaction of the Chief of Police, Director of Technology Services, and Director of Development Services. At the discretion of the Chief of Police, the permittee may be required to add additional video cameras.
- 17) The permittee shall ensure that all employees attend an alcohol awareness class such as TIPS or LEAD, within the first ninety (90) days of employment. In the event that the LEAD program class is not offered within this ninety-day period, the permittee shall attend the next available class. Proof of completion shall be kept on file at the business and shall be available for inspection at any time.
- 18) The permittee shall maintain full compliance with all applicable laws, ABC laws, ordinances, and stated conditions. In the event of a conflict with the requirements of this permit, your conditional use permit, or your Alcoholic Beverage Control license, the more stringent regulation shall apply.



II. ADDITIONAL CONDITIONS OF OPERATION

- 1) Entertainment activities indicated on Page 7 of your entertainment application **shall be restricted from 11:00 AM to 10:00 PM, every day of the week, Monday through Sunday.**
- 2) All promoters and independent contractors must have or obtain a City of Long Beach Business License prior to conducting entertainment activities governed by this permit. The permittee shall be responsible for all entertainment activities at the location, including those conducted by promoters or independent contractors.
- 3) The permittee must provide all promoters, independent contractors, and dancers, hired to conduct entertainment activities with a copy of the approved permits, which shall include a copy of the approved conditions of operation.
- 4) Interior lighting shall be sufficient to make easily discernible the appearance and conduct of all persons and patrons inside the business.
- 5) The permittee is required to monitor the outside patio area for any nuisance activity that could disturb the surrounding neighbors. This shall be done by utilizing security guards or employees.
- 6) There shall be no live entertainment or dancing permitted on the patio at any time.
- 7) The speaker volume on the patio area shall be kept at a low level, so as not to disturb any other businesses. If any noise or disturbance complaints can be attributed to the speaker volume on the patio area, the permittee shall modify or remove existing speakers at the direction of the Chief of Police.
- 8) The permittee shall not hire promoters with the intent to advertise/promote or hold any entertainment activities consistent with nightclub entertainment.
- 9) The parking lot shall be equipped with lighting of sufficient power to illuminate and make easily discernible the appearance and conduct of all persons on or about the parking lot. The position of such lighting shall not disturb the normal privacy and use of any neighboring residences.

III. In the event that any of the recommended conditions attached to any permit or license is in conflict, the permittee shall adhere to the strictest of the applicable conditions. In addition, please be advised that your permit is subject to administrative review every two years from the date this permit is issued. If grounds exist for modification, revocation, or suspension of the permit, a hearing will be held.



SUMMARY OF APPLICATION FOR ENTERTAINMENT PERMIT

Attached for your review and action is an application for Compound F&B LLC. Also, attached are reports from various departments stating their recommended disposition of the subject application. These are summarized as follows:

SUBMITTED FOR CITY COUNCIL ACTION

	<u>Without Concern</u>	<u>With Conditions</u>	<u>With Concerns</u>
Police Department		X	
Fire Prevention Bureau	X		
Health and Human Services Department/Noise Control		X	
Development Services Department	X		

Questions concerning the above may be directed to the following:

Police Department, Chief of Police	570-7301
Fire Department, Fire Prevention Bureau	570-2500
Health and Human Services Department, Noise Control.....	570-4130
Development Services Department.....	570-6623

Compiled by: Department of Financial Management
 Business Services Bureau

**FIVE YEAR HISTORY OF BUSINESS ESTABLISHMENT
1395 CORONADO AVENUE**

Compound F&B LLC
Lic # BU22019907
12/20 – Current

Restaurant & Ready to Eat Food with Alcohol

Compound F&B LLC
Lic # BU22019911
12/20 – Current

General Services – Other

Compound F&B LLC
Lic # BS22018696
12/20 – Pending

Entertainment with Dancing (Alcohol)

Compound F&B LLC
Lic # BU22010367
7/20 – Expired

Art Studio (Community Center)

Matilen and Benson
Lic # BU07052110
11/85 – Current

Commercial/Industrial Space Rental

Forest Language Preschool

Orizaba Park
Neighborhood play area with a skate park

Mar Mel Inn ~
Bed & Breakfast for...

Roland Sands Design
Delivery

AutoZone Auto Parts
Auto parts store

Long Beach Thai
Takeout • Delivery

Lee's Sandwiches
Takeout

Little Caesars Pizza
Takeout • Delivery

McDonald's
Takeout • Delivery

The Bamboo Club
Takeout

Walgreens
Drug store

El Pollo Loco
Takeout • Delivery

Los Compadres
Takeout • Delivery

A&J seafood shack
Takeout

Valvoline Instant
Oil Change

Apex Systems

Social TV Installs
Home theater store

1395 Coronado Ave,
Long Beach, CA 90804

Streets: E 15th St, E 14th St, E Spaulding St, Freeman Ave, Coronado Ave, Newport Ave, Loma Ave, Clemens C

**CITY OF LONG BEACH BUSINESS LICENSE APPLICATION**

Second Floor, City Hall

411 W. Ocean Boulevard, Long Beach, CA 90802

www.longbeach.govLBBIZ@LongBeach.gov

(562) 570-6211

GENERAL INFORMATION

OWNER/ENTITY NAME Compound F&B LLC		DRIVER'S LICENSE NO	STATE	SOCIAL SECURITY NO.	HOME OCCUPATION <input type="checkbox"/> Y <input type="checkbox"/> N
BUSINESS NAME (D.B.A)		TYPE OF BUSINESS (BE SPECIFIC) entertainment w/dancing		EMAIL: team@fvomgmt.com	
BUSINESS ADDRESS 1395 Coronado Ave	STREET	CITY Long Beach	STATE CA	ZIP 90804	AREA CODE/TELEPHONE (310) 499-2070
BILLING ADDRESS (if same write SAME)** PO Box 492268	STREET	CITY Los Angeles	STATE CA	ZIP 90049	AREA CODE/TELEPHONE (310) 499-2070
RESIDENCE ADDRESS (if same write SAME)	STREET	CITY	STATE	ZIP	AREA CODE/TELEPHONE
LIST OF PRINCIPAL OFFICERS, MEMBERS, PARTNERS AND RESIDENTIAL ADDRESSES (IF MORE, PLEASE ATTACH A LIST) Michael Grunwald				TITLE member	% OWNERSHIP 5
Compound Investment Trust				TITLE member	% OWNERSHIP 95
<input checked="" type="checkbox"/> New Business <input type="checkbox"/> Address Change <input type="checkbox"/> Ownership Change <input type="checkbox"/> Secondary License <input type="checkbox"/> Sole Owner <input type="checkbox"/> Partnership <input type="checkbox"/> Corporation <input type="checkbox"/> LLP <input checked="" type="checkbox"/> LLC					

BUSINESS OPERATIONS INFORMATION

START DATE 12/3/2019	NO. OF EMPLOYEES 5	NO. OF VEHICLES	FEDERAL TAX ID. NUMBER [REDACTED]	SALES & USE TAX (SELLER'S PERMIT) NO. [REDACTED]
DOES YOUR BUSINESS HAVE A CALIFORNIA STATE LICENSE? <input type="checkbox"/> Y <input checked="" type="checkbox"/> N		STATE LICENSE NO.	CLASSIFICATION(S)	RENEWAL DATE
HAVE YOU EVER HAD A BUSINESS LICENSE//PERMIT REVOKED OR SUSPENDED? <input type="checkbox"/> Y <input checked="" type="checkbox"/> N		LICENSE//PERMIT NO.	ISSUING AGENCY	CLASSIFICATION & DATE OF SUSPENSION/REVOCATION

FOOD / ALCOHOL / TOBACCO / ENTERTAINMENT

Do you plan to sell or serve food? (Includes pre-packaged) ☒ Y ☐ N
If serving food, how many seats?: see attached

Do you plan to sell or serve alcoholic beverages? ☒ Y ☐ N

ABC License number: application pending (attached) Type: _____ ☒ Y ☐ N
Conditions Included: (If yes, please attach to application)

Does your business have amusement machines, video games, vending machines, jukebox and/or pool tables? ☐ Y ☒ N
How many: _____ Type: _____ Owner: _____

Do you plan to sell tobacco products/paraphernalia? ☐ Y ☒ N

Do you plan to operate a Smoking Lounge? ☐ Y ☒ N

Will you deal with, use, store or transport cannabis? ☐ Y ☒ N

Will you have ☒ Music ☒ Dancing ☒ Performers ☐ Adult Entertainment? Will you use, store, or transport chemicals (new or waste state)? ☐ Y ☒ N

SERVICES / FUND RAISING

Will you offer massage, tanning, herbal therapy, escort or any other services that improve the health or well being of another? ☐ Y ☒ N

Will you engage in fund raising? ☐ Y ☒ N

Will you deal in coins, firearms, jewels or second-hand property? ☐ Y ☒ N

Will you perform Parking Management? If so, please attach a detailed list of all activities? ☐ Y ☒ N

BUILDING AND FACILITY INFORMATION

Property Owner's Name: Ken Gallagher

Business sq. ft.: attached Warehouse on site? ☒ Y ☐ N

Do you: ☐ Own or ☒ Rent/Lease your business property?

HAZARDOUS MATERIALS / MEDICAL WASTE

Will you manage or produce bio-hazardous materials or waste? ☐ Y ☒ N

ACKNOWLEDGMENT TO BE COMPLETED BY SOLE OWNER, PRINCIPAL OFFICERS, MEMBERS OR PARTNERS

I understand that before I can operate my business in Long Beach, my establishment must comply with applicable City departmental laws and regulations completely and I must obtain a business license and all necessary Federal State and local permits or I will be in violation of L. B. M. C. Chapter 3.80. I declare that I am authorized to complete this application and that the information and statements provided are true and correct. **SIGN and return this statement with your remittance. Make checks payable to City of Long Beach.**

Signature [Signature] Date 12-23-20 PRINT NAME/TITLE Michael Grunwald, member/manager

Signature _____ Date _____ PRINT NAME/TITLE _____

DO NOT WRITE BELOW THIS LINE

Inspection(s): <input type="checkbox"/> Bldg <input type="checkbox"/> Fire <input type="checkbox"/> Health <input type="checkbox"/> HazMat <input type="checkbox"/> PD <input type="checkbox"/> Other	Prev Use: _____ Exp. Date: _____
Basic Tax	Prev Lic: _____
Employees # _____ @ \$ _____ =	Exp Date: _____
Vehicles # _____ @ \$ _____ =	District: _____
Other # _____ @ \$ _____ =	CRT: _____
PIA _____	SIC: _____
PIA Employees # _____ @ \$ _____ =	NAICS: _____
Regulatory	Entered by: _____
Investigation	Date: _____
Misc. Fees	
Sub Total	
Zoning	
Building Review	
Total \$ _____	BU

Zoning Review
Y N N/A
By: _____
Date: _____
New construction Reuse
Zone: _____
Comments: _____

Section J – Application Attachments	
Staff Only	All Applications
<input type="checkbox"/>	<input checked="" type="checkbox"/> Department of Health and Human Services Entertainment Permit Application Requirements Form
	Corporation, Limited Liability Companies, Limited Liability Partnerships:
<input type="checkbox"/>	<input checked="" type="checkbox"/> Copy of your Articles of Incorporation/ Organization; and
<input type="checkbox"/>	<input checked="" type="checkbox"/> Copy of your Statement of Information
<input type="checkbox"/>	<input checked="" type="checkbox"/> Copy of CA Seller's Permit
<input type="checkbox"/>	<input checked="" type="checkbox"/> Copy of Alcoholic Beverage Control License with conditions
<input type="checkbox"/>	<input type="checkbox"/> Copy of Fictitious Business Name Filing, if applicable.
<input type="checkbox"/>	<input type="checkbox"/> Property Owner Authorization of Entertainment Activities If the applicant is the owner of the property, please include a copy of the title or deed to the property.
<input type="checkbox"/>	<input checked="" type="checkbox"/> Copy of Property Owner's City of Long Beach Commercial/Industrial Business License, if applicable.
<input type="checkbox"/>	<input checked="" type="checkbox"/> Interior Floor Plan to include: <ul style="list-style-type: none"> a. Dimensions of interior floor plan b. Location inside the establishment where entertainment activities will be taking place c. Indicate locations of all exit doors, widths of doors, and panic hardware. d. All fixed seating throughout e. Dance floor dimensions and type of flooring materials used f. If a stage is to be added, give exact measurements including height, location, and materials used
<input type="checkbox"/>	<input checked="" type="checkbox"/> Parking Agreement/Parking Plan (if using a parking facility that is not part of the business premises)

If you have any questions as to your occupant load, or if your business will change because of a change in use from a B occupancy with an occupant load less than fifty (50) persons to an A occupancy, (usually an A-3) fifty (50) persons or more but less than 300, a floor plan with the above requirements must be submitted to the 2nd floor Planning and Building Department, Plan Check Engineer. For more information, please contact the Planning and Building Department at (562) 570-6651.

These additional requirements may be applicable:

1. Handicapped requirements may apply.
2. All Fire Department approvals to be obtained.
3. Electrical plan check and permit may be required for exit path illumination.

Annual Entertainment Permit Application

(Print all information in blue or black ink)

Application Instructions

Complete the application and all accompanying forms legibly in black or dark blue ink. Forms completed in pencil will be returned. All authorized individuals must sign and date the forms, where applicable. Incomplete applications will not be accepted.

Submit your application along with the non-refundable application fee in person to the City of Long Beach Business License Division, 411 W. Ocean Blvd., 2nd Floor, Long Beach, CA 90802. Applications will be accepted Monday through Friday from 7:30 a.m. to 4:00 p.m.

Type of Entertainment Permit	Application Fees (Total)
Entertainment with/without Dancing	\$1,557.55
Pool/Billiard Hall (3 or more tables)	\$1,712.55
Entertainment Retail Business	\$819.55
Temporary Entertainment Permit	\$431.00

The application will be reviewed by Business License, Planning, Building, Fire, Health, and PD. After the departments have reviewed, a City Council hearing will be held. For the complete application process, visit www.longbeach.gov/entertainmentpermit.

Section A – Entertainment Type

<input type="checkbox"/> Entertainment with Dancing (Bar)	<input type="checkbox"/> Entertainment without Dancing (Bar)
<input checked="" type="checkbox"/> Entertainment with Dancing (Restaurant)	<input type="checkbox"/> Entertainment without Dancing (Restaurant)
<input type="checkbox"/> Entertainment (Retail)	<input type="checkbox"/> Social Club
<input type="checkbox"/> Pool/Billiard Hall	<input type="checkbox"/> Other _____

Section B – Business Information

<input type="checkbox"/> Corporation	<input checked="" type="checkbox"/> Limited Liability Company (LLC)	<input type="checkbox"/> General Partnership
<input type="checkbox"/> Limited Partnership	<input type="checkbox"/> Limited Liability Partnership (LLP)	<input type="checkbox"/> Sole Proprietorship

APPLICANT NAME (LEGAL OWNERSHIP STRUCTURE):

Compound F&B LLC

BUSINESS NAME (DBA):

PLACE AND DATE OF FILING OF DBA:

BUSINESS SITE ADDRESS:

1395 Coronado Ave Long Beach CA 90804

TAXPAYER IDENTIFICATION NUMBER:

[REDACTED]

SECRETARY OF STATE REGISTRATION ENTITY ID (IF APPLICABLE):

TYPE: ☐ SSN/ITIN☐ EIN☐ NIN

[REDACTED]

APPLICANT/BUSINESS PHONE:

310-499-2070

APPLICANT/BUSINESS EMAIL ADDRESS:

MAILING ADDRESS:

PO Box 492268, Los Angeles, CA 90049

Section C – Owner(s) Information

LAST NAME: Compound Investment Trust	FIRST NAME:
HOME ADDRESS: [REDACTED]	
PHONE: [REDACTED]	EMAIL: [REDACTED]
BUSINESS TITLE: Member	PERCENTAGE OWNED:
DATE OF BIRTH: N/A	PLACE OF BIRTH: N/A
GOVERNMENT ISSUED ID NUMBER:	ISSUING STATE:
LAST NAME: Grunwald	FIRST NAME: Michael
HOME ADDRESS: [REDACTED]	
PHONE: [REDACTED]	EMAIL: [REDACTED]
BUSINESS TITLE: LLC Manager	PERCENTAGE OWNED:
DATE OF BIRTH: [REDACTED]	PLACE OF BIRTH: [REDACTED]
GOVERNMENT ISSUED ID NUMBER: [REDACTED]	ISSUING STATE: CA
LAST NAME:	FIRST NAME:
HOME ADDRESS:	
PHONE:	EMAIL:
BUSINESS TITLE:	PERCENTAGE OWNED:
DATE OF BIRTH:	PLACE OF BIRTH:
GOVERNMENT ISSUED ID NUMBER:	ISSUING STATE:
LAST NAME:	FIRST NAME:
HOME ADDRESS:	
PHONE:	EMAIL:
BUSINESS TITLE:	PERCENTAGE OWNED:
DATE OF BIRTH:	PLACE OF BIRTH:
GOVERNMENT ISSUED ID NUMBER:	ISSUING STATE:

***Attach additional pages if necessary**

Section D – Agent for Service of Process
(Not required for sole owners or partnerships)

LEGAL LAST NAME: NATIONAL REGISTERED AGENTS, INC. (C1941323)		LEGAL FIRST NAME:	
MAILING ADDRESS: 818 W. Seventh Street, Suite 930		CITY: Los Angeles	
STATE: CA	ZIP CODE: 90017	COUNTY: Los Angeles	
PHONE NUMBER:		EMAIL ADDRESS:	

Section E – Owner Disclosures

	Yes	No
1. Has any owner ever been convicted of a misdemeanor involving moral turpitude, or entered into a plea of guilty or nolo contendere to, any felony in the United States or a foreign country within the past 5 years?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
2. Has any owner ever had a City of Long Beach license suspended or revoked?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
3. Has any owner ever been denied a business license by the City of Long Beach?	<input type="checkbox"/>	<input checked="" type="checkbox"/>

If you answered "Yes" to any of the questions above, please provide a written statement detailing the date(s) and circumstances of such convictions, pleas of guilty or nolo contendere, sanctions, fines, denials, suspensions, or revocations, including, but not limited to, specific offenses and/or violations, agency involved, name of any business names, and account numbers.

Section F – Property Information

Is the business located in the Downtown Dining and Entertainment District (DDED)**?

☐ Yes ☒ No

If yes, there may be additional requirements your business must meet in order to obtain an entertainment permit. For a map of the DDED boundaries and the DDED requirements, please see **Attachment A.

Is the location: Owned? ☐ Rented/Leased? ☒

If rented/leased, state the name and contact information of the property owner(s) below.

PROPERTY OWNER NAME: Ken Gallagher

PROPERTY OWNER PHONE: [REDACTED]

PROPERTY OWNER EMAIL ADDRESS: [REDACTED]

Section G – General Operating Conditions

Note: Attach additional pages if necessary

Alcohol/Food/Additional Businesses

1. Will liquor be sold on the premises? ☒ Yes ☐ No

If yes, complete the following for each license you hold:

License Type	Alcohol Beverage Control License No.	Premises Type (Club, restaurant, or commercial store)
On sale beer	_____	_____
On sale beer and wine	Pending #5706651	_____
On sale distilled spirits	Pending #5706651	_____

2. Is food being sold on the premises? ☒ Yes ☐ No

- a. If yes, list types of food sold: Healthy options with high-quality ingredients freshly prepared in our kitchen, including vegetarian and meat entrees, charcuterie and cheese boards, farmers market vegetables, flatbread pizzas and hot sandwiches.

3. Is a bonafide-eating place provided on the premises? ☒ Yes ☐ No

(Bonafide eating place means a place which is regularly used for serving meals for compensation, which has suitable kitchen facilities containing conveniences for cooking an assortment of foods for ordinary meals other than fast foods, sandwiches or salads. The kitchen must contain proper refrigeration for food and must comply with all applicable regulations of the Health and Human Services Department.)

4. Are non-alcoholic beverages sold? ☒ Yes ☐ No

5. How many tables for seating? 26

6. Are other types of businesses conducted on the premises? ☒ Yes ☐ No

- a. If yes, list type(s): Multi-use art gallery space, including accessory restaurant / bar use

7. Are pool tables provided? ☐ Yes ☒ No

- a. If yes, indicate how many: _____

- b. If yes, license number for pool tables: _____

8. Are amusement machines or jukeboxes provided? ☐ Yes ☐ No

- a. If yes, indicate how many: _____ Amusement machines 0 Jukeboxes

- b. If yes, decal number(s): _____

9. Owner of the machines and/or jukeboxes:

Name: _____ Phone Number: _____

Address: _____

Hours of Operation

Day	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday	Sunday
Open (AM/PM)	11am	11am	11am	11am	11am	11am	11am
Close (AM/PM)	11pm	11pm	11pm	11pm	11pm	11pm	11pm

Admission and/or Membership Fees

10. Will minors be allowed on the premises? ☒ Yes ☐ No

11. Will the premises be open to the general public? ☒ Yes ☐ No

12. Will an admission fee be charged? ☐ Yes ☒ No

a. If yes, describe the fee schedule: _____

13. Is there a private area for exclusive use of members and their guests only? ☐ Yes ☒ No

a. If yes, types of membership fees: _____

14. Will guests of members pay an admission fee or other charges? ☐ Yes ☒ No

a. If yes, describe the fee schedule and other charges: _____

Proximity of Businesses and Residences

15. Are there surrounding businesses? ☒ Yes ☐ No

a. If yes, what type(s)? Graham Stanley & Assoc., Masterworks Construction, Ore Origine

16. Are there surrounding residences? ☒ Yes ☐ No

a. If yes, approximately how close: 100 feet

Parking Facilities and Arrangements

17. Is parking available? ☐ Yes ☒ No

a. If yes, how many parking spaces? _____

b. If no, what is the street address of the off-premises parking facility?

1322 Obispo Ave Long Beach CA 90804

18. Days and hours parking facility will be available:

Day	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday	Sunday
Open (AM/PM)	10am	10am	10am	10am	10am	10am	10am
Close (AM/PM)	12pm	12pm	12pm	12pm	12pm	12pm	12pm

Security

19. Will security guards be provided? ☒ Yes ☐ No

a. If yes, number of security guards: 2 During Events

20. Is there any other type of security provided? ☒ Yes ☐ No

a. If yes, describe type of security: Security Cameras Throughout Building Both Interior & Exterior

Days and hours security guards or other security will be provided (fill out completely):

[illegible]

21. Will a private security firm be used? ☐ Yes ☐ No

a. If yes, provide the following information of the contracted security firm:

Name: Green Knight Security Services City Business License No.: License Pending

Address: 3655 Torrance Blvd. 3rd Floor Torrance, CA 90503

Phone: Bill Burck (310)947-5275 Email: wburck.knightpro@gmail.com

Provide a list of all members with access to the surveillance camera system to be used:

Provide a detailed description of the security plan for the proposed business during the scheduled hours of entertainment (Attach additional pages if necessary):

Section H – Proposed Entertainment Activities & Schedule

Entertainment - Restaurant ☒ Entertainment – Tavern (bar) ☐ Entertainment - Other ☐

Proposed Entertainment Activity:

Outdoor Entertainment?	<input checked="" type="checkbox"/>	Y	<input type="checkbox"/>	N
Dancing by patrons, guests, customers, participants, attendees?	<input checked="" type="checkbox"/>	Y	<input type="checkbox"/>	N
Dancing by performers?	<input checked="" type="checkbox"/>	Y	<input type="checkbox"/>	N
Live music by more than two (2) performers?	<input checked="" type="checkbox"/>	Y	<input type="checkbox"/>	N
Amplified music (live)?	<input checked="" type="checkbox"/>	Y	<input type="checkbox"/>	N
Amplified music (recorded)?	<input checked="" type="checkbox"/>	Y	<input type="checkbox"/>	N
Disc Jockey?	<input type="checkbox"/>	Y	<input checked="" type="checkbox"/>	N
Karaoke?	<input type="checkbox"/>	Y	<input checked="" type="checkbox"/>	N
Adult Entertainment as defined by LBMC Section 21.15.110?	<input type="checkbox"/>	Y	<input checked="" type="checkbox"/>	N
Adult Entertainment as defined by LBMC Section 5.72.115 (B)?	<input type="checkbox"/>	Y	<input checked="" type="checkbox"/>	N
Will the establishment serve as a family pool/billiard hall as provided in Section 5.69.090 of the LBMC?	<input type="checkbox"/>	Y	<input checked="" type="checkbox"/>	N
Any other type of entertainment not listed above?	<input type="checkbox"/>	Y	<input checked="" type="checkbox"/>	N

If yes, briefly describe the entertainment activity: _____

Describe entertainment by performers: _____

Dance Floor? ☐ Yes ☒ No Stage? ☒ Yes ☐ No

If yes, provide dimensions of dance floor L _____ x W _____ = _____ sq ft

If yes, provide dimensions of stage L 16'-6" x W 11'-3 1/2" = 186 sq ft

Describe floor material and surface type: Polished Concrete Floor Throughout.

Proposed Entertainment Schedule:

Please provide the days and times of the week that you would like to have entertainment at your establishment. Please fill out completely. If you do not wish to have entertainment on a certain day, mark N/A.

Day	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday	Sunday
Start Time (AM/PM)	11am	11am	11am	11am	11am	11am	11am
End Time (AM/PM)	9pm	9pm	9pm	9pm	9pm	9pm	9pm

Section I – Declarations

1. I hereby declare that I am authorized to submit this application on behalf of the entity listed on the application because I am an owner of the entity or because I have authority from the owner.
2. I acknowledge that any false, misleading, or fraudulent statement of material fact in this application by an agent of an owner, or an owner, will be held against the owner and is grounds for denial of this application, or suspension or revocation of the license and permit associated with this application.
3. I hereby declare that I have read and understand all the laws, rules and regulations, and policies and procedures associated with my application; and that I fully understand the nature, meaning, and content of such laws, rules, and policies. I warrant and represent that I will abide by such laws, rules, and policies during the application process after my license is issued by the City.
4. I hereby declare that I have conducted my own research and investigation regarding the compliance of my proposed location with state and local laws, including, but not limited to, location requirements, zoning regulations, and address requirements. I further declare that the proposed location of the entertainment permit fully complies with applicable state and local law.
5. I acknowledge that any promise, representation, or any other statement made to me by any agent or employee of the City that is not contained within this application is null, void, and unenforceable and that I am not relying on any such promise, representation, or statement.
6. I acknowledge the City will review this application for compliance with applicable laws, regulations, and ordinances, and that my application may be denied as allowed by laws, rule, or policies of the City.
7. I acknowledge that this application does not confer an entitlement or a vested right to receive a license and/or permit, and I acknowledge that I must qualify for, and obtain, a license or license status that I am seeking prior to operating or otherwise claiming that I have any such right to a license or to operate.
8. I hereby declare that I have read this acknowledgement and advisement, that I have had the opportunity to consult with, and be represented by, legal counsel of my own choice prior to the execution and submission of this application, and that I am knowingly and voluntarily submitting my application in compliance with this acknowledgement and advisement and all applicable laws.
9. I acknowledge that I am jointly and severally liable for any and all taxes, fees, and charges associated with the license.
10. I hereby declare the information contained within and attached to this application is complete, true, and accurate. I understand any false, misleading or fraudulent statement of material fact is cause for rejection of this application, denial of the license, or revocation of an issued license.
11. I consent for the City of Long Beach, by and through its appropriate officers, agents, and employees to verify and confirm the information contained in this application, and to conduct such other investigations as may be reasonably required by the City of Long Beach, its officers, agents, and employees for the purpose of determining the capability, fitness, and capacity of the applicant to obtain the entertainment permit.

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

Print Name: Michael Grunwald	Signature: 	Date: 11-19-20
Print Name:	Signature:	Date:
Print Name:	Signature:	Date:



CITY OF LONG BEACH
 DEPARTMENT OF FINANCIAL MANAGEMENT
 BUSINESS SERVICES BUREAU
 BUSINESS LICENSE SECTION

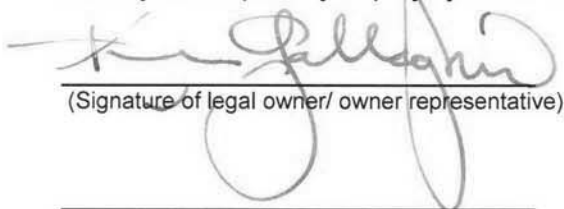
411 W. Ocean Boulevard, 2nd Floor • Long Beach, CA 90802 • (562) 570-6211 FAX (562) 499-1097 • Email: LBBIZ@LongBeach.Gov

**PROPERTY OWNER CONSENT AND AUTHORIZATION
 OF ENTERTAINMENT ACTIVITIES**

I, Ken Gallagher, declare under penalty of perjury that:
 (Name of Property Owner/ Authorized Representative)

1. I am the Property Owner of record, or the duly authorized representative of the Property Owner, for the real Property located at 1395 Coronado Ave Long Beach CA 90804 ("the Property").
2. The Property Owner acknowledges and consents to the business, Compound F&B LLC, conducting the proposed
 Tenant Applicant (Corporation/LLC/Partnership/Sole Owner)
 entertainment activities as indicated on Page 7 of the City of Long Beach Annual Entertainment Permit Application at the Property.
3. No person shall engage in any entertainment activities on the proposed Property without all licenses and permits required by the Long Beach Municipal Code (LBMC) while an entertainment application is pending.
4. The City of Long Beach may enter the property to conduct inspections of the Property during the application process in order to thoroughly investigate whether an entertainment permit should be granted.
5. I have read, understand, and will ensure compliance with the terms of LBMC Chapter 5.72 ("Entertainment and Similar Activities"), as applicable. I further understand that as the legal owner of the property, I am responsible for any violation and nuisance activity which may occur at the above-mentioned property.

I certify under penalty of perjury under the laws of the State of California that the foregoing is true and correct.


 (Signature of legal owner/ owner representative)

Ken Gallagher

(Printed Name & Title)

12-15-2020

(Date)

 (Signature of legal owner/ owner representative)

 (Printed Name & Title)

 (Date)

 (Signature of legal owner/ owner representative)

 (Printed Name & Title)

 (Date)

***This authorization form will not be valid without notarization. The authorization form automatically expires upon sale or transfer of the property to a new legal owner. If sale or transfer of the property occurs prior to the applicant obtaining an entertainment permit, the applicant must resubmit this notarized form with approval of the new legal owner of the property.**

CALIFORNIA ALL-PURPOSE CERTIFICATE OF ACKNOWLEDGMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California

County of Los Angeles

On December 15, 2020 before me, Lisa Mendoza, Notary Public,
(Here insert name and title of the officer)

personally appeared Kenny Gallagher

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature of Notary Public

(Notary Seal)



ADDITIONAL OPTIONAL INFORMATION

DESCRIPTION OF THE ATTACHED DOCUMENT

Property owner consent and
(Title or description of attached document)

authorization
(Title or description of attached document continued)

Number of Pages 01 Document Date 7/5/2020

(Additional information)

CAPACITY CLAIMED BY THE SIGNER

- ☒ Individual (s)
☐ Corporate Officer

- (Title)
☐ Partner(s)
☐ Attorney-in-Fact
☐ Trustee(s)
☐ Other _____

INSTRUCTIONS FOR COMPLETING THIS FORM

Any acknowledgment completed in California must contain verbiage exactly as appears above in the notary section or a separate acknowledgment form must be properly completed and attached to that document. The only exception is if a document is to be recorded outside of California. In such instances, any alternative acknowledgment verbiage as may be printed on such a document so long as the verbiage does not require the notary to do something that is illegal for a notary in California (i.e. certifying the authorized capacity of the signer). Please check the document carefully for proper notarial wording and attach this form if required.

- State and County information must be the State and County where the document signer(s) personally appeared before the notary public for acknowledgment.
- Date of notarization must be the date that the signer(s) personally appeared which must also be the same date the acknowledgment is completed.
- The notary public must print his or her name as it appears within his or her commission followed by a comma and then your title (notary public).
- Print the name(s) of document signer(s) who personally appear at the time of notarization.
- Indicate the correct singular or plural forms by crossing off incorrect forms (i.e. he/she/they- is /are) or circling the correct forms. Failure to correctly indicate this information may lead to rejection of document recording.
- The notary seal impression must be clear and photographically reproducible. Impression must not cover text or lines. If seal impression smudges, re-seal if a sufficient area permits, otherwise complete a different acknowledgment form.
- Signature of the notary public must match the signature on file with the office of the county clerk.
 - ❖ Additional information is not required but could help to ensure this acknowledgment is not misused or attached to a different document.
 - ❖ Indicate title or type of attached document, number of pages and date.
 - ❖ Indicate the capacity claimed by the signer. If the claimed capacity is a corporate officer, indicate the title (i.e. CEO, CFO, Secretary).
- Securely attach this document to the signed document

DISPLAY CONSPICUOUSLY AT PLACE OF BUSINESS FOR WHICH ISSUED

CALIFORNIA DEPARTMENT OF TAX AND FEE ADMINISTRATION

SELLER'S PERMIT

December 10, 2020

ACCOUNT NUMBER

256943168 - 00001



Office of Control:
Glendale Office

COMPOUND F&B LLC
1395 CORONADO AVE
LONG BEACH CA 90804-2806

*NOTICE TO PERMITTEE:
You are required to obey all
Federal and State laws that
regulate or control your
business. This permit does
not allow you to do
otherwise.*

IS HEREBY AUTHORIZED PURSUANT TO SALES AND USE TAX LAW TO ENGAGE IN THE BUSINESS OF SELLING TANGIBLE PERSONAL PROPERTY AT THE ABOVE LOCATION. THIS PERMIT IS VALID ONLY AT THE ABOVE ADDRESS.

THIS PERMIT IS VALID UNTIL REVOKED OR CANCELED AND IS NOT TRANSFERABLE. IF YOU SELL YOUR BUSINESS OR DROP OUT OF A PARTNERSHIP, NOTIFY US OR YOU COULD BE RESPONSIBLE FOR SALES AND USE TAXES OWED BY THE NEW OPERATOR OF THE BUSINESS.

Not valid at any other address

**For general tax questions, please call our Customer Service Center at 1-800-400-7115 (TTY:711).
For information on your rights, contact the Taxpayers' Rights Advocate Office at 1-888-324-2798 or 1-916-324-2798.**

CDTFA-442-R REV. 18 (5-18)

A MESSAGE TO OUR NEW PERMIT HOLDER

As a seller, you have rights and responsibilities under the Sales and Use Tax Law. In order to assist you in your endeavor and to better understand the law, we offer the following sources of help:

- Visiting our website at www.cdtfa.ca.gov
- Visiting an office
- Attending a Basic Sales and Use Tax Law class offered at one of our offices
- Sending your questions in writing to any one of our offices
- Calling our toll-free Customer Service Center at 1-800-400-7115 (TTY:711)

As a seller, you have the right to issue resale certificates for merchandise that you intend to resell. You also have the responsibility of not misusing resale certificates. While the sales tax is imposed upon the retailer,

- You have the right to seek reimbursement of the tax from your customer
- You are responsible for filing and paying your sales and use tax returns timely
- You have the right to be treated in a fair and equitable manner by the employees of the California Department of Tax and Fee Administration (CDTFA)
- You are responsible for following the regulations set forth by the CDTFA

As a seller, you are expected to maintain the normal books and records of a prudent businessperson. You are required to maintain these books and records for no less than four years, and make them available for inspection by a CDTFA representative when requested. You are also required to know and charge the correct sales or use tax rate, including any local and district taxes. The tax rate applicable to your sales or use may not necessarily correspond to the tax rate of your business address displayed on this permit. You are also expected to notify us if you are buying, selling, adding a location, or discontinuing your business, adding or dropping a partner, officer, or member, or when you are moving any or all of your business locations. If it becomes necessary to surrender this permit, you should only do so by mailing it to a CDTFA office, or giving it to a CDTFA representative.

If you would like to know more about your rights as a taxpayer, or if you are unable to resolve an issue with CDTFA, please contact the Taxpayers' Rights Advocate Office for help by calling toll-free, 1-888-324-2798 or 1-916-324-2798. Their fax number is 1-916-323-3319.

Please post this permit at the address for which it was issued and at a location visible to your customers.

California Department of Tax and Fee Administration

Business Tax and Fee Division



Report Date: Wednesday, December 02, 2020

LICENSE INFORMATION**License Number:**

614602

Primary Owner:

COMPOUND F&B LLC

Office of Application:

03 - LB/LAKEWOOD

BUSINESS ADDRESS

1395 CORONADO AVE , LONG BEACH, CA, 90804

County:

LOS ANGELES

Census Tract:5751.03

LICENSEE INFORMATION**Licensee:**

COMPOUND F&B LLC

Company Information

OFFICER: GRUNWALD, MICHAEL SCOTT (MANAGER)

OFFICER: GRUNWALD, MICHAEL SCOTT (MEMBER)

OFFICER: COMPOUND INVESTMENT TRUST DATED
JANUARY 8, 2020 (MEMBER)

MEMBER: GRUNWALD, MICHAEL SCOTT

MEMBER: COMPOUND INVESTMENT TRUST DATED
JANUARY 8, 2020

LICENSE TYPES**47 - ON-SALE GENERAL EATING PLACE****License Type Status:**

PENDING

Status Date:

29-JAN-2020

Term:

12 Month(s)

Original Issue Date:**Expiration Date:****Master:****Duplicate:****Fee Code:**

Y

68 - PORTABLE BAR**License Type Status:**

PENDING

Status Date:

29-JAN-2020

Term:

12 Month(s)

Original Issue Date:**Expiration Date:****Master:****Duplicate:****Fee Code:**

N

1

Transfers:

P40

From License Number: 47-
546573

Transfers:

P40

From License Number: 47-
546573

OPERATING RESTRICTIONS:

No Operating Restrictions found

DISCIPLINARY ACTION:

No Active Disciplinary Action found

DISCIPLINARY HISTORY:

No Disciplinary History found.

HOLDS:**Hold Type:**

FORM 220

Hold Date:

31-JAN-2020

Hold Type:

BOARD OF EQUALIZATION
HOLD

Hold Date:

11-FEB-2020

ESCROWS:

ABC ESCROW, 2222 DAMON ST LOS
ANGELES,CALIFORNIA 90021

This page is part of your document - DO NOT DISCARD



20200679534



Pages:
0008

Recorded/Filed in Official Records
Recorder's Office, Los Angeles County,
California

06/22/20 AT 01:46PM

FEES:	38.00
TAXES:	0.00
OTHER:	0.00
SB2:	75.00
PAID:	113.00



LEADSHEET



202006220190065

00018414591



010863827

SEQ:
01

SECURE - Daily



THIS FORM IS NOT TO BE DUPLICATED

RECORDING REQUESTED BY
AND WHEN RECORDED MAIL TO:

City of Long Beach
333 W. Ocean Blvd., 3rd Floor
Long Beach, California 90802
Attn: Marcos Lopez, Jr.

SPACE ABOVE THIS LINE FOR RECORDER'S USE

COVENANT
(OFFSITE PARKING)

In consideration of the matters set forth herein, and for other valuable consideration, receipt of which is hereby acknowledged, the undersigned covenantor hereby certifies that it is the owner of that certain real property located in the City of Long Beach, County of Los Angeles, State of California that is legally described on Exhibit A attached hereto (the "**Parking Site**").

1. Covenant; Term. Covenantor hereby irrevocably covenants, on behalf of itself and all of its successors and assigns, and agrees to provide at least eleven (11) off-site parking space(s) on the covenantor's above described property, as is legally described on Exhibit A, for the benefit of and use by the covenantee's building located at that certain real property described on Exhibit B attached hereto (the "**Benefited Property**") until the earliest to occur of any of the following (such date being the "**Termination Date**"): (i) such time that said parking requirements are met by alternative means, subject to the approval of the Director of Development Services or designee of the City of Long Beach; (ii) the City of Long Beach determines in writing that the offsite parking spaces covered by this covenant are no longer required by law; (iii) this covenant is otherwise released in writing by the Director of Development Services or designee of the City of Long Beach; (iv) the expiration or earlier termination of that certain Standard Industrial/Commercial Single-Tenant Lease – Net, dated March 5, 2018, by and between Maitlen & Benson, Inc., as Lessor, and as assigned to Compound LB LLC, as Lessee, relating to the premises as described therein and commonly known as 1395 Coronado Avenue, Long Beach, California; or (v) the expiration or earlier termination of that certain Standard Industrial/Commercial Single-Tenant Lease – Gross, dated November 5, 2018, by and between Paul R. Sahlin, as Lessor, and as assigned to Compound LB LLC, as Lessee, relating to the premises as described therein and commonly known as 1322 – 1326 Obispo Avenue, Long Beach, California. Upon the first to occur of one of the foregoing events triggering the Termination Date, the parties hereto, or their respective successors or assigns, shall execute, within thirty (30) days of request therefore, a Termination of Covenant in recordable form acknowledging termination of this Covenant, to the reasonable satisfaction of the Director of Development Services or designee of the City of Long Beach. Covenantor further covenants and agrees that the Benefitted Property shall have access to such parking space(s) at all such times as covenantee is operating under that certain Conditional Use Permit issued by the City of Long Beach (Application No. 1910-25 (CUP 19-040 and SPR 20-004).

2. Recording. This covenant shall be recorded in the Official Real Property Records of Los Angeles County, California.

3. Runs With the Land. Subject to the term of this covenant set forth in Section 1, above, this covenant and agreement shall run with both the covenantor(s) and covenantee(s) above described land, shall be binding upon the covenantor, the covenantor's future owners, encumbrances, and their successors, heirs, or assignees for the benefit of the covenantee and the covenantee's future owners, encumbrances, and their successors, heirs, or assignees and shall continue in effect until the Termination Date.

4. No Partnership. None of the terms or provisions of the covenant shall be deemed to create a partnership between the parties in the respective businesses or otherwise, nor shall it cause them to be considered joint venturers or members of any joint enterprise.

5. Counterparts. This covenant may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

[Remainder of Page Intentionally Left Blank; Signature Page Follows]

The undersigned have executed this Covenant as of APRIL 30, 2020,
2020.

COVENANTOR:

**THE PAUL R. SAHLIN SEPARATE PROPERTY
TRUST DATED APRIL 19, 1999**

By: Paul R. Sahlin
Name: PAUL R SAHLIN
Title: TRUSTEE, Paul R Sahlin separate prop
trust

COVENANTEE:

**MAITLEN & BENSON, INC.,
a California corporation**

By: Ken Gallagher
Name: KEN GALLAGHER
Title: PRESIDENT

Please see attached for
CA. Civil Code
Section 1189 compliant
Acknowledgement

EXHIBIT A

LEGAL DESCRIPTION OF PARKING SITE

The real property is located in the City of Long Beach, State of California, County of Los Angeles and is described as follows:

Lots 13, 14, 15, 16, 17, 18, of The Alpha Tract, in the City of Long Beach, County of Los Angeles, State of California, as per map recorded in Book 6, Page 91 of Maps, in the Office of the County Recorder of said county.

APN: 7259-008-010.

Property Address: 1322-1326 Obispo Avenue, Long Beach, CA 90804.

EXHIBIT B

LEGAL DESCRIPTION OF BENEFITED PROPERTY

The real property is located in the City of Long Beach, State of California, County of Los Angeles and is described as follows:

Lots 19, 20, 21 and 22, of The Alpha Tract, in the City of Long Beach, County of Los Angeles, State of California, as per map recorded in Book 6, Page 91 of Maps, in the Office of the County Recorder of said county.

APN: 7259-008-011.

Property Address: 1395 Coronado Avenue, Long Beach, CA 90804.

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California)
County of Los Angeles)

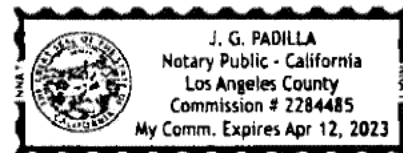
On April 30, 2020, before me, J. G. Padilla,
(insert name and title of the officer)

Notary Public, personally appeared Paul Richard Sahlin,
who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are
subscribed to the within instrument and acknowledged to me that he/she/they executed the same
in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument
the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

**I certify under PENALTY OF PERJURY under the laws of the State of California
that the foregoing paragraph is true and correct.**

WITNESS my hand and official seal.

Signature J. G. Padilla



(Seal)

CALIFORNIA ALL-PURPOSE CERTIFICATE OF ACKNOWLEDGMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California

County of Los Angeles

On May 08, 2020 before me, Lisa Mendoza, Notary Public,
(Here insert name and title of the officer)

personally appeared Kenny Gallagher

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature of Notary Public

(Notary Seal)



ADDITIONAL OPTIONAL INFORMATION

DESCRIPTION OF THE ATTACHED DOCUMENT

Covenant (off-site parking)
(Title or description of attached document)

(Title or description of attached document continued)

Number of Pages 05 Document Date 05/08/2020

(Additional information)

CAPACITY CLAIMED BY THE SIGNER

- ☐ Individual(s)
☒ Corporate Officer
President
(Title)
☐ Partner(s)
☐ Attorney-in-Fact
☐ Trustee(s)
☐ Other _____

INSTRUCTIONS FOR COMPLETING THIS FORM

Any acknowledgment completed in California must contain verbiage exactly as appears above in the notary section or a separate acknowledgment form must be properly completed and attached to that document. The only exception is if a document is to be recorded outside of California. In such instances, any alternative acknowledgment verbiage as may be printed on such a document so long as the verbiage does not require the notary to do something that is illegal for a notary in California (i.e. certifying the authorized capacity of the signer). Please check the document carefully for proper notarial wording and attach this form if required.

- State and County information must be the State and County where the document signer(s) personally appeared before the notary public for acknowledgment.
- Date of notarization must be the date that the signer(s) personally appeared which must also be the same date the acknowledgment is completed.
- The notary public must print his or her name as it appears within his or her commission followed by a comma and then your title (notary public).
- Print the name(s) of document signer(s) who personally appear at the time of notarization.
- Indicate the correct singular or plural forms by crossing off incorrect forms (i.e. ~~he/she/they~~, is /are) or circling the correct forms. Failure to correctly indicate this information may lead to rejection of document recording.
- The notary seal impression must be clear and photographically reproducible. Impression must not cover text or lines. If seal impression smudges, re-seal if a sufficient area permits, otherwise complete a different acknowledgment form.
- Signature of the notary public must match the signature on file with the office of the county clerk.
 - ❖ Additional information is not required but could help to ensure this acknowledgment is not misused or attached to a different document.
 - ❖ Indicate title or type of attached document, number of pages and date.
 - ❖ Indicate the capacity claimed by the signer. If the claimed capacity is a corporate officer, indicate the title (i.e. CEO, CFO, Secretary).
- Securely attach this document to the signed document



Secretary of State
Statement of Information
(Limited Liability Company)

LLC-12

20-B15800

FILED

In the office of the Secretary of State
of the State of California

MAR 09, 2020

IMPORTANT — Read instructions **before completing this form.**

Filing Fee – \$20.00

Copy Fees – First page \$1.00; each attachment page \$0.50;
Certification Fee - \$5.00 plus copy fees

This Space For Office Use Only

1. Limited Liability Company Name (Enter the exact name of the LLC. If you registered in California using an alternate name, see instructions.)

COMPOUND F&B LLC

2. 12-Digit Secretary of State File Number

3. State, Foreign Country or Place of Organization (only if formed outside of California)
CALIFORNIA

4. Business Addresses

a. Street Address of Principal Office - Do not list a P.O. Box

1395 CORONADO AVENUE

City (no abbreviations)

LONG BEACH

State

CA

Zip Code

90804

b. Mailing Address of LLC, if different than item 4a

PO BOX 492268

City (no abbreviations)

LOS ANGELES

State

CA

Zip Code

90049

c. Street Address of California Office, if Item 4a is not in California - Do not list a P.O. Box

1395 CORONADO AVENUE

City (no abbreviations)

LONG BEACH

State

CA

Zip Code

90804

5. Manager(s) or Member(s)

If no **managers** have been appointed or elected, provide the name and address of each **member**. At least one name **and** address must be listed. If the manager/member is an individual, complete Items 5a and 5c (leave Item 5b blank). If the manager/member is an entity, complete Items 5b and 5c (leave Item 5a blank). Note: The LLC cannot serve as its own manager or member. If the LLC has additional managers/members, enter the name(s) and addresses on Form LLC-12A (see instructions).

a. First Name, if an individual - Do not complete Item 5b

MICHAEL

Middle Name

Last Name

GRUNWALD

Suffix

b. Entity Name - Do not complete Item 5a

c. Address

1395 CORONADO AVENUE

City (no abbreviations)

LONG BEACH

State

CA

Zip Code

90804

6. Service of Process (Must provide either Individual **OR** Corporation.)

INDIVIDUAL – Complete Items 6a and 6b only. Must include agent's full name and California street address.

a. California Agent's First Name (if agent is **not** a corporation)

Middle Name

Last Name

Suffix

b. Street Address (if agent is **not** a corporation) - **Do not enter a P.O. Box**

City (no abbreviations)

State

CA

Zip Code

CORPORATION – Complete Item 6c only. Only include the name of the registered agent Corporation.

c. California Registered Corporate Agent's Name (if agent is a corporation) – Do not complete Item 6a or 6b

NATIONAL REGISTERED AGENTS, INC. (C1941323)

7. Type of Business

a. Describe the type of business or services of the Limited Liability Company

FOOD AND BEVERAGE

8. Chief Executive Officer, if elected or appointed

a. First Name

Middle Name

Last Name

Suffix

b. Address

City (no abbreviations)

State

Zip Code

9. The information contained herein, including any attachments, is true and correct.

03/09/2020

MICHAEL GRUNWALD

MANAGER

Date

Type or Print Name of Person Completing the Form

Title

Signature

Return Address (Optional) (For communication from the Secretary of State related to this document, or if purchasing a copy of the filed document enter the name of a person or company and the mailing address. This information will become public when filed. SEE INSTRUCTIONS BEFORE COMPLETING.)

Name: []

Company:

Address:

City/State/Zip: []



California Secretary of State Electronic Certified Copy

I, ALEX PADILLA, Secretary of State of the State of California, hereby certify that the attached transcript of 1 page is a full, true and correct copy of the original record in the custody of the California Secretary of State's office.



IN WITNESS WHEREOF, I execute
this certificate and affix the Great
Seal of the State of California on
this day of December 06, 2019

A handwritten signature in black ink, reading "Alex Padilla".

ALEX PADILLA
Secretary of State

Verification Number: P8KA27
Entity (File) Number: 201934010242

To verify the issuance of this Certificate, use the Verification Number above
with the Secretary of State Electronic Verification Search available at
bizfile.sos.ca.gov





California Secretary of State Electronic Filing

FILED

Secretary of State
State of California

LLC Registration – Articles of Organization

Entity Name: Compound F&B LLC

Entity (File) Number: [REDACTED]

File Date: 12/03/2019

Entity Type: Domestic LLC

Jurisdiction: California

Detailed Filing Information

1. Entity Name: Compound F&B LLC
2. Business Addresses:
 - a. Initial Street Address of Designated Office in California: 1395 Coronado Avenue
Long Beach, California 90804
United States
 - b. Initial Mailing Address: P.O. BOX 492268
LOS ANGELES, California 90049
United States
3. Agent for Service of Process: NATIONAL REGISTERED AGENTS,
INC. (C1941323)
4. Management Structure: One Manager
5. Purpose Statement: The purpose of the limited liability company is to engage in any lawful act or activity for which a limited liability company may be organized under the California Revised Uniform Limited Liability Company Act.

Electronic Signature:

The organizer affirms the information contained herein is true and correct.

Organizer: Brian Glicklin, Esq.

Use bizfile.sos.ca.gov to verify the certified copy.

**LIMITED LIABILITY COMPANY
AMENDMENT AND RESTATEMENT OF
OPERATING AGREEMENT OF
COMPOUND F&B LLC ,
a California limited liability company**

THIS LIMITED LIABILITY COMPANY OPERATING AGREEMENT (this "Agreement") is made and entered into as of ~~February~~ March 5th, 2020, by and among the undersigned Members executing this Agreement as of the date hereof (collectively referred to as the "Members" or individually as a "Member"), with reference to the following facts:

A. Compound F&B LLC (the "Company"), has been formed pursuant to the provisions of the Act.

B. The Members do hereby adopt this Agreement as the operating agreement of the Company.

NOW, THEREFORE, in consideration of the covenants and the promises made herein, the parties hereto hereby agree as follows.

**ARTICLE I
ORGANIZATIONAL MATTERS**

1.1 General. The Company has been formed as a California limited liability company by the execution and filing of the Articles of Organization with the California Secretary of State in accordance with the Act, and the rights and liabilities of the Members shall be as provided in such Act, as may be modified in this Agreement. In the event of a conflict between the provisions of the Act and the provisions of this Agreement, the provisions of this Agreement shall prevail unless the Act specifically provides that an operating agreement may not change the provision in question.

1.2 Name and Addresses. The name of the Company is "**Compound F&B LLC** ." The principal office of the Company is at **1395 Coronado Avenue, Long Beach, CA 90804**, which location may be changed from time to time by the Manager.

1.3 Purpose. The primary purpose of the Company shall be to invest in, own, operate, and maintain an establishment that serves food and beverages (including alcoholic beverages) and its associated License, at the premises located at **1395 Coronado Avenue, Long Beach, CA 90804**, and to conduct such other lawful activities as are necessary and/or appropriate in connection with the foregoing.

1.4 Term of Company. The term of the Company shall commence as of the date the Articles for the Company were filed with the California Secretary of State, and shall continue in perpetuity unless terminated sooner as a result of the dissolution of the Company pursuant to ARTICLE XI or unless extended by the agreement of the Class A Member(s).

1.5 Manager. Subject to the provisions of ARTICLE V below, the business, property, and affairs of the Company shall initially be managed by **Michael Grunwald**.

1.6 Required Filings. The Manager shall cause to be executed, filed, recorded and/or published, such certificates and documents as may be required by this Agreement or by law in connection with the formation and operation of the Company.

1.7 Registered Agent. The name and address of the registered agent of the Company in the State of California is as provided in the Articles. The registered agent may be changed from time to time by the Manager by causing the filing of the name of the new registered agent in accordance with the Act.

1.8 Partnership Status. The Members intend that the Company be treated as a partnership for federal and state income tax purposes. Accordingly, this Agreement shall be construed in a manner that ensures the Company's classification as a partnership for federal and state income tax purposes at all times.

ARTICLE II DEFINITIONS

For purposes of this Agreement, the terms defined herein below shall have the following meaning unless the context clearly requires a different interpretation:

2.1 "Act" shall mean the California Revised Uniform Limited Liability Company Act, codified in the California Corporations Code, Section 17701.01 et seq., as may be amended from time to time.

2.2 "Adjusted Capital Account Deficit" shall mean, with respect to any Member, the deficit balance, if any, in such Member's Capital Account as of the end of the relevant fiscal year, after giving effect to the following adjustments:

(a) Credit to such Capital Account any amounts which such Member is deemed to be obligated to restore pursuant to the penultimate sentences of Treasury Regulations Section 1.704-2(g)(1) and 1.704-2(i)(5); and

(b) Debit to such Capital Account the items described in Sections 1.704-1(b)(2)(ii)(d)(4), 1.704-1(b)(ii)(d)(5) and 1.704-1(b)(2)(ii)(d)(6) of the Treasury Regulations.

(c) The foregoing definition of Adjusted Capital Account Deficit is intended to comply with the provisions of Section 1.704-1(b)(2)(ii)(d) of the Treasury Regulations and shall be interpreted consistently therewith.

2.3 "Agreement" shall mean this Limited Liability Company Operating Agreement of the Company.

2.4 "Affiliate" means, with respect to any Person, any other Person who, directly or indirectly (including through one or more intermediaries), controls, is controlled by, or is under common control with, such Person. For purposes of this definition, "control," when used with

respect to any specified Person, shall mean the power, direct or indirect, to direct or cause the direction of the management and policies of such Person, whether through ownership of voting securities or partnership or other ownership interests, by contract or otherwise; and the terms "controlling" and "controlled" shall have correlative meanings; provided, however, that the term "Affiliate" does not, when used with respect to a Member, include the Company

2.5 "Articles" shall mean the Articles of Organization of the Company as filed with the California Secretary of State, as the same may be amended from time to time.

2.6 "Capital Account" of a Member shall mean the capital account of that Member determined from the inception of the Company strictly in accordance with the rules set forth in Section 1.704-1(b)(2)(iv) of the Treasury Regulations if there is more than one Member. In accordance with that Section of the Treasury Regulations, a Member's Capital Account shall be equal to the amount of money contributed by the Member and the fair market value of any property contributed by the Member (net of liabilities secured by the property or to which the property is subject) increased by allocations of Net Income to the Member and decreased by (a) the amount of money distributed to the Member, (b) the fair market value of any property distributed to the Member by the Company (net of liabilities secured by the property or to which the property is subject), (c) the Member's share of expenditures of the Company described in Section 705(a)(2)(B) of the Code (including, for this purpose, losses which are nondeductible under Section 267(a)(1) or Section 707(b) of the Code) and (d) the Net Losses allocated to the Member. The Capital Account of a Member shall be further adjusted as required by Section 1.704-1(b)(2)(iv) of the Treasury Regulations. To the extent that anything contained herein shall be inconsistent with Section 1.704-1(b)(2)(iv) of the Treasury Regulations, the Treasury Regulations shall control.

2.7 "Capital Contribution" shall mean the contribution to the capital of the Company by each Member, as provided in Section 3.1 hereof.

2.8 "Class A Member" means any holder of Class A Units, solely to the extent of such person's Class A Units.

2.9 "Class A Unit" means a Unit issued by the Company to Members whereby such Unit has voting and consent rights as to Company matters as set forth herein. The Class A Units shall have no economic interest in the Company.

2.10 "Class B Member" means any holder of Class B Units, solely to the extent of such person's Class B Units.

2.11 "Class B Unit" means a Unit issued by the Company to Member(s) whereby such Unit has no voting rights as to Company matters and represent only an economic interest in the Company.

2.12 "Code" shall mean the Internal Revenue Code of 1986, as amended to date, or corresponding provisions of subsequent superseding revenue laws.

2.13 "Company" shall refer to the limited liability company created pursuant to the Articles as governed by this Agreement.

2.14 "Company Minimum Gain" with respect to any taxable year of the Company shall mean the "partnership minimum gain" of the Company computed strictly in accordance with the principles of Section 1.704-2(b)(2) of the Treasury Regulations.

2.15 "Distributable Cash" shall mean the amount of cash which the Manager deems available for distribution to the Members, taking into account all debts, liabilities, and obligations of the Company then due, and working capital and other amounts which the Manager deems necessary for the Company's business or to place into reserves for customary and usual claims with respect to such business.

2.16 "Distributions" shall mean any cash (or property, to the extent applicable) distributed to the Members arising from their ownership of Units.

2.17 "Economic Risk of Loss" shall mean the "economic risk of loss" within the meaning of Section 1.752-2 of the Treasury Regulations.

2.18 "Gross Asset Value" shall mean, with respect to any asset, the asset's adjusted basis for federal income tax purposes, except as follows:

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

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

(c) The Gross Asset Value of any Company asset distributed to any Member shall be adjusted to equal the gross fair market value of such asset on the date of distribution as determined by the distributee and the Manager, provided that if the distributee is the Manager, the determination of the fair market value of the distributed assets shall require the consent of all of the Class A Members; and

(d) The Gross Asset Value of Company assets shall be increased (or decreased) to reflect any adjustments to the adjusted basis of such assets pursuant to Code Section 734(b) or Code Section 743(b), but only to the extent that such adjustments are taken into account in determining Capital Accounts pursuant to Treasury Regulations Section 1.704-1(b)(2)(iv)(m); provided, however, that Gross Asset Values shall not be adjusted pursuant to this Section 2.18(d) to the extent the Manager determines that an adjustment pursuant to Section 2.18(b) hereof is necessary or appropriate in connection with a transaction that would otherwise result in an adjustment pursuant to this Section 2.18(d).

(e) If the Gross Asset Value of an asset has been determined or adjusted pursuant to Sections 2.18(a), (b) or (d) hereof, such Gross Asset Value shall thereafter be adjusted by the depreciation taken into account with respect to such asset for purposes of computing Net Income and Net Losses.

2.19 "License" shall mean a Type 47 On-Sale General Eating Place License issued by the California Department of Alcoholic Beverage Control.

2.20 "Management Agreement" means that certain Management Agreement between the Company and an Affiliate of the Class B Member relating to the management and operation of the business.

2.21 "Manager" shall mean the person serving as Manager, pursuant to Section 1.5 and ARTICLE V.

2.22 "Majority Vote" shall mean approval by the affirmative vote or written consent of at least fifty-one percent (51%) of the Class A Units. Class B Units have no voting or approval rights unless otherwise stated herein.

2.23 "Member" shall mean any person or entity admitted to the Company as a Member who has not ceased to be a Member; collectively both Class A Members and Class B Members.

2.24 "Member Nonrecourse Debt" shall mean liabilities of the Company treated as "partner nonrecourse debt" under Section 1.704-2(b)(4) of the Treasury Regulations.

2.25 "Member Nonrecourse Deductions" shall mean in any Company fiscal year, the Company deductions that are characterized as "partnership nonrecourse deductions" under Section 1.704-2(i)(2) of the Treasury Regulations.

2.26 "Net Income" and "Net Losses" shall mean the net income and net losses, respectively, of the Company as determined for federal income tax purposes; provided however, that the "book" value of an asset shall be substituted for its adjusted tax basis if the two differ, and provided that the following items shall be excluded from the computation of Net Income and Net Losses:

(a) Any gain or income specifically allocated under Section 4.4(c)(3), (4), or (5) hereof.

(b) Any Nonrecourse Deductions.

(c) Any Member Nonrecourse Deductions.

(d) "Nonrecourse Deductions" in any fiscal year means the amount of Company deductions that are characterized as "nonrecourse deductions" under Section 1.704-2(b)(1) of the Treasury Regulations.

2.27 "Nonrecourse Liabilities" shall mean the liabilities of the Company treated as "nonrecourse liabilities" under Section 1.752-1(a)(2) of the Treasury Regulations.

2.28 "Operating Expenses" shall mean the expenses, costs, and disbursements of the Company, including the expenses, costs, and disbursements that the Company shall pay in connection with the operation of the Company. The term Operating Expenses shall include, but shall not be limited to, the following expenses, costs, and disbursements relative to the operation of the Company or the ownership, operation, and management of the Company assets: taxes and assessments; reimbursements of any costs paid by and any fees paid to any Member; attorneys' fees; accounting fees; fees relating to the registration or qualification of the Company to do business in any jurisdiction deemed necessary or appropriate by the Manager; and fees for preparation of tax returns and audit expenses.

2.29 "Percentage Interest" shall mean with respect to each Member, the amount derived by dividing the number of Units owned by such Member by the total number of Units owned by all Members.

2.30 "Person" shall mean an individual, corporation, partnership, joint venture, limited liability company, governmental authority, unincorporated organization, trust, association, or other entity.

2.31 "Representative" shall mean, with respect to any and all directors, officers, employees, consultants, financial advisors, counsel, accountants, and other agents of such Person.

2.32 "Substituted Member" shall mean an assignee who shall become a Member pursuant to Sections 8.1 or 8.2.

2.33 "Treasury Regulations" shall mean the regulations of the United States Treasury Department pertaining to the Code, as amended, and any successor provision(s).

2.34 "Unit" shall represent a unit of measurement by which a Member's right to participate in Net Income, Net Losses and Distributions shall be determined (other than Distributions in liquidation as provided in Section 11.3 hereof); "Units" shall collectively refer to Class A Units and Class B Units that a Member may own.

ARTICLE III CAPITAL

3.1 Capital Contributions; Issuance of Units.

(a) Initial Contributions. Upon the execution of this Agreement, each Member shall contribute to the Company the assets specified opposite the Member's name on Exhibit "A", attached hereto and incorporated herein by this reference. In exchange for such Capital Contribution, each Member shall own the Class A Units or Class B Units and Percentage Interest in the Company as specified opposite the Member's name on Exhibit "A".

(b) Additional Contributions. Any additional cash requirements of the Company beyond those funded by the initial capital contributions of the Member are expected to be paid from Company income and, to the extent such income is inadequate, may be paid from loans from third parties or one or more of the Members that are arranged by the Manager. Except as expressly set forth in this Agreement, no Member shall be required to make additional contributions to the capital of the Company. However, one or more Members may make additional contributions to the capital of the Company with the consent of the Manager and the approval of a Majority Vote.

(1) Notwithstanding anything to the contrary in this Section 3.1, the Class B Member shall be required to fund, whether through payment of a capital contribution or otherwise, any and all Operating Expenses.

(2) Notwithstanding anything to the contrary in this Section 3.1, the Class B Member shall be required to fund, whether through payment of a capital contribution or otherwise, any and all expenses relating to the Company's application for and issuance of the License.

3.2 Loans to Company. Nothing in this Agreement shall prevent any Member or Manager from making secured or unsecured loans ("Member Loans") to the Company by a Majority Vote. In the event that Member Loans are made, the Member Loans will bear interest (compounded monthly on the first day of each calendar month) on the unpaid principal amount thereof from time to time remaining from the date advanced until repaid, at the lesser of (i) a rate equal to the prime rate published in the *Wall Street Journal* on the date of payment plus five percent (5.0%) per annum and (ii) the maximum rate permitted at law.

3.3 Interest. Except as otherwise set forth in this Agreement, no Member shall receive interest on its contribution to the capital of the Company.

3.4 Withdrawal and Return of Capital. Except as may be provided herein, no Member may withdraw any portion of the capital of the Company and no Member shall be entitled to the return of its contribution to the capital of the Company except on dissolution of the Company.

3.5 Capital Accounts.

(a) Member Capital Accounts. An individual Capital Account shall be maintained for each Member.

(b) Capital Account of Assignee. On any sale or transfer of any Units, the Capital Account of the transferor with respect to the Units transferred shall become the Capital Account of the assignee with respect to such Units, as such Capital Account existed at the effective date of the transfer of such Units.

(c) Deficit Capital Account. No Member shall have any liability to the Company, to any other Member, or to the creditors of the Company on account of any deficit Capital Account balance.

ARTICLE IV FINANCIAL

4.1 Accounting Method. The Company books shall be kept in accordance with generally accepted accounting principles.

4.2 Fiscal Year. The fiscal year of the Company shall end on December 31, unless the Manager determines that some other fiscal year would be more appropriate and obtain the consent of the Internal Revenue Service to use that other fiscal year.

4.3 Organizational Expenses of the Company. The Company shall pay or reimburse to the Manager and any Member any expenses (including legal and filing fees) incurred by such Manager or Member on behalf of the Company with respect to the formation and organization of the Company and the acquisition and management of Company assets.

4.4 Net Income, Net Losses and Distributions.

(a) Distributions.

(1) Distributions of Distributable Cash. Other than Distributions in liquidation as provided in Section 11.3, Distributable Cash shall be distributed at such other intervals as determined by the Manager to the Class B Members in proportion to their Percentage Interests.

(2) Tax Withholding. The Company may be required under applicable state or federal law to withhold on amounts distributed or allocated to a Member. Any withholding made by the Company and paid to any taxing authority with respect to allocations or distributions to any Member shall be deemed to be a distribution to the effected Member. In that event, the Manager may, but is not required to, either (i) make equivalent distributions to the Members who are not so affected or (ii) require that the affected Member(s) immediately contribute the amount of withholding to the Company.

(b) Allocations of Net Income, Net Losses and Nonrecourse Deductions. Subject to Sections 4.4(c) and 4.6 below, Net Income, Net Losses and Nonrecourse Deductions shall be allocated to the Members' Capital Accounts in accordance with this Section 4.4(b).

(1) Allocation of Net Income. The Net Income of the Company shall be allocated to the Members (i) first, in proportion to any prior Net Loss allocations until all prior Net Losses are recouped, and (ii) thereafter, to the Members in proportion to their Percentage Interests.

(2) Allocation of Net Losses. Net Losses shall be allocated first in accordance with the Member's positive Capital Accounts until the Members' Capital Accounts are reduced to zero, and thereafter in proportion to their Percentage Interests. However, if any losses are allocable in a year following an allocation of Net Income under Section 4.4(b)(1), Net Losses shall first be allocated in proportion to and in the reverse order of prior Net Income until the prior Net Income is recouped.

(3) Allocation of Nonrecourse Deductions. Nonrecourse Deductions shall be allocated among the Members in accordance with their Percentage Interests.

(c) Tax Allocations.

(1) 704 Allocations. In accordance with Code Section 704(c) and the Treasury Regulations thereunder, income, gain, loss, and deduction with respect to any property contributed to the capital of the Company shall, solely for tax purposes, be allocated among the Members so as to take account of the variation between the adjusted basis of such property to the Company for federal income tax purposes and its initial Gross Asset Value.

a) In the event the Gross Asset Value of any Company asset is adjusted due to a revaluation of Company assets under Treasury Regulations Section 1.704(b)(2)(iv)(f), subsequent allocations of income, gain, loss and deduction with respect to such asset shall take account of any variation between the adjusted basis of such asset for federal income tax purposes and its Gross Asset Value in the same manner as under Code Section 704(c) and the Treasury Regulations thereunder.

b) Any elections or other decisions relating to such allocations shall be made by the Manager in any manner that reasonably reflects the purpose and intention of this Agreement. Allocations pursuant to this Section 4.4(c)(1)b) are solely for purposes of federal, state, and local taxes and shall not affect, or in any way be taken into account in computing, any Member's Capital Account or share of Net Income, Net Losses, other items, or distributions pursuant to any provisions of this Agreement.

(2) Recapture. In the event that the Company has taxable income that is characterized as ordinary income under the recapture provisions of the Code, each Member's distributive share of taxable gain or loss from the sale of Company assets (to the extent possible) shall include a proportionate share of this recapture income equal to that Member's prior share of prior cumulative depreciation deductions with respect to the assets which gave rise to the recapture income.

(3) Minimum Gain Chargeback. Except as otherwise provided in Section 1.704-2(f) of the Treasury Regulations, in the event that there is a net decrease in the Company Minimum Gain during any taxable year, each Member shall be allocated items of income and gain for such year (and, if necessary, subsequent years) in an amount equal to such Member's share of the net decrease in such Company Minimum Gain during such year in accordance with Section 1.704-2(g) of the Treasury Regulations. This Section 4.4(c)(3) is intended to comply with the minimum gain chargeback requirement of Section 1.704-2(f) of the Treasury Regulations and shall be interpreted consistent therewith.

(4) Member Minimum Gain Chargeback. Except as otherwise provided in Section 1.704-2(i)(4) of the Treasury Regulations, in the event there is a net decrease in the minimum gain attributable to a Member Nonrecourse Debt during any taxable year, each Member with a share of such minimum gain shall be allocated income and gain for the year (and, if necessary, subsequent years) in accordance with Section 1.704-2(i) of the Treasury

Regulations. This Section 4.4(c)(4) is intended to comply with the chargeback requirement of Section 1.704-2(i)(4) of the Treasury Regulations and shall be interpreted consistent therewith.

(5) Qualified Income Offset. Any Member who unexpectedly receives an adjustment, allocation, or distribution described in subparagraphs (4), (5) or (6) of Section 1.704-1(b)(2)(ii)(d) of the Treasury Regulations, which adjustment, allocation or distribution creates or increases a deficit balance in that Member's Capital Account, shall be allocated items of "book" income and gain in an amount and manner sufficient to eliminate or to reduce the deficit balance in that Member's Capital Account so created or increased as quickly as possible in accordance with Section 1.704-1(b)(2)(ii)(d) of the Treasury Regulations and its requirements for a "qualified income offset." The Members intend that the provision set forth in this Section 4.4(c)(5) will constitute a "qualified income offset" as described in Section 1.704-1(b)(2)(ii)(d) of the Treasury Regulations and shall be interpreted consistent therewith.

(6) Member Nonrecourse Deductions. After the allocations of Net Losses and Nonrecourse Deductions, Member Nonrecourse Deductions shall be allocated between the Members as required in Section 1.704-2(i)(1) of the Treasury Regulations, in accordance with the manner in which the Member or Members bear the Economic Risk of Loss for the Member Nonrecourse Debt corresponding to the Member Nonrecourse Deductions, and if more than one Member bears such Economic Risk of Loss for a Member Nonrecourse Debt, the corresponding Member Nonrecourse Deductions must be allocated among such Members in accordance with the ratios in which the Members share the Economic Risk of Loss for the Member Nonrecourse Debt.

(7) Code Section 754 Adjustment. To the extent an adjustment to the adjusted tax basis of any Company asset pursuant to Code Section 734(b) or Code Section 743(b) is required, pursuant to Treasury Regulations Section 1.704-1(b)(2)(iv)(m)(2) or Treasury Regulations Section 1.704-1(b)(2)(iv)(m)(4), to be taken into account in determining Capital Accounts as a result of a distribution to a Member in complete liquidation of his or her interest, the amount of such adjustment to the Capital Accounts shall be treated as an item of gain (if the adjustment increases the basis of the asset) or loss (if the adjustment decreases such basis) and such gain or loss shall be specifically allocated to the Members in accordance with their interests in the Company in the event Treasury Regulations Section 1.704-1(b)(2)(iv)(m)(2) applies, or the Members to whom such distribution was made in the event that Treasury Regulations Section 1.704-1(b)(2)(iv)(m)(4) applies.

(8) Allocations Relating to Taxable Issuance of Company Interests. Any income, gain, loss, or deduction realized as a direct or indirect result of the issuance of an interest in the Company to a Member (the "issuance items") shall be allocated among the Members so that, to the extent possible, the net amount of such issuance items, together with all other allocations under this Agreement to each Member, shall be equal to the net amount that would have been allocated to each such Member if the issuance items had not been realized.

(d) Varying Interests. Where any Member's interest, or portion thereof, is acquired or transferred during a taxable year or for any other purpose requiring the determination of Net Income, Net Losses or any other items allocable to any period, the Manager may choose

to implement the provisions of Section 706(d) of the Code in allocating among the varying interests.

(e) Treatment of Distributions from Sales or Financings. To the extent permitted by Treasury Regulations Section 1.704-2(h)(3), the Manager shall endeavor not to treat distributions of net cash from operations or net cash from sales that are capital in nature or financings as having been made from the proceeds of a Nonrecourse Liability or a Member Nonrecourse Debt.

(f) Consent of Member. The Members are aware of the income tax consequences of the methods, hereinabove set forth, by which Net Income, Net Losses and Distributions are allocated and distributed and hereby agree to be bound by them in reporting them for income tax purposes. The Members hereby expressly consent to such provisions as an express condition of becoming a Member.

4.5 Curative Allocations. The allocations set forth in Sections 4.4(c)(3), (4), (5), (6) and (7) hereof and the allocations of Nonrecourse Deductions in Section 4.4(b)(3) (the "Regulatory Allocations") are intended to comply with certain requirements of the Treasury Regulations. It is the intent of the Members (if there is more than one Member) that, to the extent possible, all Regulatory Allocations shall be offset either with other Regulatory Allocations or with special allocations of other items of Company income, gain, loss, or deduction pursuant to this Section 4.5. Therefore, notwithstanding any other provision of this ARTICLE IV (other than the Regulatory Allocations), the Manager shall make such offsetting special allocations of Company income, gain, loss or deduction in whatever manner he determines appropriate so that, after such offsetting allocations are made, each Member's Capital Account balance is, to the extent possible, equal to the Capital Account balance such Member would have had if the Regulatory Allocations were not part of the Agreement and all Company items were allocated pursuant to Section 4.4(b). In exercising their discretion under this Section 4.5, the Manager shall take into account future Regulatory Allocations under Sections 4.4(c)(3) and (4) that, although not yet made, are likely to offset Regulatory Allocations made under Section 4.4(b)(3) and Section 4.4(c)(6).

4.6 Loss Limitation. Losses allocated pursuant to Section 4.4(b) hereof shall not exceed the maximum amount of Losses that can be allocated without causing any Member to have an Adjusted Capital Account Deficit at the end of any fiscal year. In the event some but not all of the Members would have Adjusted Capital Account Deficits as a consequence of an allocation of Losses pursuant to Section 4.4(b) hereof, the limitations set forth in this Section 4.6 shall be applied on a Member by Member basis and Losses not allocable to any Member as a result of such limitation shall be allocated to the other Members in accordance with the positive balances in such Member's Capital Accounts so as to allocate the maximum permissible Losses to each Member under Treasury Regulations Section 1.704(b)(2)(ii)(d).

4.7 Tax Elections. The Manager shall, with the prior consent of a Majority Vote, make any and all necessary or desirable elections for federal, state and local tax purposes including, without limitation, any election, if permitted by applicable law, to adjust the basis of Company property pursuant to Code Sections 754, 734(b) and 743(b), or comparable provisions of state or local law, in connection with transfers of interests in the Company and Distributions.

ARTICLE V MANAGEMENT

5.1 Management of the Company. Subject to the provisions of this Agreement relating to actions required to be approved by the Class A Members, the business and affairs of the Company shall be managed, operated, and controlled by or under the direction of the Manager, and the Manager shall have, and is hereby granted, the full, complete and exclusive power, authority and discretion for, on behalf of and in the name of the Company, to take such actions as it may in its sole discretion deem necessary or advisable to carry out any and all of the objectives and purposes of the Company. Except as otherwise set forth in this Agreement, the Manager shall have all authority, rights and powers conferred by law and those necessary or appropriate to carry out the purposes of the Company as set forth in Section 1.3 hereof, and all such authority, rights and powers shall be exercised by or under the direction of the Manager.

5.2 Election of Managers.

(a) Tenure. Unless a Manager resigns, dies, is removed, or becomes incapacitated, such Manager shall hold office until a successor shall have been elected and qualified.

(b) Qualifications of Managers. A Manager must be a natural person but need not be a Member, a resident of the State of California, or a citizen of the United States.

(c) Resignation. A Manager may resign at any time by giving written notice to the Member(s). The resignation of a Manager who is also a Member shall not affect the Manager's rights as a Member (except as otherwise set forth herein) and shall not constitute a withdrawal of that Member.

(d) Removal. The Class A Member may remove the Manager by delivering written notice to the Class B Member, upon any of the following:

(1) any allegation of, or final determination by a court of competent jurisdiction or a government body, or an admission or plea of nolo contendere by the Class B Member of: fraud, gross negligence, willful misconduct, violation of criminal law, or breach of fiduciary duty;

(2) any allegation of, or final determination by a court of competent jurisdiction or a government body, conviction, or an admission or plea of nolo contendere by the Manager of: fraud, gross negligence, willful misconduct, violation of criminal law, or breach of fiduciary duty;

(3) the failure of the Company to maintain the License and/or any other required permit or license required under applicable law;

(4) the termination or cancellation of the Management Agreement;

(5) the termination or cancellation of the lease between the Company and the landlord (or any Affiliate of the landlord or sublandlord) of the premises at which the Company operates its business;

(6) any zoning or other changes in legal requirements that terminate or materially alter the permitted use of the Company's business at the premises at which the Company operates its business;

(7) the bankruptcy (including, without limitation, the filing of an application by such Person for, or consent to, the appointment of a trustee of such Person's assets) of the Class B Member or Manager;

(8) a breach of any material covenant, duty, or obligation under this Agreement by the Class B Member or Manager that remains uncured for fifteen (15) days after written notice of such breach was received by the Manager and/or Class B Member; or

(9) the Incapacity (as defined below) of the Manager.

Upon the Manager's removal, the Class A Member shall appoint, by a Majority Vote, another Person (who may be an Affiliate of the Class A Member) to manage the operations of the Company. The removal of a Manager who is also a Member shall not affect the Manager's rights as a Member and shall not constitute a withdrawal of that Member.

(e) Replacement Managers; Vacancy. If any Manager is removed or becomes unable to act as a Manager by reason of resignation, death, or Incapacity, a replacement Manager shall be appointed by a Majority Vote.

(f) Incapacity to Manage. For purposes of this Agreement, "Incapacity", means, with respect to an individual, the adjudication of such individual by a court of competent jurisdiction as insane (or similarly of unsound mind) or incompetent to manage such individual's person or property.

5.3 Responsibilities of the Manager. The Manager shall devote such time to administering the business of the Company as he or she reasonably deems necessary to perform his or her duties as set forth in this Agreement. Nothing in this Agreement shall preclude the employment by the Company of any agent or third party to provide services in respect of the business of the Company; provided, however, that the Manager shall continue to have ultimate responsibility under this Agreement. The Manager shall cause to be filed such certificates or filings as may be required for the continuation and operation of the Company as a limited liability company.

5.4 Officers. The Manager may appoint officers, including but not limited to, a Chief Executive Officer, President, Secretary, Treasurer, and/or Vice President along with such other officers as the Manager may determine appropriate in its discretion, to assist with the management of the day to day operations of the Company (the "Officers"). The Manager may establish and alter, from time to time, the powers and duties of any or all Officers of the Company. Officers of the Company need not be Members. Unless the Manager decides otherwise, if the title is one commonly used for officers of a business corporation formed under

the California Corporation's Code, the assignment of such title shall constitute the delegation to such person of the authorities and duties that are normally associated with that office. Any delegation pursuant to this Section may be revoked at any time by the Manager. Subject to any agreement to the contrary, an Officer may be removed with or without cause by the Manager. The Officers shall, in their capacity as Officers (but not as Members) be entitled to compensation for their services in such amounts as determined by a Majority Vote.

5.5 Good Faith. The Manager, Members, and Officers shall perform their duties in good faith, in a manner he or she reasonably believes to be in the best interests of the Company, and with such care as an ordinarily prudent person in a like position would use under similar circumstances. Each of the Officers shall devote such time to the conduct of the business of the Company as the Manager deems necessary from time to time.

5.6 Partnership Representative. For so long as the Manager is a Member, the Manager shall serve as the "partnership representative" (the "Partnership Representative") of the Company for purposes of Chapter 63 of the Code and the Treasury Regulations thereunder. In the event the Manager is no longer a Member, the Members shall by a Majority Vote elect or appoint a new Partnership Representative. Only the Partnership Representative shall be authorized to take any action pursuant to the provisions of Chapter 63 of the Code and each Member hereby agrees that the Partnership Representative may engage such professional advisors as it may deem appropriate in carrying out its duties as Partnership Representative and to fully cooperate with and be bound by (and not take action that is inconsistent with) any such action. The Company shall reimburse the Partnership Representative for all reasonable out-of-pocket expenses incurred by the Partnership Representative, including reasonable fees of any professionals or attorneys, in carrying out its duties as Partnership Representative. Each Member shall promptly furnish the Partnership Representative with such information as the Partnership Representative may reasonably request. The Partnership Representative shall (i) keep the Members reasonably informed of all material administrative and judicial proceedings relating to the Company and (ii) consult with the Members in good faith prior to the settlement of any such proceeding. To the extent such election is available, the Partnership Representative shall cause the Company to elect out of the provisions of the Bipartisan Budget Act of 2015 pursuant to Section 6221(b) of the Code. However, if the Company is required to pay an imputed underpayment pursuant to Section 6225 of the Code (as amended by the Bipartisan Budget Act of 2015), to the extent possible, the portion thereof attributable to a Member shall be treated as a withholding tax with respect to such Member under Section 4.4(a)(2). The Company may elect the alternative set forth in Section 6226 (as amended by the Bipartisan Budget Act of 2015) instead of paying an imputed underpayment. Subject to the foregoing, the Partnership Representative shall have the power and perform the obligations required of a tax matters partner and a partnership representative to the extent and in the manner provided by applicable Code sections and Treasury Regulations. The provisions of this Section 5.6 shall survive the termination of any Member's interest in the Company, the termination of this Agreement and the termination of the Company and shall remain binding on each Member for the period of time necessary to resolve with the Internal Revenue Service all federal income tax matters relating to the Company.

5.7 Powers of the Manager. The Manager shall have no power to cause the Company to do any act outside the purpose of the Company as set forth in Section 1.3 hereof,

unless approved by a Majority Vote. Subject to the foregoing limitation and all other limitations in this Agreement, the Manager shall have full, complete, and exclusive power to manage and control the Company. The signature of the Manager shall be sufficient to bind the Company in connection with the exercise of any of the powers set forth in this Section 5.7. The Manager shall have the authority to take, or to authorize any Member, employee or agent to take, any action it deems to be necessary, convenient or advisable in connection with the management of the Company, both on behalf of the Company and on behalf of the other entities of which the Company is a general partner, member or a limited partner. This includes, but is not limited to, the power and authority on behalf of the Company or those other entities to:

- (a) Transact its business, carry on its operations, qualify to do business, and have and exercise powers granted by the Act in any state, territory, district, possession, or dependency of the United States, and in any foreign country.
- (b) Conduct the day to day business of the Company.
- (c) Purchase and maintain insurance.
- (d) Make payments or donations or do any other act, not inconsistent with the Act or any other applicable law, that furthers the Company's business and affairs.
- (e) Do every other act not inconsistent with law that is appropriate to promote and attain the purposes set forth in its Articles.

5.8 Limitation on the Manager's Powers. The enumeration of powers in this Agreement shall not limit the general or implied powers of the Manager or any additional powers provided by law. Notwithstanding the foregoing, the Manager may not cause the Company to do any of the following without a Majority Vote:

- (a) Amend, modify, or waive the Articles or this Agreement; provided that the Manager may, without the consent of the Class A Member, amend Exhibit A following any transfer of Membership Interests in accordance with this Agreement.
- (b) Issue additional Membership Interests or admit additional Members to the Company except as otherwise provided in this Agreement.
- (c) Merge with or into another limited liability company, corporation or other entity, regardless of whether the Company is the surviving entity of such merger.
- (d) Take any action in contravention of this Agreement or the Articles.
- (e) Confess any judgment against the Company.
- (f) To incur indebtedness for borrowed money on its behalf required for its business, and to secure the repayment of such borrowing by executing mortgages or deeds of trust, or otherwise encumbering or subjecting to security interests, all or any part of its assets, and to refund, refinance, increase, modify, consolidate or extend the maturity of any indebtedness created by such borrowing, or any such mortgage, deed of trust, pledge,

encumbrance or other security device, all upon such terms as the Manager deem to be in its best interests.

(g) Be a promoter, stockholder, partner, member, manager, associate or agent of any person.

(h) Except as expressly set forth in this Agreement, cause the Company to pay any fees or other compensation to, or lend money to, or enter into any type of transaction with, the Manager or any Member or any Affiliate of the Manager or any Member.

(i) Issue notes, bonds, and other obligations and secure any of them by mortgage or deed of trust or security interest of any or all of its assets.

(j) Purchase, take, receive, subscribe for, or otherwise acquire, own, hold, vote, use, employ, sell, mortgage, loan, pledge, or otherwise dispose of or otherwise use and deal in and with stock or other interests in and obligations of any person, or director or indirect obligations of the United States or of any government, state, territory, governmental district, or municipality, or of any instrumentality of any of them.

(k) Invest its surplus funds, lend money from time to time in any manner which may be appropriate to enable it to carry on the operations to fulfill the purposes set forth in its Articles, and take and hold real property and personal property as security for the payment of funds so loaned or invested.

(f) Do any act that would make it impossible to carry on the normal and ordinary business of the Company.

(g) Cause any sale, transfer, assignment, conveyance, exchange, or other disposition of the Property or of all or any substantial part of the Company's assets.

(h) Convert the Company into any other form of business entity.

(i) Cause the Company to initiate, compromise, or settle a lawsuit, action, arbitration, proceeding, dispute, or other claim for or against the Company, or otherwise assume any liability or agree to the provision of any equitable relief by the Company.

(j) Take any action, whether directly or indirectly, that requires an expenditure by the Company or creates a Company obligation in excess of Ten Thousand Dollars (\$10,000.00).

(k) Enter into, enter into any commitment to enter into, extend, amend, waive, supplement, or terminate (other than pursuant to its terms) the Management Agreement.

5.9 Communication. The Manager shall promptly advise and inform each Class A Member of any transaction, notice, event, or proposal directly relating to the management and operation of the Company or to its assets which does or could likely materially affect, either adversely or favorably, the Company, its business, or its assets.

5.10 Limitation of Liability. The Manager shall not be liable to the Company or to any Member for any loss or damage sustained by the Company or any Member, unless the loss or damage shall have been the result of fraud, deceit, gross negligence, reckless or intentional misconduct, or a knowing violation of law or this Agreement by the Manager. The Manager shall perform its managerial duties in good faith, in a manner he reasonably believes to be in the best interests of the Company and its Members, and with such care, including reasonable inquiry, as an ordinarily prudent person in a like position would use under similar circumstances.

5.11 Covenants. The Manager shall cause the Company to keep and maintain the following:

(a) Sufficient insurance, including liquor liability insurance (i.e. dram shop insurance), as determined by the Class A Members.

(b) The License.

5.12 Compensation and Reimbursement.

(a) Unless otherwise approved by a Majority Vote, no Member shall be entitled to receive any compensation for rendering services to the Company. Notwithstanding the foregoing, each Member shall be reimbursed for any costs and/or expenses incurred by such Member on behalf of the Company without reduction to such Member's Capital Account, including, without limitation, any legal or other costs incurred by such Member (and/or any Affiliate thereof) in connection with the formation of the Company, the drafting and negotiation of this Agreement, and/or the cost of obtaining the License.

(b) The Manager shall serve without compensation in his or her capacity as such. The Manager shall be entitled to reimbursement from the Company for his or her reasonable and necessary out-of-pocket expenses incurred in the performance of his or her duties as a Manager. This Agreement does not, and is not intended to, confer upon any Manager any rights with respect to employment by the Company, and nothing herein should be construed to have created any employment agreement or relationship with any Manager.

(c) Notwithstanding anything to the contrary, each initial Member acknowledges that the Company will enter into the Management Agreement and that such Management Agreement will involve compensation paid to the Class B Member, or an Affiliate of such Member.

ARTICLE VI

LIABILITY, RIGHTS, AUTHORITY AND VOTING OF MEMBERS

6.1 Liability of Members. Except as specifically provided in this Agreement or the Act, no Member shall be liable for the debts, liabilities, contracts, or any other obligations of the Company except with respect to their Capital Contributions as indicated herein.

6.2 Members are not Agents. Pursuant to ARTICLE V and the Articles, the management of the Company is vested in the Manager. No Member, acting solely in the capacity

of a Member, is an agent of the Company nor can any Member in such capacity bind or execute any instrument on behalf of the Company, except as expressly provided in ARTICLE V.

6.3 Voting. Class A Members shall have one vote per Unit and shall have the right to vote their Class A Units only with respect to those matters and in the manner as specifically set forth in this Agreement. Class B Members shall have no right to vote their Class B Units and shall only have an economic interest in the Company.

6.4 Meetings of Class A Members. If and when determined by a Majority Vote, meetings of Class A Members may be called. The Class A Members shall form a quorum when at least fifty percent (50%) of the Class A Units are represented and present. The Class A Members' meetings can be held via telephone and video conference. Any and all meetings must be noticed by first-class mail, email, or telephone such that the recipient Member will reasonably have seventy-two (72) hours' notice prior to any meeting. The notice shall state the time of the meeting, place of the meeting, and available methods of participation (i.e. conference call or video conference).

6.5 Limitation of Rights of Members. No Member shall have the right or power to: (a) withdraw or reduce its Capital Contribution, except as a result of the dissolution of the Company or as otherwise provided in this Agreement or by law; (b) bring an action for partition against the Company; or (c) demand or receive property in any distribution other than cash. Except as otherwise provided in this Agreement, no Member shall have priority over any other Member either as to the return of Capital Contributions or as to allocations of the Net Income, Net Losses or Distributions of the Company.

6.6 Return of Distributions. In accordance with the Act, a Member may, under certain circumstances, be required to return to the Company, for the benefit of the Company's creditors, amounts previously distributed to the Member.

6.7 Resignation or Withdrawal of a Member. A Member shall not resign or withdraw as a Member, without the approval of a Majority Vote.

6.8 Competing Activities.

(a) Subject to Section 6.8(b), nothing contained in this Agreement shall prevent any Member or any of its Affiliates from engaging in any other activities or businesses, regardless of whether those activities or businesses are similar to or competitive with the business of the Company. None of the Members nor any of their Affiliates shall be obligated to account to the Company or to the other Member for any profits or income earned or derived from other such activities or businesses. None of the Members nor any of their Affiliates shall be obligated to inform the Company or the other Member of any business opportunity of any type or description.

(b) For good and valuable consideration, receipt and sufficiency of which are hereby acknowledged, each Member agrees that during the term of this Agreement and for a period of one (1) year after the purchase of such Member's Units pursuant to ARTICLE VIII or ARTICLE XIV, unless otherwise authorized by a Majority Vote, such Member (and its Affiliates) shall not engage in competition with the Company. A Member shall be deemed to

have engaged in competition with the Company if the Member (or any Affiliate of the Member) shall (in any capacity whatsoever, for its own account or for any other party, person, partnership, corporation or other entity or organization), directly or indirectly, engage in the business of operating a cafe, club, bar service, or other event facility with a museum or art gallery (collectively, the "Restricted Business"), or directly or indirectly own, manage, operate, have an interest in, control or participate in the ownership, management, operation or control of, or be connected in any manner with or employed by, any party, proprietorship, partnership, venture, corporation, organization, business or other entity engaged in the Restricted Business, in any location within a radius of five (5) miles from the Company (hereinafter referred to as the "Restricted Area").

(c) Notwithstanding anything in this Agreement to the contrary, each Member agrees that, in the event of any breach or attempted breach of any of the provisions of Section 6.8(b) by any Member (or the Affiliate of a Member), and in addition to any and all other legal and equitable remedies which may be available, said provisions or any of them may be enforced by a temporary and permanent injunction in an action in equity without the necessity of proving actual damages, and that an ex parte restraining order may be granted immediately upon the commencement of any such action without notice. Each Member acknowledges that (i) the remedy at law in the event of an actual or threatened breach of any of said provisions would be inadequate, and (ii) the one (1) year term is a reasonable period of time for a withdrawn Member to be subject to the restrictions contained herein; and (iii) the Restricted Area is an area in which the Company has established goodwill and constitutes the Company's service area. If all or any portion of the covenant not to compete set forth in Section 6.8(b) is found by any arbitrator or court of competent jurisdiction to be too broad in extent, either as to the time period or the geographical area designated, or otherwise, then in each such case, the covenant not to compete shall nevertheless remain effective but shall be considered amended (as to the time or area or otherwise, as the case may be) to the point considered by said arbitrator or court as reasonable, and as so amended shall be fully enforceable. The provisions contained in Section 6.8(b) and this Section 6.8(c) shall survive consummation of the transactions set forth in this Agreement relating to the purchase of such Member's interest in the Company and shall continue to be binding on such withdrawing Member for the period set forth in Section 6.8(b).

6.9 Transactions between the Company and the Members. Notwithstanding that it may constitute a conflict of interest, the Members and their Affiliates may engage in any transaction with the Company so long as such transaction is not expressly prohibited by this Agreement and so long as the terms and conditions of such transaction, on an overall basis, are fair and reasonable to the Company and are at least as favorable to the Company as those that are generally available from persons capable of similarly performing them. Alternatively, such a transaction may be consummated if it is approved by the Manager and a Majority Vote.

ARTICLE VII AMENDMENTS

7.1 Amendment by Manager Without Member Consent. This Agreement and the Articles may be amended by the Manager (without the consent of the Class A Members), only to do the following:

- (a) Reflect the admission of new Members pursuant to ARTICLE IX;
- (b) Reflect assignments of Units pursuant to Section 8.1 and the substitution of Members pursuant to Section 8.2; and
- (c) Reflect Capital Contributions made pursuant to Section 3.1(b).

7.2 Amendment by Manager With Class A Member Consent. All other amendments to this Agreement or the Articles may be adopted only with the approval of a Majority Vote.

ARTICLE VIII TRANSFERS OF UNITS

8.1 Transferability. Unless otherwise agreed in writing to the contrary, and subject to compliance with applicable federal and state securities laws, no Member may transfer, assign, convey, sell, encumber, or in any way alienate, in whole or in part, any of his or her Units in the Company (collectively a "transfer") without the prior written consent of a Majority Vote, which consent may be given or withheld in the Class A Member's sole discretion. Any attempted transfer in violation of the foregoing shall be null, void, and of no effect. Notwithstanding the foregoing, the following transfers can be done freely and without subject to any Class A Member consents: (i) any inter vivos transfer to a revocable inter vivos trust or an irrevocable trust of which the Member is the trustor or trustee or co-trustee, and the sole income beneficiaries with respect to the Member's Percentage Interest are the Member and his or her spouse, and the sole residual beneficiaries with respect to the Member's Percentage Interest are the Member, his or her spouse, or issue; (ii) any transfer by and between existing Member(s); or (iii) any transfer to a spouse or issue of a Member (each a "Permitted Transferee"). Any transfer approved by a Majority Vote shall also be deemed a permitted transfer.

8.2 Class B Units Right of First Refusal - Substituted Members. Except for transfers expressly permitted by Section 8.1, should all or part of any Member's Class B Units be proposed to be transferred to any non-Member ("Outside Purchaser"), such transaction shall be subject to a right of first refusal in favor of the other Members as provided in this Section 8.2. The Member receiving a third party offer to purchase its interest who is therefore offering such interest to the other Members, shall be defined as the "Selling Member." The Members possessing the right of first refusal shall be defined as the "Offeree Members."

(a) The Selling Member shall send a copy of the offer from the Outside Purchaser, or if no offer is available a description of the terms and consideration to be paid ("Offer"), to the Offeree Members, which shall be deemed to be an offer by the Selling Member to sell its Units ("Offered Interest") subject to the right of first refusal to the Offeree Members for a price equal to the price specified in the written copy of the outside Offer, and otherwise upon the terms and conditions of the Offer and/or pursuant to the terms and conditions of Section 8.2 of this Agreement.

(b) The Offeree Members shall notify the Selling Member, in writing, of the Offeree Members' rejection or acceptance of the Offer, or exercise of any option provided herein, on or before the date four (4) weeks after notice of the Offer or notice of transfer to the Offeree

Members. Should the Offeree Members accept such Offer, or exercise such option, the Offeree Members shall acquire the Selling Member's interest in proportion to the Offeree Member's Percentage Interests (unless the Offeree Members agree among themselves to acquire the Selling Member's interest in different proportions), and shall enter into an agreement to consummate the sale with the Selling Member, which consummation shall occur on or before the later of (i) sixty (60) days after the Offeree Members' acceptance of such Offer or (ii) exercise of such option.

(c) Should the Offeree Members not agree to purchase the entire Offered Interest pursuant to the above provisions, the Selling Member may sell the Offered Interest to the Outside Purchaser provided that such sale is consummated within four (4) months from the date of mailing of a copy of the Offer to the Offeree Members by the Selling Member, and is made in strict conformity with the terms of the Offer.

(d) Subject to Section 8.2(c), the effective date of the sale to the Outside Purchaser shall be as agreed upon between the Selling Member and Outside Purchaser. If such sale or transfer is not consummated, the provisions of this Section 8.2 shall apply to any proposed subsequent sale by such Selling Member of all or a portion of his or her interest in the membership Unit.

8.3 Reference to a Member. Wherever the context requires, reference in this Agreement to a Member shall include an Assignee who does not become a Substituted Member wherever such reference relates solely to an economic interest in the Company.

8.4 New Members Bound By Agreement. Notwithstanding any other provision of this Agreement, before any person is admitted to this Company as an additional Member or Substituted Member, that person shall agree in writing to be bound by all provisions of this Agreement and to pay the costs and expenses of preparing and filing any documentation relating thereto, including documentation required to be filed with the Secretary of State.

ARTICLE IX ADMISSION OF NEW MEMBERS

9.1 Additional Members may be admitted with the approval of Class A Members. Additional Members may only be admitted with the approval of a Majority Vote. Subject to ARTICLE V, any such additional Members will participate in the management, "Net Income," "Net Losses" (as such terms are defined in Article II), and distributions of the Company on such terms as are determined by the Manager and the Majority Vote. Exhibit "A" shall be amended upon the admission of an additional Member to set forth such Member's name, capital contribution, Percentage Interest and number of Units.

ARTICLE X BOOKS AND RECORDS

10.1 Records. The Company shall keep at its principal office, or such other place as shall be designated by the Manager, the following documents for the Company:

- (a) A current list of the full name and last known business or residence address of each Member set forth in alphabetical order, together with the number of Units held by each Member;
- (b) A current list of the full name and business or residence address of the Manager;
- (c) A copy of the Articles and all amendments thereto, and executed copies of any powers of attorney pursuant to which the Articles or any amendments thereto were executed;
- (d) Copies of the Company's federal, state and local income tax or information returns and reports, if any, for the six (6) most recent taxable years;
- (e) Copies of this Agreement, and all amendments to the Agreement, together with any powers of attorney pursuant to which this Agreement or any amendment to this Agreement were executed;
- (f) Financial statements of the Company for the six (6) most recent fiscal years;
- (g) The Company's books and records as they relate to the internal affairs of the Company for at least the current and past four (4) fiscal years; and
- (h) Copies of any and all leases, subleases, license agreements, or other agreements entered into by the Manager on behalf of this Company.

10.2 Inspection and Reports.

- (a) Upon the request of a Member, the Company shall promptly deliver to the requesting Member, at the expense of the Company, a copy of the information required to be maintained by Sections 10.1(a), 10.1(b), 10.1(c), 10.1(d), 10.1(e), or 10.1(f) above.
- (b) The Company shall cause an annual financial report to be sent to each Member not later than 120 days after the close of each fiscal year and that financial report shall contain: (i) a balance sheet as of the end of the fiscal year, (ii) an income statement and (iii) a statement of changes in financial position for the fiscal year.
- (c) The Company shall cause a monthly operating statement to be delivered to each Member within thirty (30) days of the end of each calendar month.
- (d) The Company shall cause to be delivered to each Member no later than November 15 of each year projections setting forth the Company's estimated taxable income for such year and the Members' pro rata shares therein.
- (e) The Company shall send to each Member within ninety (90) days after the end of each taxable year the information necessary for the Member to complete his or her

Federal and state income tax or information returns, and a copy of the Company's Federal, state, and local income tax or information returns for the year.

10.3 Failure to Deliver Reports. In the event the Company shall have failed to deliver any of the items set forth in Section 10.2 within fifteen (15) days of written notice of such failure, any Member or Members and their agents and representatives shall be granted full access to the Company's books and records for the purpose of producing any such items the Company failed to deliver. The Company shall reimburse all reasonable costs and expenses incurred by the Members in connection with any exercise of their rights subsequent to such a failure to deliver after receipt of a written notice pursuant to this Section 10.3.

ARTICLE XI DISSOLUTION AND TERMINATION OF THE COMPANY

11.1 Events Causing Dissolution. The Company shall be dissolved and its affairs shall be wound up upon the earliest to occur of the following events:

- (a) With the approval of a Majority Vote; or
- (b) Entry of a decree of judicial dissolution pursuant to the Act.

11.2 Certificate of Dissolution. As soon as possible following the occurrence of any of the events specified in Section 11.1, the Manager shall execute a Certificate of Dissolution in such form as shall be prescribed by the California Secretary of State and file the Certificate as required by the Act.

11.3 Distribution on Dissolution. The Member(s) shall continue to divide Net Income, Net Losses and Distributable Cash during the winding up period in the same manner and in the same priorities as provided for in Section 4.4 hereof. In connection with a dissolution of the Company, the Manager shall take full account of the Company's assets and liabilities, shall liquidate the assets as promptly as is consistent with obtaining their fair value, or, if the assets cannot be sold, they shall be valued and distributed in kind, and shall apply and distribute the proceeds or assets in the following order:

- (a) To the payment of creditors of the Company;
- (b) To the creation of any reserves which the Manager deem reasonably necessary for any contingent or unforeseen liabilities or obligations of the Company;
- (c) To the repayment of any outstanding loans made by any Member to the Company; and
- (d) To the Members, on a pro rata basis, in accordance with the positive balances in their respective Capital Accounts, as determined after taking into account all Capital Account adjustments for the taxable year of the Company during which the liquidation of the Company occurs.

ARTICLE XII INDEMNIFICATION

12.1 General. Except as otherwise specifically set forth in this Agreement, the Company, its receiver or its trustee, shall indemnify, defend and hold harmless the Manager, Member(s), and Officers (collectively, "Indemnitees") from any liability, loss, or damage incurred by any Indemnatee by reason of any act performed or omitted to be performed by any Indemnatee in connection with the business of the Company, including costs and attorneys' fees and any amounts expended in the settlements of any claims of liability, loss, or damage; provided that if the liability, loss, or claim arises out of any action or inaction of an Indemnatee: (a) such Indemnatee must have determined, in good faith, that his or her course of conduct was not opposed to the best interests of the Company; and (b) the action or inaction did not constitute breach of fiduciary duty, fraud, deceit, gross negligence, reckless or intentional misconduct, or a knowing violation of law or this Agreement by such Indemnatee; and, provided further, that the indemnification shall be recoverable only from the assets of the Company and not any assets of the Manager, Member(s), or Officers. The Company may, however, purchase and pay for that insurance, including extended coverage liability and casualty and worker's compensation, as would be customary for any person engaging in a similar business, and name the Indemnitees as additional or primary insured parties.

12.2 Advancement of Expenses. The Company shall advance all expenses incurred by an Indemnatee in connection with the investigation, defense, settlement, or appeal of any civil or criminal action or proceeding referenced in Section 12.1 hereof. The Indemnatee shall repay such amounts advanced only if, and to the extent that, it shall ultimately be determined that such Indemnatee is not entitled to be indemnified by the Company as authorized hereby. The advances to be made hereunder shall be paid by the Company to the Indemnatee within ten (10) days following delivery of a written request therefore by the Indemnatee to the Company.

ARTICLE XIII REPRESENTATIONS AND WARRANTIES OF MEMBERS

13.1 Investment Representations and Warranties. Each Member hereby represents, warrants and covenants to the Company that, as of the date hereof:

(a) Investment Representation. Each Member has acquired or is acquiring his or her Units in good faith for his or her own personal account, for investment purposes only and not with a view to or for the distribution, resale, subdivision, fractionalization or disposition thereof, and each Member has no present interest of selling or otherwise distributing such Units. Each Member is or will be the sole party in interest in his or her Units and as such is or will be vested with all legal and equitable rights in such Units.

(b) Sophistication of the Member. Each Member either has a preexisting personal or business relationship with the Company or the Manager or, by reason of his or her business or financial experience or the business or financial experience of his or her professional advisors, who are unaffiliated with and not compensated by the Company, directly or indirectly, has the capacity to protect his or her own interests in connection with this investment. Each Member is able to bear the economic risk of an investment in his or her Units and can afford to

sustain a total loss on such investment. The nature and amount of each Member's investment in such Units is consistent with his or her investment objectives, abilities and resources.

(c) No Public Market. Each Member understands that there is no public market for his or her Units and there is no assurance that there will be such a market in the future. Each Member has been advised that his or her Units have not been registered under the Securities Act of 1933, as amended, and that said Units must be held indefinitely unless it is subsequently registered under the Securities Act of 1933, as amended, or an exemption from such registration is available, and understands that the Company is under no obligation to register said Units or to comply with any exemption from such registration requirement. In addition, each Member understands that the transferability of his or her Units is and will be further restricted by this Agreement which, among other things, requires that any sale or assignment of his or her Units will be subject to certain terms and conditions. Thus, each Member realizes that it cannot expect to be able to liquidate his or her investment in the Company readily, or at all, in the case of an emergency.

(d) Tax Reporting Representation. Each Member represents that it is aware of the possible income tax consequences of the methods, hereinabove set forth in Section 4.4, by which Net Income, Net Losses and Distributions are allocated and distributed.

ARTICLE XIV CALL RIGHT

14.1 Call Right. At any time following the removal of the Manager pursuant to Section 5.2, or following the Manager's inability to act as a Manager by reason of resignation, death, or Incapacity, or following the bankruptcy or dissociation of the Class B Member (each a "Triggering Event"), the Company may, upon a Majority Vote, require the Class B Member and any or all of such Class B Member's Permitted Transferees to sell to the Company all or any portion of such Class B Member's Class B Units at a purchase price of One Thousand Dollars (\$1,000) (the "Call Purchase Price").

(a) Procedures. If the Company desires to exercise its right to purchase Class B Units pursuant to this Section 14.1, the Company shall deliver to the Class B Member, within one hundred eighty (180) days after the Triggering Event, a written notice (the "Repurchase Notice") specifying the number of Class B Units to be repurchased by the Company (the "Repurchased Class B Units") and the purchase price therefor in accordance with this Section 14.1. The closing of any sale of Repurchased Class B Units pursuant to this Section 14.1 shall take place no later than forty-five (45) days following receipt by the Class B Member of the Repurchase Notice. The Company shall pay the Call Purchase Price for the Repurchased Class B Units by certified or official bank check or by wire transfer of immediately available funds.

(b) Cooperation. The Class B Member shall take all actions as may be necessary to consummate the sale and assignment contemplated by this Section 14.1, including, without limitation, entering into agreements and delivering certificates (or other form of assignment of the Class B Units) and instruments and consents as may be deemed necessary or appropriate by the Class A Members.

(c) Closing. At the closing of any sale and purchase pursuant to this Section 14.1, the Class B Member shall deliver to the Company a certificate or certificates representing the Class B Units to be sold (if any), accompanied by evidence of transfer and all necessary transfer taxes paid and stamps affixed, if necessary, against receipt of the Call Purchase Price.

ARTICLE XV MISCELLANEOUS

15.1 Counsel to the Company. Counsel to the Company may also be counsel to any Member or any Affiliate of a Member. The Company has initially selected Palmieri, Tyler, Wiener, Wilhelm & Waldron LLP ("Company Counsel") as legal counsel to the Company. Each Member consents to Company Counsel's preparation of this Agreement on behalf of all parties, waives all conflicts of interest resulting therefrom, acknowledges that Company Counsel does not represent any Member in the absence of a clear and explicit agreement to such effect between the Member and Company Counsel, and acknowledges that in the absence of any such written agreement Company Counsel shall owe no duties directly to a Member. Each Member also acknowledges that Company Counsel has previously represented and continues to represent one or more Members in other matters. The Members are aware that in the event a dispute later arises between and among the individual parties relative to the Company, Company Counsel will likely be unable to represent any of the parties to such dispute, although each Member acknowledges that Company Counsel may represent one or more parties in connection with other matters, and each Member waives all conflicts of interest that may arise therefrom. Each Member further acknowledges: (a) that Company Counsel has represented the interests of the Company in connection with the formation of the Company and the preparation and negotiation of this Agreement, and (b) while communications with Company Counsel concerning the formation of the Company and its Members may be confidential with respect to third parties, no Member has any expectation that such communications are confidential with respect to the other Members. Each Member has read this Agreement and acknowledges that: the Member has been advised that a conflict may exist between his or her interests, the interests of the other Members, and the interests of the Company; this Agreement may have significant legal, financial, and tax consequences to the Member; the Member has sought, or has had the opportunity to seek, the advice of independent legal, financial planning, and tax counsel and tax professionals regarding such consequences; and counsel for the Company has made no representations to the Member regarding such consequences.

15.2 Confidentiality.

(a) Each Member acknowledges that during the term of this Agreement, it will have access to and become acquainted with trade secrets, proprietary information, and confidential information belonging to the Company and its Affiliates that are not generally known to the public, including, but not limited to, information concerning business plans, financial statements, and other information provided pursuant to this Agreement, operating practices and methods, food recipes, "know-how", vendor relations, menus, menu development, expansion plans, strategic plans, marketing plans, contracts, customer lists, or other business documents that the Company treats as confidential, in any format whatsoever (including oral, written, electronic, or any other form or medium) (collectively, "Confidential Information"). In addition, each Member acknowledges that (i) the Company has invested, and continues to invest,

substantial time, expense, and specialized knowledge in developing its Confidential Information, (ii) the Confidential Information provides the Company with a competitive advantage over others in the marketplace, and (iii) the Company would be irreparably harmed if the Confidential Information were disclosed to competitors or made available to the public. Without limiting the applicability of any other agreement to which any Member is subject, no Member shall, directly or indirectly, disclose or use (other than solely for the purposes of such Member monitoring and analyzing its investment in the Company) at any time, including, without limitation, use for personal, commercial, or proprietary advantage or profit, either during its association with the Company or thereafter, any Confidential Information of which such Member is or becomes aware. Each Member in possession of Confidential Information shall take all appropriate steps to safeguard such information and to protect it against disclosure, misuse, espionage, loss, and theft.

(b) Nothing contained in Section 15.2(a) shall prevent any Member from disclosing Confidential Information (i) on the order of any court or administrative agency, (ii) on the request or demand of any regulatory agency or authority having jurisdiction over such Member, (iii) to the extent compelled by legal process or required or requested pursuant to subpoena, interrogatories, or other discovery requests, (iv) to the extent necessary in connection with the exercise of any remedy hereunder, (v) to any other Member, the Manager, or the Company, (vi) to such Member's Representatives who, in the reasonable judgment of such Member, need to know such Confidential Information and agree to be bound by the provisions of this Section 15.2 as if a Member, or (vii) to any potential Permitted Transferee in connection with a proposed Transfer of Membership Interests from such Member, if such potential Permitted Transferee agrees in writing to be bound by the provisions of this Section 15.2 as if a Member before receiving such Confidential Information; provided, that in the case of clause (i), (ii), or (iii), such Member shall notify the Company and other Members of the proposed disclosure as far in advance of such disclosure as practicable (but in no event make any such disclosure before notifying the Company and other Members) and use reasonable efforts to ensure that any Confidential Information so disclosed is accorded confidential treatment satisfactory to the Company, when and if available.

(c) The restrictions of Section 15.2(a) shall not apply to Confidential Information that (i) is or becomes generally available to the public other than as a result of a disclosure by a Member in violation of this Agreement, or (ii) is or has been independently developed or conceived by such Member without use of Confidential Information.

(d) The obligations of each Member under this Section 15.2 shall survive (i) the termination, dissolution, liquidation, and winding up of the Company, (ii) the dissociation of such Member from the Company, and (iii) such Member's transfer of its Membership Interests.

15.3 Counterparts. This Agreement may be executed in several counterparts and all so executed shall constitute one Agreement, binding on all of the Members, notwithstanding that all of the Members are not signatory to the original or the same counterpart. A signed copy of this Agreement delivered by facsimile, e-mail, or other means of electronic transmission shall be deemed to have the same legal effect as delivery of an original signed copy of this Agreement.

15.4 Binding on Successors. Subject to the restrictions on transfers set forth in this Agreement, this Agreement shall be binding upon and shall inure to the benefit of the parties

hereto and their respective heirs, executors, administrators, successors, and permitted assigns. This Agreement may not be assigned by any Member except as permitted by this Agreement and any assignment in violation of this Agreement shall be null and void.

15.5 Severability. If any term or provision of this Agreement is held to be invalid, illegal or unenforceable under applicable law in any jurisdiction, such invalidity, illegality or unenforceability shall not affect any other term or provision of this Agreement or invalidate or render unenforceable such term or provision in any other jurisdiction. Upon such determination that any term or other provision is invalid, illegal or unenforceable, the parties hereto shall negotiate in good faith to modify this Agreement so as to effect the original intent of the parties as closely as possible in a mutually acceptable manner in order that the transactions contemplated hereby be consummated as originally contemplated to the greatest extent possible.

15.6 Notices. All notices, requests, consents, claims, demands, waivers and other communications hereunder shall be in writing and shall be deemed to have been given: (a) when delivered by hand (with written confirmation of receipt); (b) when received by the addressee if sent by a nationally recognized overnight courier (receipt requested); (c) on the date sent by facsimile or email (with confirmation of transmission) if sent during normal business hours of the recipient, and on the next Business Day if sent after normal business hours of the recipient; or (d) on the third day after the date mailed, by certified or registered mail, return receipt requested, postage prepaid. Any such communications that are to be sent to the Company must also be sent to each of Member A and Member B. Such communications must be sent to the respective parties at the following addresses (or at such other address for a party as shall be specified in a notice given in accordance with this Section):

If to the Company:	At the Company's principal office on record with the Secretary of State.
--------------------	--

If to Class A Member:	As set forth on <u>Exhibit A</u> .
-----------------------	------------------------------------

If to Class B Member:	As set forth on <u>Exhibit A</u> .
-----------------------	------------------------------------

15.7 Captions. Section titles or captions contained in this Agreement are inserted only as a matter of convenient reference. The titles and captions in no way define, limit, extend, or describe the scope of this Agreement nor the intent of any provision hereof.

15.8 Gender; Plural. Whenever required by the context, the masculine gender shall include the feminine and neuter genders, and vice versa; and the singular shall include the plural, and vice versa.

15.9 Waiver. No waiver by any party of any of the provisions hereof shall be effective unless explicitly set forth in writing and signed by the party so waiving. No waiver by any party shall operate or be construed as a waiver in respect of any failure, breach or default not expressly identified by such written waiver, whether of a similar or different character, and whether occurring before or after that waiver. No failure to exercise, or delay in exercising, any right, remedy, power or privilege arising from this Agreement shall operate or be construed as a waiver thereof, nor shall any single or partial exercise of any right, remedy, power or privilege

hereunder preclude any other or further exercise thereof or the exercise of any other right, remedy, power or privilege. For the avoidance of doubt, nothing contained in this Section shall diminish any of the explicit and implicit waivers described in this Agreement.

15.10 Choice of Law. This Agreement shall be construed under the laws of the State of California as if this Agreement were executed in and to be performed entirely within California and as if all the Members reside in California. Each Member hereby consents to the personal jurisdiction of the United States and the State of California, and agrees that all actions brought under this Agreement may be brought in either Federal District Court for the Central District of California, or Superior or Municipal Court in Orange County, California.

15.11 Equitable Remedies. Each party hereto acknowledges that a breach or threatened breach by such party of any of its obligations under this Agreement would give rise to irreparable harm to the other parties, for which monetary damages would not be an adequate remedy, and hereby agrees that in the event of a breach or a threatened breach by such party of any such obligations, each of the other parties hereto shall, in addition to any and all other rights and remedies that may be available to them in respect of such breach, be entitled to equitable relief, including a temporary restraining order, an injunction, specific performance, rescission, and any other relief that may be available from a court of competent jurisdiction (without any requirement to post bond). Except as expressly provided herein to the contrary, the rights and remedies under this Agreement are cumulative and are in addition to and not in substitution for any other rights and remedies available at law or in equity or otherwise.


15.12 Attorneys' Fees. In the event that any party hereto institutes any legal suit, action, or proceeding, including arbitration, against another party in respect of a matter arising out of or relating to this Agreement or which in any way relates to the subject transactions or the relationship of the parties arising by virtue of this Agreement (whether in contract, tort, or otherwise), the non-prevailing party to such suit, action, or proceeding shall pay to the prevailing party therein all costs and expenses expressly including, but not limited to, reasonable attorneys' fees, accountant, expert witness, paralegal fees, and court costs incurred therein by such prevailing party, which costs, expenses, and fees shall be included in and as a part of any judgment rendered in such suit, action, or proceeding. Such fees and costs shall also include any post-judgment attorneys' fees and costs incurred in enforcing any judgment. For purposes of this section, and to the fullest extent permitted by Applicable Law, "prevailing party" includes a party against whom a suit, action, or proceeding is filed and later voluntarily dismissed in whole or in part, regardless of the reason or motivation for such dismissal.

15.13 Entire Agreement. This Agreement, together with the Articles, the Management Agreement, and all related exhibits and schedules hereto and thereto, constitute the sole and entire agreement of the parties to this Agreement with respect to the subject matter contained herein and therein, and supersedes all prior and contemporaneous understandings, agreements, representations and warranties, both written and oral, with respect to such subject matter. In the event of an inconsistency or conflict between the provisions of this Agreement and any provision of the Management Agreement, this Agreement shall control with respect to such conflict.

[Signature Page Follows.]

IN WITNESS WHEREOF, the parties have signed this Agreement on the date first above written.

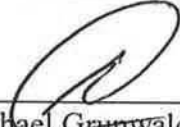
MANAGER:



MICHAEL GRUNWALD

CLASS A MEMBER:


COMPOUND INVESTMENT TRUST
DATED JANUARY 8, 2020

By: 

Name: Michael Grunwald
Title: Trustee

CLASS B MEMBERS:

COMPOUND INVESTMENT TRUST
DATED JANUARY 8, 2020

By: 

Name: Michael Grunwald
Title: Trustee



MICHAEL GRUNWALD

EXHIBIT "A"

To Operating Agreement of Compound F&B LLC

Members, Capital Contributions, Percentage Interests and Units

<u>Member Name and Address</u>	<u>Initial Capital Contribution</u>	<u>Percentage Interest</u>	<u>Class A Units (Voting)</u>	<u>Class B Units (Non- Voting)</u>
1. Compound Investment Trust Dated January 8, 2020 1395 Coronado Avenue, Long Beach, CA 90804	\$ _____	95.00%	1880	1
2. Michael Grunwald 1395 Coronado Avenue, Long Beach, CA 90804	\$ _____	5.00%	0	99

**AMENDMENT TO AND COMPLETE RESTATEMENT OF
THE COMPOUND INVESTMENT TRUST
DATED JANUARY 8, 2020**

ARTICLE 1

This Amendment to and Complete Restatement of The Compound Investment Trust, established January 8, 2020, is entered into this 5th day of ~~February~~ ^{March}, 2020, by and between MICHAEL S. GRUNWALD, as Trustor, and MICHAEL S. GRUNWALD, as Trustee of The Compound Investment Trust. Pursuant to the right reserved to the undersigned, the undersigned Trustor does hereby revoke all prior versions and amendments to The Compound Investment Trust, and amends The Compound Investment Trust, and for purposes of clarity, completely restates The Compound Investment Trust in its entirety to provide as follows:

CREATION OF TRUST

Section 1.01 Declaration. Michael S. Grunwald of Los Angeles County, California (the "Trustee") hereby declares that he has received certain property (the "Trust Estate") from Settlor (the "Settlor"), and holds that property in trust, to be held, administered, and distributed according to the terms of this instrument.

Section 1.02. Name of Trust. The trust created by this instrument shall be known as **COMPOUND INVESTMENT TRUST DATED JANUARY 8, 2020, Amended and Restated on** ~~February~~ ^{March} 5th, 2020.

Section 1.03 Effective Date. This agreement shall be effective immediately upon execution by all parties.

Section 1.04 Beneficiary of Trust Estate. See Section 5.02 below.

ARTICLE 2

TRUST ESTATE

Section 2.01 Definition of Trust Estate. All property subject to this instrument from time to time is referred to as the "Trust Estate" and shall be held, administered, and distributed as provided in this instrument. The Trustee shall hold, administer, and distribute the property described in Schedule A, any other property that may be hereafter subject to this trust, and the income and proceeds attributable to all such property, in accordance with the provisions of this instrument.

Section 2.02 Additions to Trust. From time to time, the Trustee may accept additions to this trust from any source. All such additions shall become a part of the Trust Estate and shall be held, administered, and distributed in accordance with the terms of this instrument. That additional property shall become part of the Trust Estate upon written acceptance of it by the Trustee. Any additions to the Trust shall be made by designating in writing the property to be added. However,

the titling of any account, deed, or similar asset in the name of the Trustee, as Trustee of this trust, or any alternate or successor Trustee acting under this instrument, shall be deemed to be a transfer to this Trust. Any designation by a third party, whether by will, deed, account title designation, or similar transfer, shall also be a transfer to the Trust Estate.

ARTICLE 3

RIGHTS AND POWERS OF SETTLOR

Section 3.01 Powers of Revocation and Amendment. This Trust may be amended, revoked, or terminated by the Settlor, in whole or part, at any time during the Settlor's lifetime. After the Settlor's death, this trust shall be irrevocable and not subject to amendment.

Section 3.02 Method of Revocation or Amendment. Any amendment, revocation, or termination of this Trust shall be made by written instrument signed by the Settlor and delivered [in person or by certified mail] to the Trustee. An exercise of the power of amendment substantially affecting the duties, rights, and liabilities of the Trustee shall be effective only if agreed to by the Trustee in writing.

Section 3.03 Delivery of Property After Revocation. After any revocation or termination, the Trustee shall promptly deliver the designated property to the Settlor.

Section 3.04 Settlor's Power to Direct Investments. Notwithstanding any other provision in this instrument, during the Settlor's lifetime, the Settlor shall have the power to direct the Trustee to do any or all of the following:

- (a) Invest Trust funds in specified securities, properties, or other forms of investment;
- (b) Retain as part of the Trust Estate, for specified periods of time, securities, properties, or other forms of investment held in trust under this instrument;
- (c) Sell, encumber, lease, abandon, or dispose of any Trust property. If the Trust property is invested in accordance with the terms of the written direction, the Trustee shall not be liable for losses sustained as a direct or indirect result of the Trustee's compliance with that direction. All directions shall be in a writing signed by the Settlor, specifying, if applicable, the period of time during which the instructions shall remain in effect and describing any other conditions affecting the directions. After the Settlor's death, no person shall have the power to direct the Trustee to invest trust property.

Section 3.05 Settlor's Power to Borrow From Trust Estate. Notwithstanding any other provision in this instrument, during the Settlor's lifetime, the Settlor may borrow from the income or principal of the Trust Estate, with or without security, such amounts on such terms as the Settlor specifies in a signed writing filed with the Trustee.

Section 3.06 Exercise of Settlor's Rights and Powers by Others. Any right or power that the Settlor could exercise personally under terms of this instrument, except the power to amend, revoke, or terminate this trust, may be exercised for and in behalf of the Settlor by any attorney in fact who, at the time of the exercise, is duly appointed and acting for the Settlor under a valid and enforceable durable power of attorney executed by the Settlor under the Uniform Durable Power of Attorney Act, or any successor statute, or, if there is no such attorney in fact, by a duly appointed and acting conservator of the Settlor, after petition to the court in accordance with California Probate Code Section 2580, or any successor statute. The power to amend, revoke, or terminate this trust is personal to the Settlor and may not be exercised by any other person or entity.

ARTICLE 4

PAYMENTS AND DISTRIBUTIONS DURING SETTLOR'S LIFETIME

Section 4.01 Payment of Income During Settlor's Lifetime. So long as the Settlor is living, the Trustee shall pay to or apply for the benefit of the Settlor as much of the net income of the trust as the Settlor shall from time to time request in writing. A request pursuant to this section may specify that payments are to be made periodically.

Section 4.02 Distributions of Principal at Request of Settlor. During the Settlor's lifetime, the Trustee shall distribute to the Settlor such amounts from the principal of the trust, up to the whole thereof, as the Settlor may from time to time request of the Trustee in writing.

Section 4.03 Requests for Settlor If Settlor Unable to Make Requests Personally. If, at any time, the Settlor is unable personally to make a request of the Trustee, the Settlor's right to make the request may be exercised for or on behalf of the Settlor by an attorney in fact who, at the time of the exercise, is duly appointed and acting for the Settlor under a valid and enforceable durable power of attorney executed by the Settlor under the Uniform Durable Power of Attorney Act, or any successor statute. If there is no such attorney in fact, then the Trustee shall have discretion to make any income payment or principal distribution to or for the benefit of the Settlor that the Settlor could have requested personally if the Settlor was able to do so. In making any income payment or principal distribution when the Settlor is unable to personally request the income payment or principal distribution, the Trustee shall pay as much of the income or principal, as the case may be, as the Trustee, in the Trustee's discretion, deems necessary for the Settlor's health, education, support, and maintenance. The Trustee shall have discretion to determine when the Settlor is unable personally to request income payments from the Trustee for purposes of this section.

ARTICLE 5

PAYMENTS AND DISTRIBUTIONS FOLLOWING SETTLOR'S DEATH

Section 5.01 Payment of Death Taxes, Debts, and Expenses by Trustee Upon Statement From Personal Representative. After the Settlor's death, upon receipt by the Trustee of a written statement from the personal representative of the Settlor's estate requesting that the Trustee pay death taxes, debts, and expenses (as defined in Article 7), with respect to any property in the Settlor's estate, the Trustee shall pay, either directly or to the personal representative, any amounts requested by the personal representative for those purposes, in the manner specified below. The Trustee may rely

upon the personal representative's statement and shall not be liable for any act or omission by the personal representative in protesting or failing to protest the legality, propriety, or amount of the death taxes, debts, and expenses. If there is no personal representative, the Trustee shall make the payments directly. Payments of debts and expenses shall be made by the Trustee from the Trust Estate.

Section 5.02. Distribution of Trust Estate after payment of Taxes, Debts and Expenses as set forth in Section 5.01 above. The beneficiary of this Trust shall be The Tagliaferri Community Property Trust dated August 24, 2007.

(a) Upon the payment of all Taxes, Debts and Expenses as set forth in Section 5.01 above, the principal and accumulated net income of the Trust Estate shall be distributed to the beneficiary, The Tagliaferri Community Property Trust dated August 24, 2007 and the Trust shall be terminated. If The Tagliaferri Community Property Trust dated August 24, 2007 is no longer in existence, then any remaining trust property shall be distributed to its estate.

ARTICLE 6

TRUSTEE

Section 6.01 Nomination of Trustees for All Trusts: For all trusts under this instrument, the trustee and successor trustee shall be those persons named below.

Initial Trustee: Michael Grunwald

Successor Trustee:

N/A

Section 6.02 Definition of "Trustee". Reference in this instrument to "the Trustee" shall be deemed a reference to whoever is serving as Trustee or Co-Trustees, and shall include the successor Trustees, unless the context requires otherwise.

Section 6.03 Removal and Replacement of Trustee by Settlor. The Settlor shall have the power, at any time and for any reason, with or without cause, to remove any Trustee acting under this instrument, and notwithstanding any other provision of this instrument, appoint another Trustee to replace the removed Trustee. Removal shall be effected by giving a written notice of removal to the Trustee to be removed and to the person or entity legally entitled to act as successor Trustee. The removal shall become effective upon the delivery to the Settlor of a written acceptance of the trust by the successor Trustee, and the Settlor shall promptly notify the Trustee being removed of the receipt of that acceptance.

Section 6.05 Removal and Replacement of Trustee. Any Trustee serving under this instrument may be removed as Trustee at any time by court order upon petition by any beneficiary, for any of the following grounds:

- (a) Commission of a breach of trust.
- (b) Insolvency or other unfitness to administer the trust.
- (c) Hostility or lack of cooperation among the co-Trustees that impairs the administration of the trust.
- (d) Failure or refusal to act.
- (e) Other good cause, as determined by the court.

If a vacancy occurs in the office of Trustee, whether by removal of a Trustee or otherwise, the superior court shall appoint a new Trustee to fill the vacancy. The court may, in its discretion, appoint the original number, or any lesser number of Trustees. In selecting a Trustee, the court shall give consideration to the wishes of the beneficiaries who are fourteen years of age or older.

Section 6.06 Bond Waived for Settlor Serving as Trustee Only. No bond or undertaking shall be required of the Settlor when he is serving as Trustee. Bond shall be required of each other individual serving as Trustee of any trust under this instrument, in the same form and manner as is required of a personal representative of a decedent's estate.

Section 6.07 Compensation of Corporate Trustee. Any corporate Trustee serving under this trust instrument shall be entitled to reasonable compensation for its services in accordance with its standard schedule of trust fees, as existing from time to time.

Section 6.08 Procedure for Resignation. Any Trustee may resign at any time, without giving a reason for the resignation, by giving written notice, at least thirty (30) days before the time the resignation is to take effect, to the Settlor, if living, to any other Trustee then acting, to any persons authorized to designate a successor Trustee, to all living trust beneficiaries known to the Trustee (or, in the case of a minor beneficiary, to the parent or guardian of that beneficiary), and to the successor Trustee. A resignation shall be effective upon written acceptance of the trust by the successor Trustee.

Section 6.09 General Powers of Trustee. To carry out the purposes of the trusts created under this instrument, and subject to any limitations stated elsewhere in this instrument, the Trustee shall have all of the following powers, in addition to all of the powers now or hereafter conferred on Trustees by laws:

- (a) Retain property received into the trust at its inception, or later added to the trust, as long as the Trustee considers that retention in the best interests of the trust or in furtherance of the goals of the Settlor in creating the trust, as determined from this trust instrument, but subject to the standards set forth in California Probate Code Section 16040.

(b) Invest in and acquire every kind of property, real, personal, or mixed, and every kind of investment, including but not limited to obligations of the United States government. When investing, reinvesting, acquiring, and managing trust property, the Trustee shall act with the care, skill, prudence, and diligence under the circumstances then prevailing that a prudent person acting in a like capacity and familiar with such matters would use in the conduct of an enterprise of like character and with like aims to accomplish the purposes of the trusts as determined from the terms of this trust instrument.

(c) Retain property only so long as that property is income-producing. If any income-producing property ceases to produce income, the Trustee shall, within a reasonable amount of time, replace the unproductive property with income-producing property.

(d) In the Trustee's discretion, invest or reinvest in mutual funds, money market funds, investment trusts, regulated investment companies, market funds, and index funds, and in the shares or securities of any such funds or companies, that persons of prudence, discretion, and intelligence acquire for their own account.

(e) Acquire and maintain as a trust asset a life insurance policy on the life of any person, including the Trustee, issued by any company and in any amount that the Trustee may deem advisable, and to exercise all rights of ownership granted in that policy.

(f) With or without court authorization, sell (for cash or on deferred payments, and with or without security), convey, exchange, partition, and divide trust property; grant options for the sale or exchange of trust property for any purpose, whether the contract is to be performed or the option is to be exercised within or beyond the term of the trust; and lease trust property for any purpose, for terms within or extending beyond the expiration of the trust, regardless of whether the leased property is commercial or residential and regardless of the number of units leased.

(g) Engage in any transactions with the personal representative of the estate of the Settlor that are in the best interest of any trusts created in this instrument.

(h) Manage, control, improve, and maintain all real and personal trust property.

(i) Subdivide or develop land; make or obtain the vacation of plats and adjust boundaries, adjust differences in valuation on exchange or partition by giving or receiving consideration; and dedicate land or easements to public use with or without consideration.

(j) Make ordinary or extraordinary repairs or alterations in buildings or other trust property, demolish any improvements, raze existing party walls or buildings, and erect new party walls or buildings, as the Trustee deems advisable.

(k) Enter into oil, gas, and other mineral leases, on terms deemed advisable by the Trustee; enter into any pooling, unitization, repressurization, community, or other types of agreements relating to the exploration, development, operation, and conservation of mineral

properties; drill, mine, and otherwise operate for the development of oil, gas and other minerals; contract for the installation and operation of absorption and repressuring plants; and install and maintain pipelines. Any such leases or agreements may be for a term within or extending beyond the term of the trust.

(l) In the Trustee's discretion, abandon any unproductive or wasted trust asset or interest therein.

(m) Employ and discharge agents and employees, including but not limited to attorneys, accountants, investment and other advisers, custodians of assets, property managers, real estate agents and brokers, and appraisers, to advise and assist the Trustees in the management of any trusts created under this trust instrument, and compensate them from the trust property.

(n) With respect to securities held in trust, exercise all the rights, powers and privileges of an owner, including, but not limited to, the power to vote, give proxies, and pay assessments and other sums deemed by the Trustee necessary for the protection of the trust property; participate in voting trusts, pooling agreements, foreclosures, reorganizations, consolidations, mergers, and liquidations, and, in connection therewith, deposit securities with and transfer title to any protective or other committee under such terms as the Trustee deems advisable; exercise or sell stock subscription or conversion rights; and accept and retain as investments of the trust any securities or other property received through the exercise of any of the foregoing powers.

(o) Hold securities or other trust property in the Trustee's own name or in the name of a nominee, without disclosure of the trust, or in unregistered form, so that title may pass by delivery.

(p) Deposit securities in a securities depository that is either licensed or exempt from licensing.

(q) Borrow money for any trust purpose from any person or entity, on such terms and conditions as the Trustee deems advisable and obligate the trust for repayment; encumber any trust property by mortgage, deed of trust, pledge, or otherwise, whether for terms within or extending beyond the term of the trust, as the Trustee deems advisable to secure repayment of any such loan; replace, renew, and extend any such loan or encumbrance; and pay loans or other obligations of the trust deemed advisable by the Trustee.

(r) Procure and carry, at the expense of the trust, insurance in such forms and in such amounts as the Trustee deems advisable to protect the trust property against damage or loss, and to protect the Trustee against liability with respect to third persons.

(s) Enforce any obligation owing to the trust, including any obligation secured by a deed of trust, mortgage, or pledge held as trust property, and purchase any property subject to a security instrument held as trust property at any sale under that instrument.

(t) Extend the time for payment of any note or other obligation held as an asset of, and owing to, the trust, including accrued or future interest, and extend the time for repayment beyond the term of the Trust.

(u) Pay or contest any claim against the trust; release or prosecute any claim in favor of the trust; or, in lieu of payment, contest, release, or prosecution, adjust, compromise, or settle any such claim, in whole or in part, and with or without consideration.

(v) At trust expense, prosecute or defend actions, claims, or proceedings of whatever kind for the protection of the trust property and of the Trustee in the performance of the Trustee's duties, and employ and compensate attorneys, advisers, and other agents as the Trustee deems advisable.

Section 6.10 Division or Distribution in Cash or in Kind. In order to satisfy a pecuniary gift or to distribute or divide trust assets into shares or partial shares, the Trustee may distribute or divide those assets in kind, or divide undivided interests in those assets, or sell all or any part of those assets and distribute or divide the property in cash, in kind, or partly in cash and partly in kind. Property distributed to satisfy a pecuniary gift under this trust instrument shall be valued at its fair market value at the time of distribution.

Section 6.11 Grant of Specific Powers Not to Limit Exercise of General Powers. The enumeration of specific powers under this trust instrument shall not limit the Trustee from exercising any other power with respect to any trusts created by this trust instrument that may be necessary or appropriate for the Trustee to have and exercise in order to carry out the purposes of the trusts or to permit the Trustee to fulfill the Trustee's responsibilities and duties with respect to the trust.

Section 6.12 Power to Disclaim or Release Powers. Any Trustee may disclaim, release, or restrict the scope of any power or discretion that the Trustee may hold in connection with any trust created under this instrument, whether the power or discretion is expressly granted in this instrument or is implied by law. The Trustee shall disclaim a power in the manner required by applicable federal or California law. The Trustee shall release or restrict any power or discretion by giving written notice to the beneficiary or beneficiaries then entitled to current distribution of income from the trust, specifying the power or discretion to be released or restricted, the nature of the restriction, and, if appropriate, the person or persons to whom the released or restricted power shall pass and be exercisable. If a power is disclaimed, the power shall be available to and exercisable by the successor Trustee.

Section 6.13 Written Notice to Trustee. Until the Trustee receives written notice of any death or other event upon which the right to payments from any trust may depend, the Trustee shall incur no liability for disbursements made in good faith to persons whose interests may have been affected by that event.

ARTICLE 7

CONCLUDING PROVISIONS

Section 7.01 Definition of Death Taxes. The term "death taxes," as used in this instrument, shall mean all inheritance, estate, succession, and other similar taxes that are payable by any person on

account of that person's interest in the decedent's estate or by reason of the decedent's death, including penalties and interest, but excluding the following:

(a) Any addition to the federal estate tax for any "excess retirement accumulation" under Internal Revenue Code Section 4980A.

(b) Any additional tax that may be assessed under Internal Revenue Code Section 2032A.

(c) Any federal or state tax imposed on a generation-skipping transfer, as that term is defined in the federal tax laws, unless that generation-skipping transfer tax is payable directly out of the assets of a trust created by this instrument.

Section 7.02 Definition of Debts and Expenses. As used in this instrument, the term "debts and expenses" shall include the following:

(a) All costs, expenses of litigation, counsel fees, or other charges that the Trustee incurs in connection with the determination of the amount of the death taxes, interest, or penalties referred to in Section 7.02 of this instrument, and

(b) Legally enforceable debts, funeral expenses, expenses of last illness, and administration and property expenses.

Section 7.04 Number and Gender. As used in this instrument, references in the masculine gender shall be deemed to include the feminine and neuter gender, and vice versa, and references to the singular shall be deemed to include the plural, and vice versa, wherever the context so permits.

Section 7.05 Captions. The captions appearing in this instrument are for convenience of reference only, and shall be disregarded in determining the meaning and effect of the provisions of this instrument.

Section 7.06 Severability Clause. If any provision of this instrument is invalid, that provision shall be disregarded, and the remainder of this instrument shall be construed as if the invalid provision had not been included.

Section 7.07 California Law to Apply. All questions concerning the validity, interpretation, and administration of this instrument, including any trusts created under this instrument, shall be governed by the laws of the State of California, regardless of the domicile of any Trustee or beneficiary.

ARTICLE 8

SIGNATURE AND EXECUTION

Section 8.01 Execution. I certify that I have read the foregoing declaration of trust and that it correctly states the terms and conditions under which the Trust Estate is to be held, administered, and distributed.

As initial Trustee, I approve this declaration of trust in all particulars, and agree to be bound by its terms and conditions.

Dated: ~~February~~ March 5th, 2020



Michael S. Grunwald, Trustee

(Notarization on following page)

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California)
County of Los Angeles)

On March 5th, 2020, before me, Rachel Jung Robinson,
(insert name and title of the officer)

Notary Public, personally appeared Michael S. Grunwald,
who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are
subscribed to the within instrument and acknowledged to me that he/she/they executed the same
in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument
the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

**I certify under PENALTY OF PERJURY under the laws of the State of California
that the foregoing paragraph is true and correct.**

WITNESS my hand and official seal.

Signature



(Seal)

ACCEPTANCE OF APPOINTMENT AS SUCCESSOR TRUSTEE
OF THE COMPOUND INVESTMENT TRUST
ESTABLISHED JANUARY 8, 2020

The undersigned hereby accepts the appointment as Successor Trustee of the Compound Investment Trust, established January 8, 2020 (the "Trust"), in accordance with the Resignation of Trustee executed on January _____, 2020. The undersigned consents to serve as Trustee of the Trust, effective as of the date hereof.

IN WITNESS WHEREOF, the undersigned has executed this Acceptance of Appointment as Trustee this 5th day of ^{March}~~February~~, 2020.



MICHAEL GRUNWALD

ACKNOWLEDGEMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California)
County of Los Angeles)

On March 5th, 2020, before me, Rachel Jung Robinson
Notary Public, personally appeared MICHAEL GRUNWALD, who proved to me on the basis of satisfactory evidence to be the person whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his authorized capacity, and that by his signature on the instrument the person, or the entity upon behalf of which the person acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

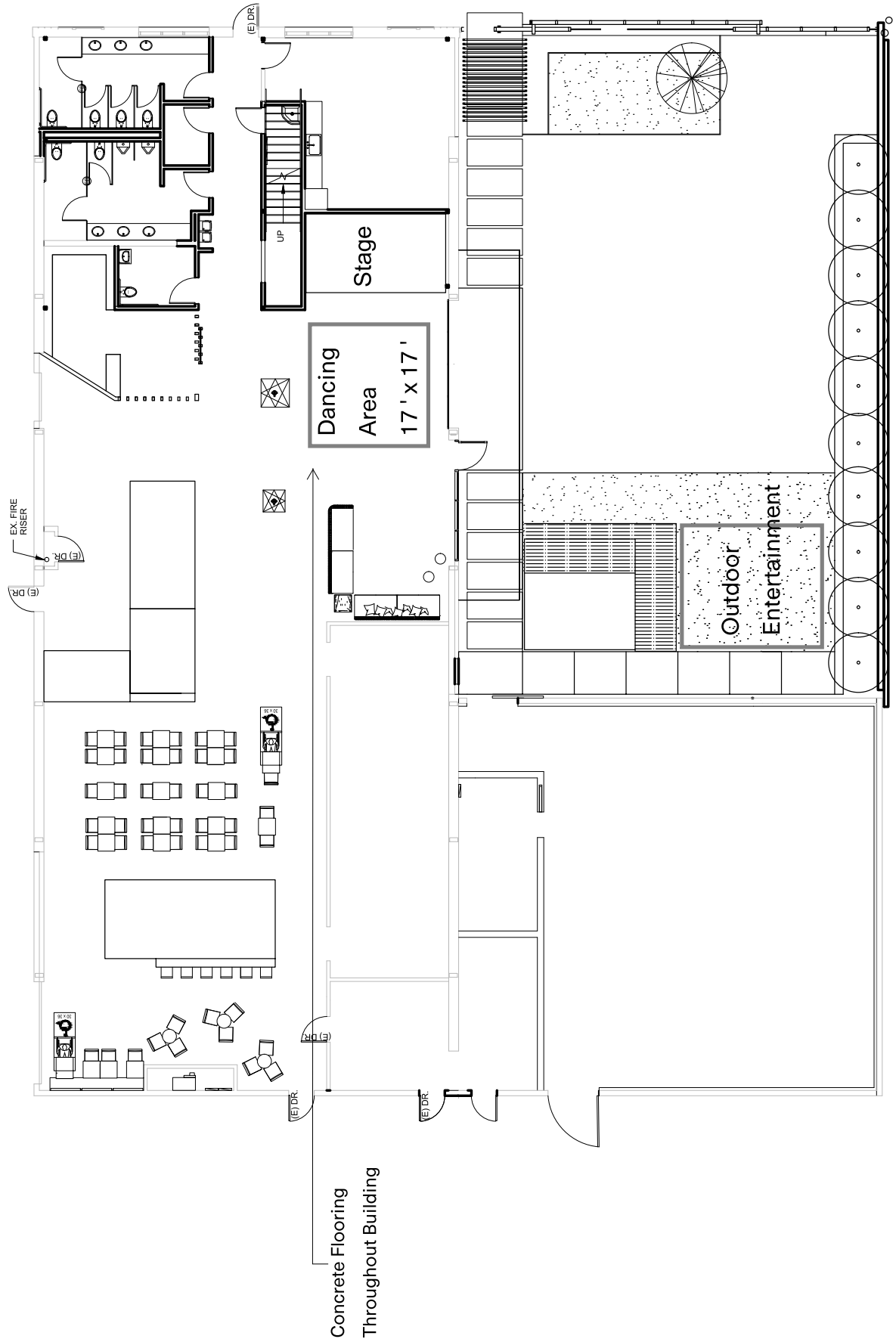
WITNESS my hand and official seal.

Signature _____



(Seal)

Compound LB - Entertainment Floor Plan



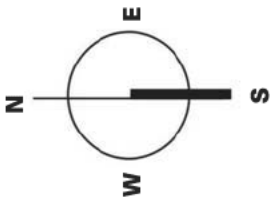
PARKING PLAN

PROJECT LOCATION |
1395 CORONADO AVE
LONG BEACH CA 90803

PARKING LOCATION |
1322 OBISPO AVE
LONG BEACH CA 90803

PARKING VARIANCE |
582 FT





COMPOUND | VALET
1395 CORONADO AVE

SELF PARKING | VALET
1322 OBISPO AVE

SERVICE ROAD IMPACT |
CORONADO AVE
E. ANAHEIM ST.
OBISPO AVE.
E. 14TH ST.

VALET CURB

VALET RETURN

VALET ARRIVAL



5 STANDARD EXTERIOR
23 STANDARD INTERIOR
1 ADA INTERIOR

[illegible]

1395 CORONADO AVENUE LONG BEACH, CA 90804
1322-1326 OBISPO AVENUE LONG BEACH, CA 90804

3 min
0.1 miles

TOTAL WALKING DISTANCE IS 528 FEET

3 min
0.2 miles

SITE INFORMATION: (MAIN SITE)
ADDRESS: 1395 CORONADO AVENUE
LONG BEACH 90804
LOT AREA: 6,500 SF
APN(s) 7259-008-011

SITE INFORMATION: (PARKING SITE)
ADDRESS: 1322-26 OBISPO AVENUE
LONG BEACH 90804
LOT AREA: 19,516 SF
APN(s) 7259-008-010

OWNER
PAUL SAHLIN
1322 OBISPO AVENUE
LONG BEACH, CA 90804

OWNER
KEN GALLAGHER
1395 CORONADO AVENUE
LONG BEACH, CA 90804

BOA ARCHITECTURE
1511 COTA AVENUE
LONG BEACH, CA 908
CONTACT: EDWARD L
T: 562-912-7900

ENGINEERING
PACIFIC ENGINEERING
17703 CRENSHAW BLVD.
TORRANCE, CA 90504
CONTACT: VICTOR CHAI-
T: 310-516-9275

WIRE MONITORING
ENGINEERING-DESIGN-ANALYSIS
10231 SLATER AVENUE SUITE 207
FOUNTAIN VALLEY, CA 92708
CONTACT: KEVIN FRIEDMAN
T: 714-913-8393
E: EDAINCORPORATED@AOL.COM

MEGAN TAGLIAFERRI
E: MT@FLODESIGNSTUDIO.COM

DESIGNER
CJJI HOFFMAN
T: 480-694-7638
E: CH@FLODESIGNSTUDIO.COM

APN NO.	725-008-011
LEGAL DESCRIPTION	ALPHA TRACT LOTS 18 AND LOT 19
LOT AREA	6,001 S.F.
OCCUPANCY GROUP	GROUP 405.04
CONSTRUCTION TYPE	1 STORY TYPE IIB
FIRE SPRINKLED	YES
EXISTING BUILDING AREA	6,210 S.F.
FIRST FLOOR T.I. AREA	1,916 S.F.
NEW AND FLOOR MECHANICAL ROOM	600 S.F.
OCCUPANCY LOAD	96
PROPOSED OCCUPANCY	NO CHANGE
EMERGENCY EXITS PROVIDED	3

APN:01	7259 010-010
LEGAL DESCRIPTION:	TRACT LOTS 13, 14, 15, 16,
LOT AREA:	15.0155 F.
OCCUPANCY GROUP:	GROUP 165-2
CONSTRUCTION TYPE:	1 STORY TYPE I-A
FIRE SPRINKLED:	YES
EXISTING BUILDING AREA:	15,000 S.F.
YEAR BUILT:	1954
USE:	INDUSTRIAL

The Property located at 1395 Coronado Avenue, or "Main Site," is zoned Light Industrial (IL). The Main site is adjoined to the west, east, and south by similarly-zoned IL properties. It is located across the R-2-N zoned across 14th Avenue to the north.

The Property located at 1322 Obispo Avenue, or "Parking Site," is zoned Light Industrial (IL). The Parking Site is adjacent to the north, east, and west by similarly-zoned IL properties. It is adjacent to the south by the CCA zone, along East Anaheim Street.

The Parking Site is located across from a small portion of PD-22, zoned by the Pacific Railway Planned Development District.

NO	DATE	REMARKS
860	2	80000
861	3	80000
862	4	80000
863	5	80000
864	6	80000
865	7	80000
866	8	80000
867	9	80000
868	10	80000
869	11	80000
870	12	80000
871	13	80000
872	14	80000
873	15	80000
874	16	80000
875	17	80000
876	18	80000
877	19	80000
878	20	80000
879	21	80000
880	22	80000
881	23	80000
882	24	80000
883	25	80000
884	26	80000
885	27	80000
886	28	80000
887	29	80000
888	30	80000
889	31	80000
890	32	80000
891	33	80000
892	34	80000
893	35	80000
894	36	80000
895	37	80000
896	38	80000
897	39	80000
898	40	80000
899	41	80000
900	42	80000
901	43	80000
902	44	80000
903	45	80000
904	46	80000
905	47	80000
906	48	80000
907	49	80000
908	50	80000
909	51	80000
910	52	80000
911	53	80000
912	54	80000
913	55	80000
914	56	80000
915	57	80000
916	58	80000
917	59	80000
918	60	80000
919	61	80000
920	62	80000
921	63	80000
922	64	80000
923	65	80000
924	66	80000
925	67	80000
926	68	80000
927	69	80000
928	70	80000
929	71	80000
930	72	80000
931	73	80000
932	74	80000
933	75	80000
934	76	80000
935	77	80000
936	78	80000
937	79	80000
938	80	80000
939	81	80000
940	82	80000
941	83	80000
942	84	80000
943	85	80000
944	86	80000
945	87	80000
946	88	80000
947	89	80000
948	90	80000
949	91	80000
950	92	80000
951	93	80000
952	94	80000
953	95	80000
954	96	80000
955	97	80000
956	98	80000
957	99	80000
958	100	80000
959	101	80000
960	102	80000
961	103	80000
962	104	80000
963	105	80000
964	106	80000
965	107	80000
966	108	80000
967	109	80000
968	110	80000
969	111	80000
970	112	80000
971	113	80000
972	114	80000
973	115	80000
974	116	80000
975	117	80000
976	118	80000
977	119	80000
978	120	80000
979	121	80000
980	122	80000
981	123	80000
982	124	80000
983	125	80000
984	126	80000
985	127	80000
986	128	80000
987	129	80000
988	130	80000
989	131	80000

[illegible][illegible]

PROBATION DEPARTMENT, 1000 WEST 10TH AVENUE, DENVER, COLORADO 80202



SCALE: 3/16" = 1'-0"

SITE PLAN

2,890 SF

850 SF

825 SF

384 SF

278 SF

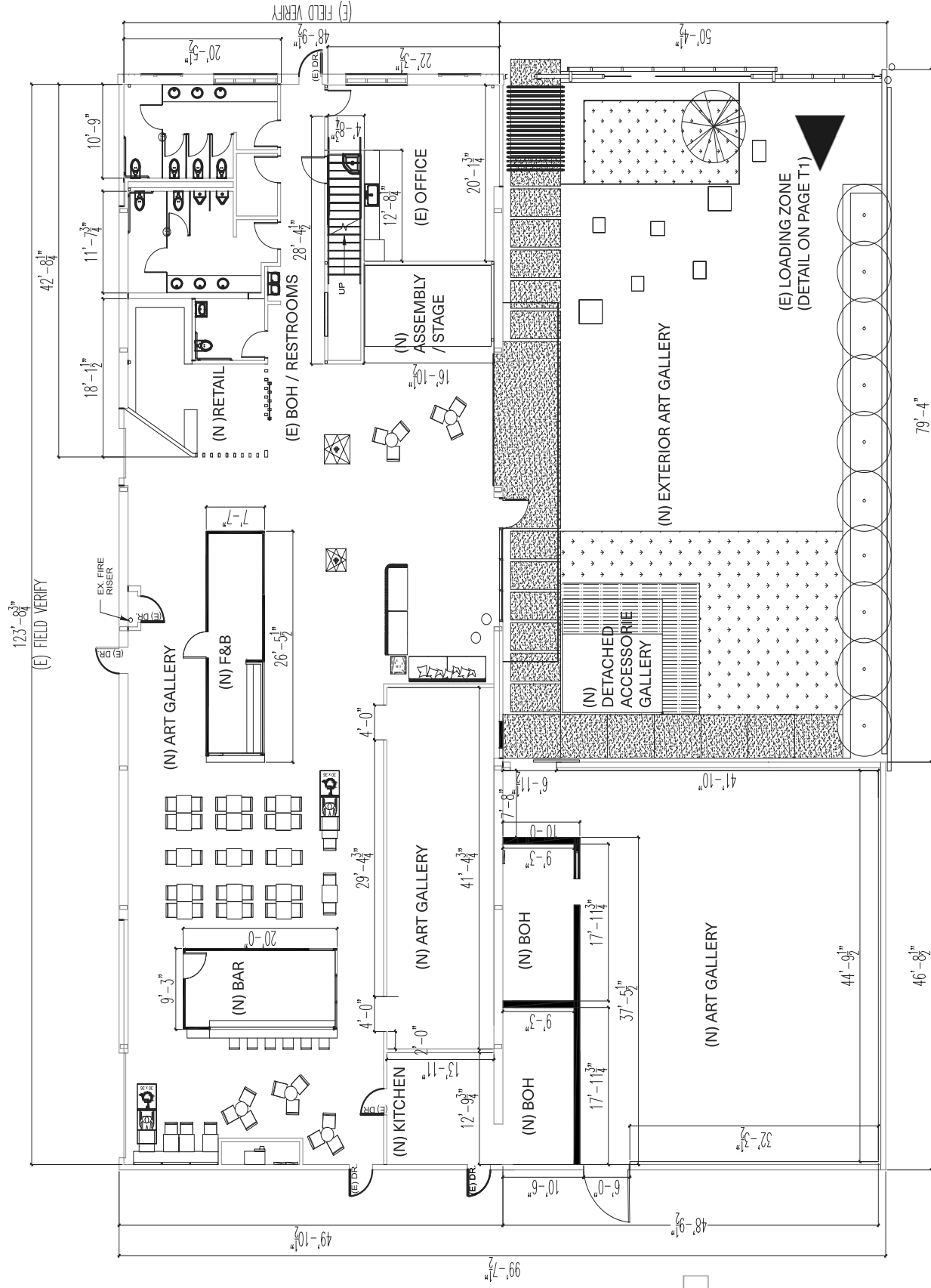
1,474 SF

1,000 SF

2,950 SF

1 000 SE

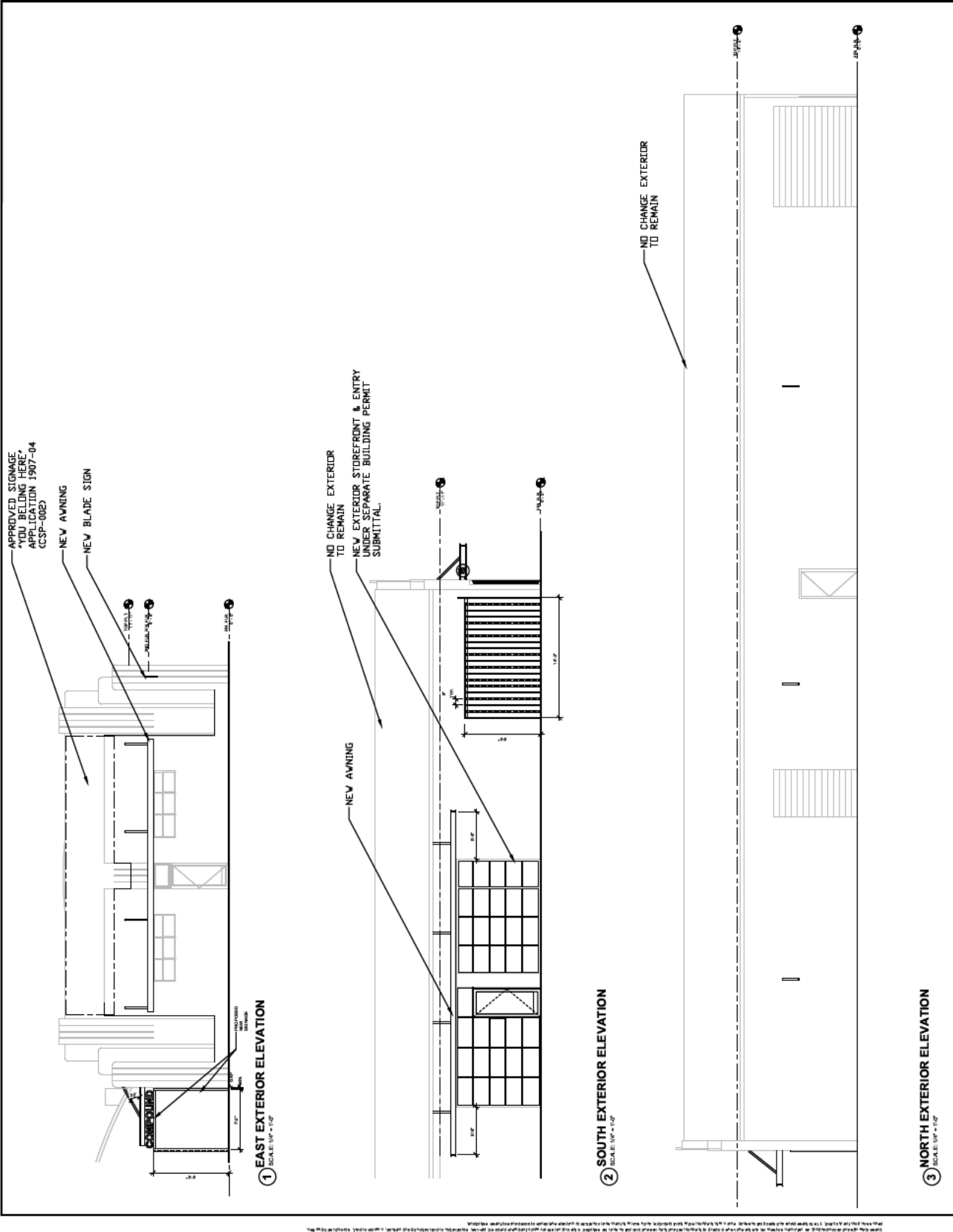
POCHE



[illegible]

Design	ms
CAD Draft	ms
Architect	10k
Engineer	40
Civil	medium 10k, 40k, 60k
Other Issues	40k-100k
Job Number	10-2000

Copyright ©
2010 by
Wiley-Blackwell



Architect
Interiors
Planning

BOA



1511 Cole Ave Long Beach, CA 90813 Tel. 562-612-7900

CORONADO BUILDING
CUB SUBMITTAL

1300 CORONADO AVENUE, LONG BEACH, CA 90804

DATE	10/1/2011
BY	BOA
REVISION	
1	10/1/2011
2	10/1/2011
3	10/1/2011
4	10/1/2011
5	10/1/2011
6	10/1/2011
7	10/1/2011
8	10/1/2011
9	10/1/2011
10	10/1/2011
11	10/1/2011
12	10/1/2011
13	10/1/2011
14	10/1/2011
15	10/1/2011
16	10/1/2011
17	10/1/2011
18	10/1/2011
19	10/1/2011
20	10/1/2011
21	10/1/2011
22	10/1/2011
23	10/1/2011
24	10/1/2011
25	10/1/2011
26	10/1/2011
27	10/1/2011
28	10/1/2011
29	10/1/2011
30	10/1/2011
31	10/1/2011
32	10/1/2011
33	10/1/2011
34	10/1/2011
35	10/1/2011
36	10/1/2011
37	10/1/2011
38	10/1/2011
39	10/1/2011
40	10/1/2011
41	10/1/2011
42	10/1/2011
43	10/1/2011
44	10/1/2011
45	10/1/2011
46	10/1/2011
47	10/1/2011
48	10/1/2011
49	10/1/2011
50	10/1/2011
51	10/1/2011
52	10/1/2011
53	10/1/2011
54	10/1/2011
55	10/1/2011
56	10/1/2011
57	10/1/2011
58	10/1/2011
59	10/1/2011
60	10/1/2011
61	10/1/2011
62	10/1/2011
63	10/1/2011
64	10/1/2011
65	10/1/2011
66	10/1/2011
67	10/1/2011
68	10/1/2011
69	10/1/2011
70	10/1/2011
71	10/1/2011
72	10/1/2011
73	10/1/2011
74	10/1/2011
75	10/1/2011
76	10/1/2011
77	10/1/2011
78	10/1/2011
79	10/1/2011
80	10/1/2011
81	10/1/2011
82	10/1/2011
83	10/1/2011
84	10/1/2011
85	10/1/2011
86	10/1/2011
87	10/1/2011
88	10/1/2011
89	10/1/2011
90	10/1/2011
91	10/1/2011
92	10/1/2011
93	10/1/2011
94	10/1/2011
95	10/1/2011
96	10/1/2011
97	10/1/2011
98	10/1/2011
99	10/1/2011
100	10/1/2011

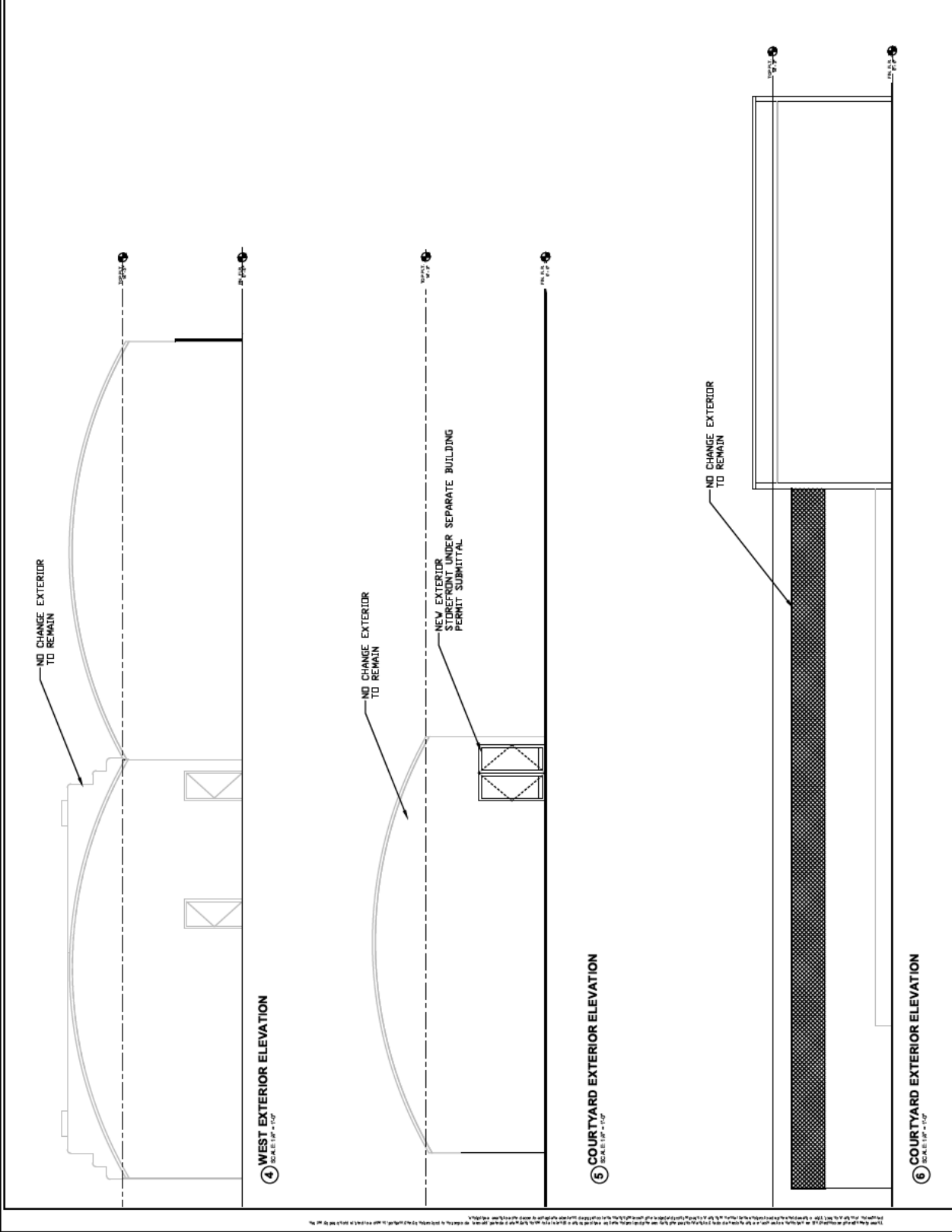
DATE	10/1/2011
BY	BOA
REVISION	
1	10/1/2011
2	10/1/2011
3	10/1/2011
4	10/1/2011
5	10/1/2011
6	10/1/2011
7	10/1/2011
8	10/1/2011
9	10/1/2011
10	10/1/2011
11	10/1/2011
12	10/1/2011
13	10/1/2011
14	10/1/2011
15	10/1/2011
16	10/1/2011
17	10/1/2011
18	10/1/2011
19	10/1/2011
20	10/1/2011
21	10/1/2011
22	10/1/2011
23	10/1/2011
24	10/1/2011
25	10/1/2011
26	10/1/2011
27	10/1/2011
28	10/1/2011
29	10/1/2011
30	10/1/2011
31	10/1/2011
32	10/1/2011
33	10/1/2011
34	10/1/2011
35	10/1/2011
36	10/1/2011
37	10/1/2011
38	10/1/2011
39	10/1/2011
40	10/1/2011
41	10/1/2011
42	10/1/2011
43	10/1/2011
44	10/1/2011
45	10/1/2011
46	10/1/2011
47	10/1/2011
48	10/1/2011
49	10/1/2011
50	10/1/2011
51	10/1/2011
52	10/1/2011
53	10/1/2011
54	10/1/2011
55	10/1/2011
56	10/1/2011
57	10/1/2011
58	10/1/2011
59	10/1/2011
60	10/1/2011
61	10/1/2011
62	10/1/2011
63	10/1/2011
64	10/1/2011
65	10/1/2011
66	10/1/2011
67	10/1/2011
68	10/1/2011
69	10/1/2011
70	10/1/2011
71	10/1/2011
72	10/1/2011
73	10/1/2011
74	10/1/2011
75	10/1/2011
76	10/1/2011
77	10/1/2011
78	10/1/2011
79	10/1/2011
80	10/1/2011
81	10/1/2011
82	10/1/2011
83	10/1/2011
84	10/1/2011
85	10/1/2011
86	10/1/2011
87	10/1/2011
88	10/1/2011
89	10/1/2011
90	10/1/2011
91	10/1/2011
92	10/1/2011
93	10/1/2011
94	10/1/2011
95	10/1/2011
96	10/1/2011
97	10/1/2011
98	10/1/2011
99	10/1/2011
100	10/1/2011

DATE	10/1/2011
BY	BOA
REVISION	
1	10/1/2011
2	10/1/2011
3	10/1/2011
4	10/1/2011
5	10/1/2011
6	10/1/2011
7	10/1/2011
8	10/1/2011
9	10/1/2011
10	10/1/2011
11	10/1/2011
12	10/1/2011
13	10/1/2011
14	10/1/2011
15	10/1/2011
16	10/1/2011
17	10/1/2011
18	10/1/2011
19	10/1/2011
20	10/1/2011
21	10/1/2011
22	10/1/2011
23	10/1/2011
24	10/1/2011
25	10/1/2011
26	10/1/2011
27	10/1/2011
28	10/1/2011
29	10/1/2011
30	10/1/2011
31	10/1/2011
32	10/1/2011
33	10/1/2011
34	10/1/2011
35	10/1/2011
36	10/1/2011
37	10/1/2011
38	10/1/2011
39	10/1/2011
40	10/1/2011
41	10/1/2011
42	10/1/2011
43	10/1/2011
44	10/1/2011
45	10/1/2011
46	10/1/2011
47	10/1/2011
48	10/1/2011
49	10/1/2011
50	10/1/2011
51	10/1/2011
52	10/1/2011
53	10/1/2011
54	10/1/2011
55	10/1/2011
56	10/1/2011
57	10/1/2011
58	10/1/2011
59	10/1/2011
60	10/1/2011
61	10/1/2011
62	10/1/2011
63	10/1/2011
64	10/1/2011
65	10/1/2011
66	10/1/2011
67	10/1/2011
68	10/1/2011
69	10/1/2011
70	10/1/2011
71	10/1/2011
72	10/1/2011
73	10/1/2011
74	10/1/2011
75	10/1/2011
76	10/1/2011
77	10/1/2011
78	10/1/2011
79	10/1/2011
80	10/1/2011
81	10/1/2011
82	10/1/2011
83	10/1/2011
84	10/1/2011
85	10/1/2011
86	10/1/2011
87	10/1/2011
88	10/1/2011
89	10/1/2011
90	10/1/2011
91	10/1/2011
92	10/1/2011
93	10/1/2011
94	10/1/2011
95	10/1/2011
96	10/1/2011
97	10/1/2011
98	10/1/2011
99	10/1/2011
100	10/1/2011



Professional Engineer
State of California
No. 12345
Exp. 12/31/2012

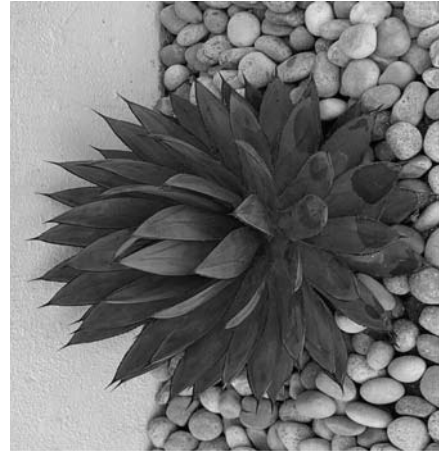
A3.1



COMPOUND SITE PHOTOS

PROJECT LOCATION |
1395 CORONADO AVE
LONG BEACH CA 90803





COMPOUND LANDSCAPING PHOTOS

PROJECT LOCATION |
1395 CORONADO AVE
LONG BEACH CA 90803



[illegible]

Day 01: 1st day	1st day
Day 02: 2nd day	2nd day
Day 03: 3rd day	3rd day
Day 04: 4th day	4th day
Day 05: 5th day	5th day
Day 06: 6th day	6th day
Day 07: 7th day	7th day
Day 08: 8th day	8th day
Day 09: 9th day	9th day
Day 10: 10th day	10th day
Day 11: 11th day	11th day
Day 12: 12th day	12th day
Day 13: 13th day	13th day
Day 14: 14th day	14th day
Day 15: 15th day	15th day
Day 16: 16th day	16th day
Day 17: 17th day	17th day
Day 18: 18th day	18th day
Day 19: 19th day	19th day
Day 20: 20th day	20th day
Day 21: 21st day	21st day
Day 22: 22nd day	22nd day
Day 23: 23rd day	23rd day
Day 24: 24th day	24th day
Day 25: 25th day	25th day
Day 26: 26th day	26th day
Day 27: 27th day	27th day
Day 28: 28th day	28th day
Day 29: 29th day	29th day
Day 30: 30th day	30th day
Day 31: 31st day	31st day
Day 32: 32nd day	32nd day
Day 33: 33rd day	33rd day
Day 34: 34th day	34th day
Day 35: 35th day	35th day
Day 36: 36th day	36th day
Day 37: 37th day	37th day
Day 38: 38th day	38th day
Day 39: 39th day	39th day
Day 40: 40th day	40th day
Day 41: 41st day	41st day
Day 42: 42nd day	42nd day
Day 43: 43rd day	43rd day
Day 44: 44th day	44th day
Day 45: 45th day	45th day
Day 46: 46th day	46th day
Day 47: 47th day	47th day
Day 48: 48th day	48th day
Day 49: 49th day	49th day
Day 50: 50th day	50th day
Day 51: 51st day	51st day
Day 52: 52nd day	52nd day
Day 53: 53rd day	53rd day
Day 54: 54th day	54th day
Day 55: 55th day	55th day
Day 56: 56th day	56th day
Day 57: 57th day	57th day
Day 58: 58th day	58th day
Day 59: 59th day	59th day
Day 60: 60th day	60th day
Day 61: 61st day	61st day
Day 62: 62nd day	62nd day
Day 63: 63rd day	63rd day
Day 64: 64th day	64th day
Day 65: 65th day	65th day
Day 66: 66th day	66th day
Day 67: 67th day	67th day
Day 68: 68th day	68th day
Day 69: 69th day	69th day
Day 70: 70th day	70th day
Day 71: 71st day	71st day
Day 72: 72nd day	72nd day
Day 73: 73rd day	73rd day
Day 74: 74th day	74th day
Day 75: 75th day	75th day
Day 76: 76th day	76th day
Day 77: 77th day	77th day
Day 78: 78th day	78th day
Day 79: 79th day	79th day
Day 80: 80th day	80th day
Day 81: 81st day	81st day
Day 82: 82nd day	82nd day
Day 83: 83rd day	83rd day
Day 84: 84th day	84th day
Day 85: 85th day	85th day
Day 86: 86th day	86th day
Day 87: 87th day	87th day
Day 88: 88th day	88th day
Day 89: 89th day	89th day
Day 90: 90th day	90th day
Day 91: 91st day	91st day
Day 92: 92nd day	92nd day
Day 93: 93rd day	93rd day
Day 94: 94th day	94th day
Day 95: 95th day	95th day
Day 96: 96th day	96th day
Day 97: 97th day	97th day
Day 98: 98th day	98th day
Day 99: 99th day	99th day
Day 100: 100th day	100th day

Q 491



A1.0

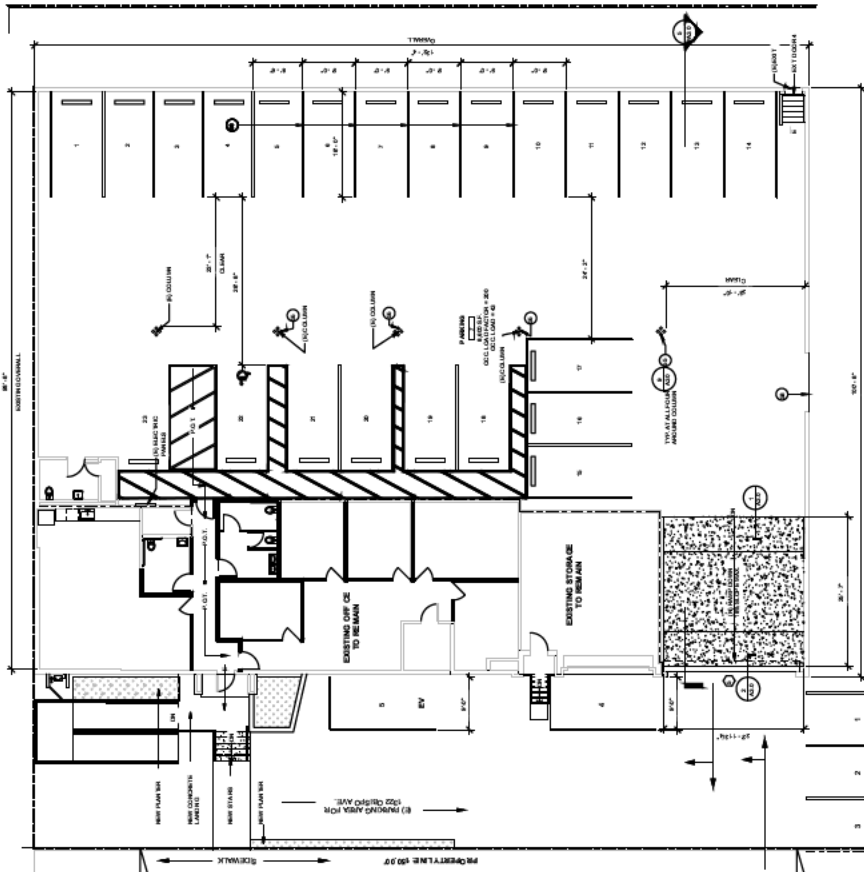
KEYNOTES

O KEYNOTES	
SB	WANT HOLLANDERS TO IMPROVE CONTACT WITH THE COLONY.
SB	WANT PARKER AND WINTERBURN BRASS AND PIERCE TO TRY TO FORM BRANCHES IN NEW YORK.
SB	WANT WINTERBURN TO GET ON TO BRASS, PIERCE IN PLACE.

PATH OF TRAVEL LEGEND



WALL LEGEND



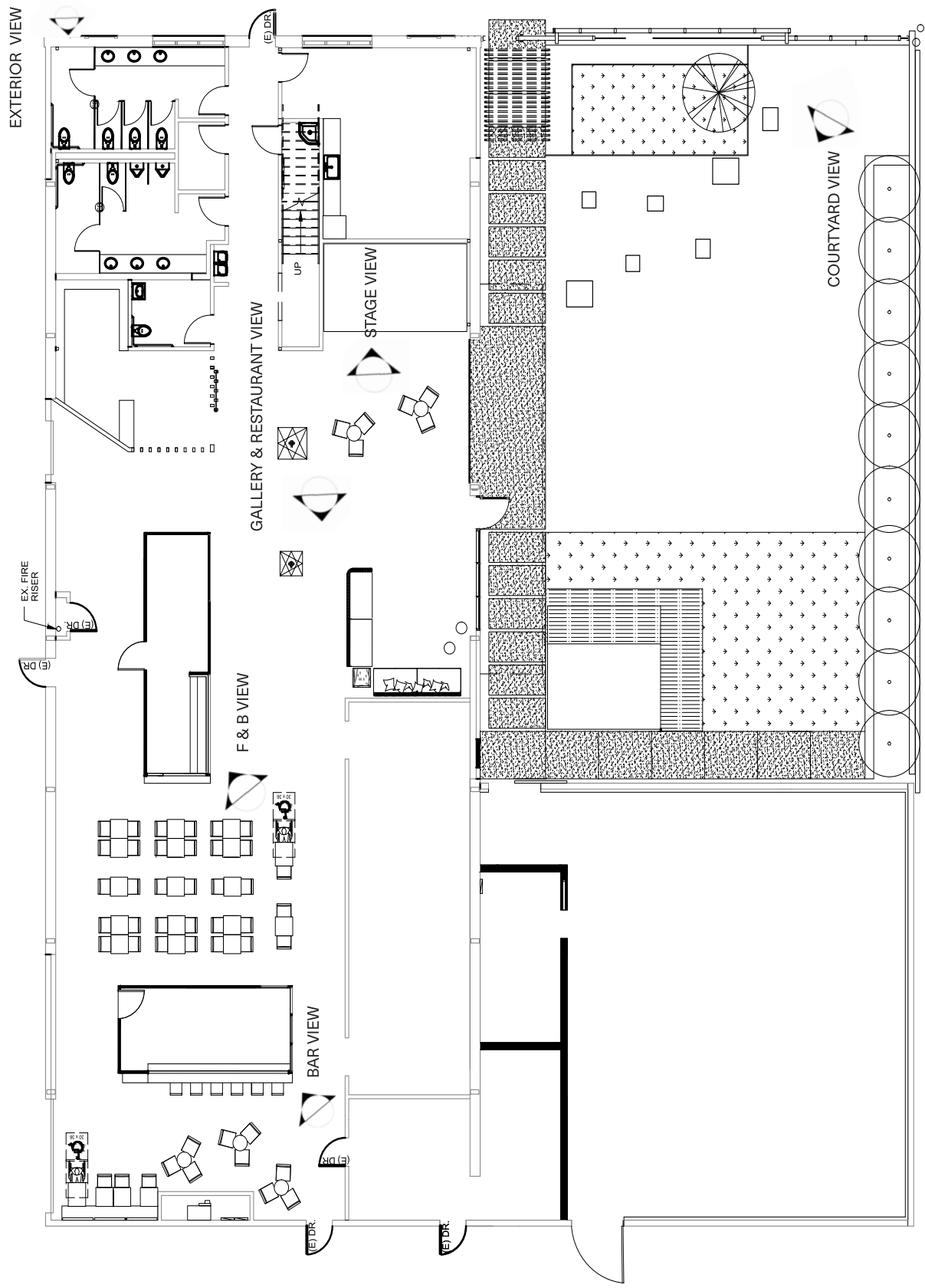
1 RENOVATION PLAN
SCALE: 1/8" = 1'-0"

OBISPO SITE PHOTOS

PARKING LOCATION |
1322 OBISPO AVE
LONG BEACH CA 90803



RENDERING KEY PLAN





EXTERIOR VIEW



COURTYARD VIEW



GALLERY & RESTAURANT VIEW



BAR VIEW



STAGE VIEW



FOOD & BEVERAGE VIEW

PROJECT LOCATION |
1395 CORONADO AVE
LONG BEACH CA 90803

CONDITIONAL USE PERMIT CONDITIONS OF APPROVAL | Application #1910-25 (CUP 18 -040)
Compound requests the following condition be reviewed and revised to include Off-premises sale of alcohol. The additional documentation & narrative have been provided in regards to operations as well as the foundation of our project.

CUP Condition 20 – Off-premises Sale: This condition strictly prohibits the sale of alcohol for consumption off-site and we would like the ability to sell alcohol in conjunction with our ancillary retail component (i.e. buying a bottle of wine for take away with a sandwich). According to ABC, on-sale liquor licenses are generally also granted the ability to sell off-sale beer and wine only.



COMPOUND OPERATIONS NARRATIVE

Compound is a cultural sanctuary fostering the intersection of contemporary art, wellness and community. As Long Beach community members, we are grateful for the opportunity to share a creative space with our neighbors and provide a place for reflection, healing and connection.

Our approach is holistic and inclusive. We offer contemporary art exhibitions and immersive experiences, classes and workshops in the healing arts, performances, an artisan retail shop, and a food and beverage program - all of which contribute to a sense of belonging, connection, and growth. Learn more about and register for our programs at compoundlb.com.

Our facilities will be the first of their kind in Long Beach, and our programming is truly a new offering to the Southern California region. We chose the Zaferia neighborhood intentionally and are excited to bring an art and cultural center to the community. Compound is in a 10,000-square-foot converted warehouse and courtyard, designed with the highest standards in mind to create a beautiful, welcoming experience for our guests. The space includes nearly 2,000 square feet set aside for food and beverage preparation and service, with our restaurant space seating approximately 50 guests.

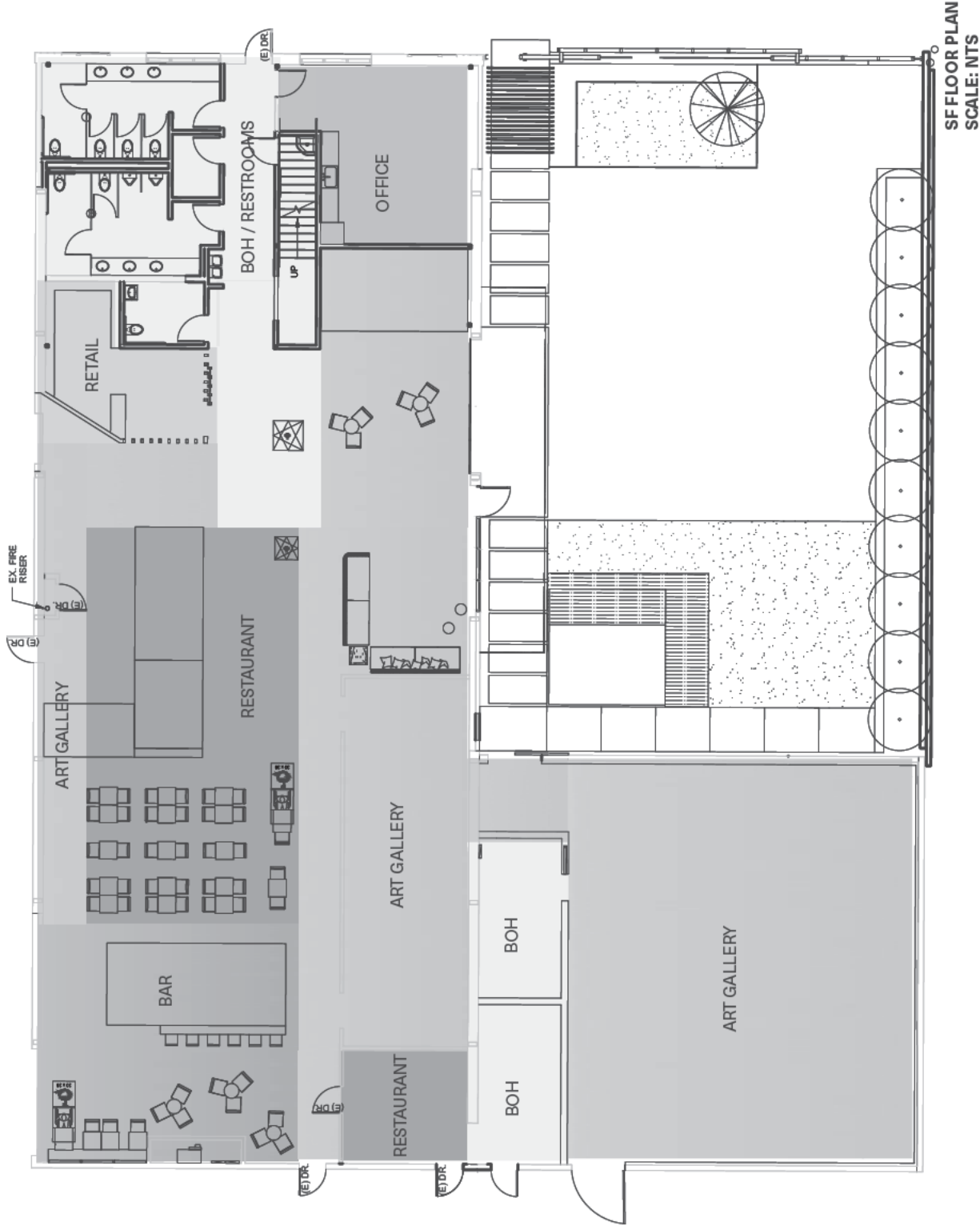
Our food and beverage program focuses on fresh, healthy, and accessible options for our community. We plan to operate a daily cafe offering juices, coffee, and freshly prepared food for grab-n-go or to enjoy in our courtyard. We envision our guests grabbing a juice and a freshly made breakfast bowl after their morning yoga class, or a group of friends reflecting on the panel discussion or art exhibition over wine and pizza. Food is an important component of the intersectionality that makes Compound unique. Our goal is to bring people together through experiences, and that includes food and beverage. We will partner with culinary chefs to host dinner series, local pop ups, organic farmers markets, and provide food and beverage for programming events like artists talks, cultural film screenings, acoustic performances and more.

Any live entertainment will be held between 11am and 10pm and managed closely by our visitor experience, operations and programs teams. We are focused on the safety and comfort of our neighbors and guests, and have plans in place to monitor all operations closely. Clear roles and responsibilities will be assigned to staff to ensure procedures and safety measures are defined and executed, providing a safe environment for our neighbors and guests from arrival through departure. Additionally, we will coordinate cleaning prior to and after events, require alcohol training for key staff, and provide well placed, clear signs to indicate to visitors to respect the neighbors, including no smoking, no loud noise after 10 PM, and no loitering after hours. In addition to our twenty four hour surveillance, we will have trained security guards onsite for special events. Our team is committed to being a great community partner and is always accessible to our fellow neighbors and local businesses.

Example food and beverage schedule:

- Monday-Wednesday: Closed to the public (private events).
- Thursday-Sunday from 8am-5pm:
 - Cafe with grab-n-go or dine-in lunch service.
 - Food menu examples include grilled paninis, pizzas, salads, protein bowls, pastries, charcuterie boards with baked bread, cold pressed juice, coffee, tea, kombucha.
 - Designed to complement our daily programming including wellness classes (yoga, meditation, sound baths), contemporary art exhibitions and workshops.
- Thursday-Sunday from 5-9pm:
 - Dinner service.
 - Food menu examples include meat and plant-based entrees, local organic vegetables, pizza, pasta, etc., and/or specific menu items from a culinary partner.
 - Designed to complement our artist and speaker series, film screenings and other curated programming and art-focused events.
- Other special events including food-specific, like hosting community farmers markets, culinary residencies and pop-ups, etc., will be managed similarly and will likely be hosted on the weekends.

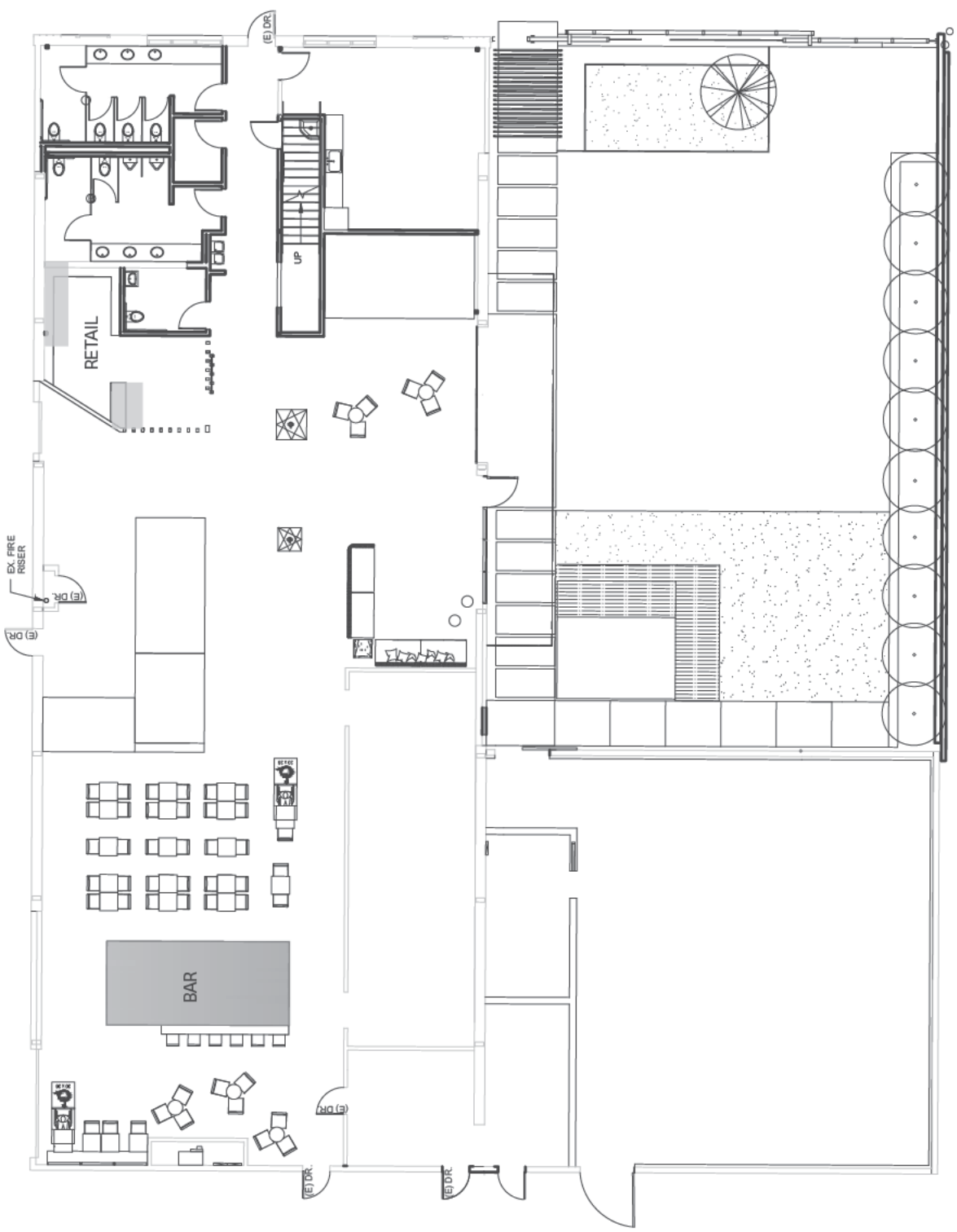
We're creating a place for our community to gather, connect and feast on nurturing meals in a welcoming, casual environment.



SF FLOOR PLAN
SCALE: NTS

ART GALLERY	3,890 SF
RESTAURANT	850 SF
BAR	825 SF
OFFICE	384 SF
RETAIL	278 SF
BOH / RESTROOMS	1,474 SF





SF FLOOR PLAN
SCALE: NTS

COMPOUND OFF-SALES
ALCOHOL LOCATIONS

- BAR 190 SF
- RETAIL 60 SF

PROJECT LOCATION |
1395 CORONADO AVE
LONG BEACH CA 90803

CONDITIONAL USE PERMIT CONDITIONS OF APPROVAL | Application #1910-25 (CUP 18 -040)
Compound requests the following condition be reviewed and revised to include outdoor speakers. The additional documentation & narrative have been provided in regards to operations as well as the foundation of our project. It also includes the proposed locations of exterior speakers to be located within the landscaping of the courtyard.

CUP Condition 8 – Speakers: The condition currently prohibits “exterior mounted speakers and televisions.” The team does not intend to install televisions nor an extensive mounted speaker system, however they would like the flexibility to use small-scale speakers for microphones (like for a yoga instructor or an outdoor lecture series) and small musical performances.



COMPOUND OPERATIONS NARRATIVE

Compound is a cultural sanctuary fostering the intersection of contemporary art, wellness and community. As Long Beach community members, we are grateful for the opportunity to share a creative space with our neighbors and provide a place for reflection, healing and connection.

Our approach is holistic and inclusive. We offer contemporary art exhibitions and immersive experiences, classes and workshops in the healing arts, performances, an artisan retail shop, and a food and beverage program - all of which contribute to a sense of belonging, connection, and growth. Learn more about and register for our programs at compoundlb.com.

Our facilities will be the first of their kind in Long Beach, and our programming is truly a new offering to the Southern California region. We chose the Zaferia neighborhood intentionally and are excited to bring an art and cultural center to the community. Compound is in a 10,000-square-foot converted warehouse and courtyard, designed with the highest standards in mind to create a beautiful, welcoming experience for our guests. The space includes nearly 2,000 square feet set aside for food and beverage preparation and service, with our restaurant space seating approximately 50 guests.

Our food and beverage program focuses on fresh, healthy, and accessible options for our community. We plan to operate a daily cafe offering juices, coffee, and freshly prepared food for grab-n-go or to enjoy in our courtyard. We envision our guests grabbing a juice and a freshly made breakfast bowl after their morning yoga class, or a group of friends reflecting on the panel discussion or art exhibition over wine and pizza. Food is an important component of the intersectionality that makes Compound unique. Our goal is to bring people together through experiences, and that includes food and beverage. We will partner with culinary chefs to host dinner series, local pop ups, organic farmers markets, and provide food and beverage for programming events like artists talks, cultural film screenings, acoustic performances and more.

Any live entertainment will be held between 11am and 10pm and managed closely by our visitor experience, operations and programs teams. We are focused on the safety and comfort of our neighbors and guests, and have plans in place to monitor all operations closely. Clear roles and responsibilities will be assigned to staff to ensure procedures and safety measures are defined and executed, providing a safe environment for our neighbors and guests from arrival through departure. Additionally, we will coordinate cleaning prior to and after events, require alcohol training for key staff, and provide well placed, clear signs to indicate to visitors to respect the neighbors, including no smoking, no loud noise after 10 PM, and no loitering after hours. In addition to our twenty four hour surveillance, we will have trained security guards onsite for special events. Our team is committed to being a great community partner and is always accessible to our fellow neighbors and local businesses.

Example food and beverage schedule:

- Monday-Wednesday: Closed to the public (private events).
- Thursday-Sunday from 8am-5pm:
 - Cafe with grab-n-go or dine-in lunch service.
 - Food menu examples include grilled paninis, pizzas, salads, protein bowls, pastries, charcuterie boards with baked bread, cold pressed juice, coffee, tea, kombucha.
 - Designed to complement our daily programming including wellness classes (yoga, meditation, sound baths), contemporary art exhibitions and workshops.
- Thursday-Sunday from 5-9pm:
 - Dinner service.
 - Food menu examples include meat and plant-based entrees, local organic vegetables, pizza, pasta, etc., and/or specific menu items from a culinary partner.
 - Designed to complement our artist and speaker series, film screenings and other curated programming and art-focused events.
- Other special events including food-specific, like hosting community farmers markets, culinary residencies and pop-ups, etc., will be managed similarly and will likely be hosted on the weekends.

We're creating a place for our community to gather, connect and feast on nurturing meals in a welcoming, casual environment.

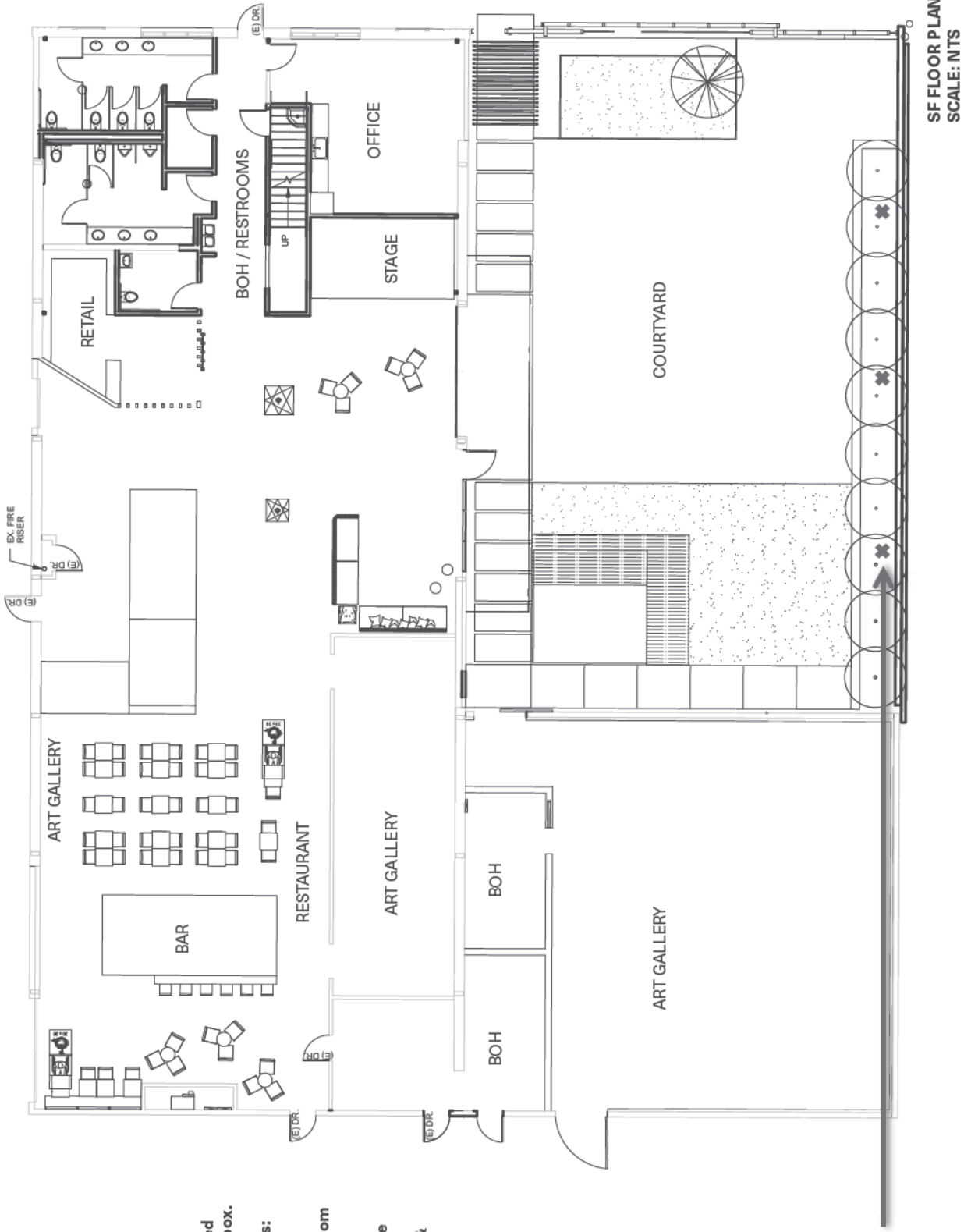


Outdoor speakers to be located within the landscape planter box.

See Below For Exact Locations:

The speakers will be directed towards the courtyard away from any neighboring businesses.

The use of the speakers will be intertwined with our exterior programming involving yoga & meditation.



COMPOUND OUTDOOR
SPEAKER LOCATIONS *

SF FLOOR PLAN
SCALE: NTS



9/1/2021 17:28

INFORMATION - LICENSE # BS22018696

License Type BS
Application Type Secondary Business License
Description
Primary Applicant
Primary Applicant Last Name COMPOUND F&B LLC
Address 1395 CORONADO AVE LONG BEACH CA 90804
Location
License is Pending.
Current milestone is Council Approval.
[REDACTED]
Account: BS22018696

License Description**Status Dates**

Processed Date 12/2/2020 10:01
[REDACTED]
Start Date 12/2/2020 00:00
[REDACTED]
Inactive Date
by
Last Renewal
by
Next Renewal
Expires
Grace Exp
End Date
[REDACTED]

License Description

Property Type COM
License Category 300507
Business Name COMPOUND F&B LLC
DBA Name
Detailed Description of Business Activities
ENTERTAINMENT WITH DANCING (ALCOHOL)
Application Reason NEWLICENSE
Description Entertainment With Dancing (Alcohol)
HH/MH: Total # Units 0
Census Tract 0
Council District 4

License Details

(Tab Not Loaded)

Endorsements

(Tab Not Loaded)

Reviews

(Tab Not Loaded)

Inspections

(Tab Not Loaded)

Conditions

(Tab Not Loaded)

Fees

(Tab Not Loaded)

Applicants**Contact Information**

Name COMPOUND F&B LLC
First Name,
MI
Middle Initial
Contact Type MAILING
Address PO BOX 492268
Address Line 2
City LOS ANGELES
State/Province VS
ZIP/PC 90049
Country
Title
Expiration Date
Day Phone (310)499-2070
Mobile Number
[REDACTED]
Foreign no
Corr. Delivery Mail
Company Name
Internet ID Type 1
ID 1
Internet ID Type 2
ID 2
[REDACTED]

(No Data)

Additional Applicants

Applicant Type	Capacity	Last Name	First Name	Comments	Professional ID	Primary DBA	Effective	Expire
OtherContact	MEMBER	GRUNWALD	MICHAEL	LLC MANAGER	5%			
OtherContact	MEMBER	COMPOUND INVESTMENT TRUST		MEMBER	95%			

Sites

(Tab Not Loaded)

Employees

(Tab Not Loaded)

Related Records

(Tab Not Loaded)

Logs


(Tab Not Loaded)

Attachments

(Tab Not Loaded)

Date: March 9, 2021

To: Tara Mortensen, Bureau Manager, Business Relations Bureau

From: Robert G. Luna, Chief of Police  ALC

Subject: **APPLICATION FOR ENTERTAINMENT WITH DANCING PERMIT AT THE
COMPUND- 1395 CORONADO AVENUE**

In response to your request for a recommendation regarding the above-named permit application for Entertainment with Dancing, the Police Department recommends **approval**, subject to the following standard conditions of operation.

The Compound is a multi-use art gallery to include a restaurant and bar, located on the southwest corner of Coronado Avenue and 14th Street. The current owner for the business is Compound F&B, LLC. The Compound applied for a Type 47 (On-Sale General Eating Place) and Type 68 (Portable Bar) Alcoholic Beverage Control License. This is a new application for the ownership and establishment. On December 2, 2020, The Compound applied for an Entertainment with Dancing Permit requesting outdoor entertainment, dancing by patrons, guests, customers, participants, attendees, and performers, live music by more than two (2) performers and live and recorded amplified music. They requested to provide entertainment from 11:00 AM to 9:00 PM every day of the week, Monday through Sunday.

The hours of operation shall be limited to 11:00 AM to 10:00 PM, to be consistent with the Conditional Use Permit conditions of approval, issued by the Planning Department.

The compound will offer their patrons, guests, customers, participants, attendees, and performers a variety of public and private events to include; community space, art gallery, retail space, restaurant, bar, wellness center, and community outreach center for children and adults.

Based upon the Police Department's Investigation, The East Division Patrol Commander's recommendation, and the crime analysis, the Long Beach Police Department has determined the public's peace, safety, and welfare would not be adversely impacted by the issuance of this permit, provided the appropriate conditions are imposed and observed by the applicant. The Police Department recommends approval of an Entertainment without Dancing Permit.

CONDITIONS OF OPERATION

- 1) The operation of the establishment shall be limited to those activities and elements expressly indicated on the permit application and approved by the City Council. Any change in the operation, which exceeds the conditions of the approved permit, will require that a new permit application be submitted to the City Council for their review and approval.

- 2) Unless separately applied for, reviewed, and approved, no adult entertainment, as defined by section 21.15.110 LBMC shall be conducted on the permitted premises.
- 3) Entertainment activities indicated on your entertainment application shall be restricted from 11:00 AM to 10:00 PM every day of the week, Monday through Sunday.
- 4) This Entertainment Permit is accessory to the primary business, which is a restaurant. The authorization to provide entertainment on-site is subject to the use remaining as a restaurant, meaning a bona fide eating place serving actual and substantial meals.
- 5) "Meals" means the usual assortment of foods commonly ordered at various hours of the day; the service of such food only as sandwiches or salads shall not be deemed compliant with this requirement. Meals must consist of food prepared on the premises. Hours of sales of alcohol shall be limited to the hours when meals are available.

The premises must be equipped and maintained in good faith. The premises must possess working refrigeration, cooking equipment, utensils, menus, and enough food to make substantial meals.

In the event the primary business ceases operation, fails to operate as a bonafide eating place, fails to serve actual and substantial meals, or otherwise fails to comply with this condition, the Entertainment Permit becomes null and void.

- 6) The permittee agrees to reimburse the City for all costs associated with excessive police services, as determined by the Chief of Police, required as the result of any incident or nuisance arising out of or in connection with the permittee's operations
- 7) The permittee shall install and maintain a video surveillance system that monitors no less than the front and rear of the business with full view of the public right-of-way's and any parking lot under the control of the permittee. The video system must be capable of delineating on playback the activity and physical features of persona and areas within the premises. Recordings shall be retained for a minimum of 30 days and be accessible via the Internet by the Long Beach Police Department. A Public Internet Protocol (IP) address and user name/password is also required to allow the Long Beach Police Department to view live and recorded video from these cameras over the internet. All video security cameras shall be installed to the satisfaction of the Chief of Police, Director of Technology Services, and Director of Development Services. At the discretion of the Chief of Police, the permittee may be required to add additional video cameras
- 8) Current occupancy loads shall be posted at all times, and the permittee shall have an effective system to keep count of the number of occupants present at any given time and provide that information to public safety personnel upon request.
- 9) Any graffiti painted or marked upon the premises, or on any adjacent area

under the control of the licensee, shall be removed or painted over within 24 hours of being applied.

- 10) The permittee shall ensure that all employees attend an alcohol awareness class, such as TIPS or LEAD, within the first ninety (90) days of employment. The permittee shall keep employees' proof of completion on file, and have it available for inspection at any time.
- 11) The permittee shall maintain full compliance with all applicable laws, ABC laws, ordinances and stated conditions. In the event of a conflict with the requirements of this permit, the more stringent regulation shall apply.
- 12) The permittee is required to monitor the outside patio area for any nuisance activity that could disturb the surrounding neighbors. This shall be done by utilizing security guards or employees.
- 13) The permittee shall provide a minimum of one (1) licensed security guard during all times that the entertainment activities are being conducted for crowds up to fifty (50) people. For crowds over fifty (50) people, the permittee shall provide a minimum of one (1) additional security guard per fifty (50) people. Patrons awaiting entry in a defined queue shall be counted toward the calculation of required security staffing levels.

The attire of each security guard shall clearly indicate the guard's affiliation with the establishment by means of a pin, shirt, or other visible form of identification. Should the permittee's operation give rise to a substantial increase in complaint/calls for service, or trash left in the parking lot, the permittee shall increase security staff, implement the use of electronic metal detection equipment, increase outside lighting, or make other changes to the premise or operation as the Chief of Police determines are necessary to protect the safety of the public.

- 14) The permittee shall take reasonable measures to prohibit and prevent the loitering of persons immediately outside any of the entrance/exit doors and the parking lot, at all times, while open for business. This should be done by utilizing security guards and signage with verbiage such as, "Please respect our neighbors," or something similar.
- 15) The permittee shall not hire promoters with the intent to advertise/promote or hold any entertainment activities consistent with nightclub entertainment.
- 16) The permittee must provide all promoters, independent contractors, and dancers, hired to conduct entertainment activities with a copy of the approved permit, which shall include a copy of the approved conditions of operation.
- 17) The Compound, or its agents, shall not distribute any advertising matter such as signs, posters, or promotional cards, in or upon any public property, any vehicle, or in any other such place in the City of Long Beach. Distribution of any advertising matter upon private property shall adhere to the following guidelines: By placing the same matter in a

receptacle, clip, or other device designed or intended to receive advertising matter. The permittee shall keep all agent contracts, including names, addresses, and phone numbers, on file at all times, and be available for inspection at any time.

- 18) At the conclusion of each event, the permittee shall take reasonable measures to ensure that exiting patrons walk directly to their vehicles and not loiter in the parking lot or the immediate neighboring area.
- 19) Deliveries to and from the premises shall be limited to the hours of 8:00 a.m. to 10:00 p.m.
- 20) The permittee shall develop and maintain a plan to address neighborhood concerns, related to the operation of the establishment. (i.e. newsletter, meetings, etc.)
- 21) The permittee shall comply with the requirements of LBMC Sec. 8.80 (Noise) at all times. In addition, in response to a complaint, the Police Department will enforce Penal Code Section 415 (disturbing the peace) and all other state and local provisions related to the "public peace." Permittee shall conduct all aspects of his or her operation, including before and after-hours deliveries and maintenance, in consideration of residences located nearby. Permittee agrees that the following standard is reasonable: Noise emanating from Permittee's premises shall not be audible from the middle of the street adjoining the premises.

Due to the proximity of neighboring businesses and residences, all door(s) and windows shall be kept closed at all times during any entertainment, except in cases of emergency and to permit deliveries. Said door(s) is not to consist solely of a screen or ventilated security door.

- 22) The permittee and/or security shall also ensure that no employee, patron, or entertainer loiters in the parking lot at any time during the operation of the business.
- 23) The parking lot shall be equipped with lighting of sufficient power to illuminate and make easily discernible the appearance and conduct of all persons on or about the parking lot. The position of such lighting shall not disturb the normal privacy and use of any neighboring residences.
- 24) The permittee shall not convert the restaurant, or any portion thereof, into a dance/night club. All entertainment activities shall be conducted in conjunction with regular dining or pre-planned banquet activities. A banquet is defined as a function held at a bonafide eating place wherein complete and substantial meals are provided to the persons in attendance by the management of the restaurant where the function is being held. Fast food, snacks, and hors d'oeuvres shall not constitute a complete and substantial meal.
- 25) There shall be no live entertainment or dancing permitted on the patio at any time.

- 26) The speaker volume in the patio area shall be kept at a low level, so as not to disturb any other businesses or residents. If any noise or disturbance complaints can be attributed to the speaker volume in the patio area, the permittee shall modify or remove existing speakers at the direction of the Chief of Police.