

**INVENTORY OF EQUIPMENT AND FIXTURES**  
**501 W. VISALIA RD EXETER, CA**

31 Ft walk- in display refrigerator CrownTonka	Serial # 69686-01	30,000
4 Ft. Ice freezer		1,200
Ice machine		1,000
4ft. refrigerator		800
4 tables & 10 chairs		300
Desk		100
Microwave		25
Hot dog rotisserie		50
Commercial hood (exhaust fan)		500
Commercial double sinks		300
Stainless counter		300
All formica counters	(no serial #)	5,000
Cashier machine	serial # 210-377-287	10,000
Computer		200
All shelving		3,000
Security cameras system		4,500
Air & water pump		600
Environmental managemet console & system	serial #81051769705001	13,000
4 double pump stations	pump 1&2 Serial # 6107 2B	
	2&3 Serial # 6107 5B	all four pumps
	5&6 Serial # 6107 3B	
	7&8 Serial # 6107 4B	30,000

**Tulare County Escrow Co.**

308 West Oak Avenue

Visalia, CA 93291

(559) 733-1025 Fax (559) 733-9002

**SELLER'S CLOSING STATEMENT  
Amended Final****Escrow Number:** 42316**Escrow Officer:** Karen E. Niederreiter**Buyer:** RS&RS ENTERPRISES, INC.**Seller:** CARDENAS & ASSOCIATES, INC.**Business Name:** CARDENAS & ASSOCIATES, INC.**Property:** 501 W VISALIA RD, Exeter, CA 93221**Date:** 02/24/2015 - 2:49:07PM  
**Closing Date:** 01/16/2015

DESCRIPTION		DEBITS	CREDITS
<b>TOTAL CONSIDERATION</b>			50,000.00
<b>PRORATIONS/ADJUSTMENTS:</b>			
PERSONAL PROPERTY COUNTY TAXES @ 1,660.14 per 1 year(s) 1/20/2014 to 6/30/2014		737.84	
Convenience Store Inventory			8,500.00
Gasoline Inventory			18,479.89
<b>ESCROW CHARGES TO: Tulare County Escrow Co.</b>			
Escrow Fee		375.00	
BILL OF SALE		30.00	
NOTICE OF CREDITORS		30.00	
ABC 227		30.00	
Wire Fee		20.00	
<b>ADDITIONAL DISBURSEMENTS:</b>			
TAX COLLECTOR DEMAND: Tulare County Tax Collector		12.50	
NOTICE OF BULK TRANSFER: THE SUN GAZETTE		39.67	
STATE SEARCH: SACRAMENTO ATTORNEY'S SERVICE, INC.		41.50	
RECORDING FEE FOR NOTICE: Tulare County Recorder		8.50	
RECORDING FEE 227 & CERTIFIED COPY: Tulare County Recorder		11.00	
Security deposit for pending audit: STATE BOARD OF EQUALIZATION		17,000.00	
SBE Taxes Due: STATE BOARD OF EQUALIZATION		8,279.70	
EDD Taxes Due: Employment Development Department 300-8873-6		325.27	
<b>BALANCE DUE YOU</b>		<b>50,038.91</b>	
<b>TOTALS</b>		<b>76,979.89</b>	<b>76,979.89</b>

THIS IS AN AMENDED FINAL CLOSING STATEMENT

2/23/15

I Ricardo Cardenas president of Cardenas & Associates, Inc authorize Tulare County Escrow to pay any fees due to the State Board of Equalization and the Underground Storage Account from the funds held in escrow.

Sellers Signature  
CARDENAS & ASSOCIATES, INC

Ricardo Cardenas

Maria De los Angeles Munoz Valdez

Javier Montes



## Tulare County Escrow Co.

308 West Oak Avenue  
Visalia, CA 93291-4929  
www.tularecountyescrow.com  
Phone: (559) 733-1025 • Fax: (559) 733-9002

### INVENTORY

To: Tulare County Escrow Co.  
Escrow Officer: Karen E. Niederreiter

Date: January 15, 2015  
Escrow No.: 42316

RE: Property Address: 501 W VISALIA RD, Exeter CA 93221

The inventory was taken on 1/17/15 (date)  
The Convenience Store Inventory is 8,500.00  
The Gasoline Inventory is 18,479.89  
TOTAL INVENTORY \$ 26,979.89

The Buyers have deposited \$50,000.00 for the inventory. If the inventory is higher, buyer to deposit the difference into escrow YES      or NO      or pay the seller direct for the difference YES      NO     

Buyer and Seller agree to indemnify, defend and hold Escrow Holder, its employees and officer of the corporation, real estate agents and/or broker harmless from any liability or loss in connection with this instruction.

All other terms and conditions of this escrow shall remain the same. All parties signing this instruction acknowledge receipt of a copy of same.

**\*\* END OF AMENDMENT \*\***

**Seller's Signature:**

CARDENAS & ASSOCIATES, INC.

*Javier Montes*

By: JAVIER MONTES, Chief Financial Officer

By: RICARDO CARDENAS, President

*Maria De Los Angeles Munoz Valdez*

By: MARIA DE LOS ANGELES MUNOZ VALDEZ,  
Secretary

**Buyer's Signature:**

*Ramesh K. Sval*

By: RAMESH K. SYAL, PRESIDENT

*Raj Singh*

By: RAJ SINGH, CHIEF FINANCIAL OFFICER

**Tulare County Escrow Co.**

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**BUYER/BORROWER STATEMENT  
Final****Escrow Number:** 42315**Escrow Officer:** Karen E. Niederreiter**Title Order Number:** FWV1-TO14000412**Date:** 01/20/2015 - 8:28:12AM**Closing Date:** 01/16/2015**Buyer/Borrower:** RAJ SINGH, SUNITA KAUR and RAMESH K. SYAL**Seller:** Ricardo C. Cardenas and Maria De Los Angeles Munoz Valdez**Property:** 501 West Visalia Road, Exeter, CA 93221

DESCRIPTION	DEBITS	CREDITS
<b>TOTAL CONSIDERATION</b>	750,000.00	
Initial Deposit		4,000.00
Additional Deposit		75,000.00
Initial Deposit		37,312.25
<b>PRORATIONS/ADJUSTMENTS:</b>		
Property Tax @ 3,705.75 per 6 month(s) 1/01/2015 to 1/16/2015		329.40
<b>COMMISSION(S):</b>		
Debits to Commission		2,350.00
<b>TITLE CHARGES</b>		
Recording fees: Chicago Title Insurance Company	229.00	
Lender/Mortgagee Premium--1st: Chicago Title Insurance Company	595.00	
Lender/Mortgagee Premium--2nd: Chicago Title Insurance Company	352.00	
<b>ESCROW CHARGES TO: Tulare County Escrow Co.</b>		
DOCUMENT PREPARATION FEE	50.00	
ESCROW FEE	525.00	
Loan Tie In Fee--1st & 2nd	250.00	
<b>LENDER CHARGES</b>		
New to Valley Business Bank:		400,000.00
SBA Loan Fees: Valley Business Bank	2,000.00	
UCC Recording Fee: Valley Business Bank	50.00	
Tax Service Fee: Valley Business Bank	72.00	
Flood Certificate: Valley Business Bank	15.50	
New to Valley Business Bank:		240,000.00
Loan Fee @ 0.00 %: Valley Business Bank	600.00	
Document Preparation: Valley Business Bank	300.00	
<b>TAXES:</b>		
Property Tax to: Tulare County Tax Collector 2nd Half--2014/2015 #138-111-013-000	3,075.75	
<b>BALANCE DUE YOU</b>	877.40	
<b>TOTALS</b>	758,991.65	758,991.65



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**AMENDED ESCROW INSTRUCTIONS**

To: Tulare County Escrow Co.  
Escrow Officer: Karen E. Niederreiter

Date: July 17, 2014  
Escrow No.: 42316

RE: Property Address: 501 W VISALIA RD, Exeter CA 93221

My previous instructions in the above numbered escrow are hereby modified – supplemented in the following particulars only.

**BUYER'S VESTING IS TO BE AS FOLLOWS: RS&RS ENTERPRISE, INC., A CALIFORNIA CORPORATION**

**Buyer will furnish Tulare County Escrow the Corporation documents, by-laws and resolution to purchase.**

Buyer and Seller agree to indemnify, defend and hold Escrow Holder, its employees and officer of the corporation, real estate agents and/or broker harmless from any liability or loss in connection with this instruction.

All other terms and conditions of this escrow shall remain the same. All parties signing this instruction acknowledge receipt of a copy of same.

**\*\* END OF AMENDMENT \*\***

**Seller's Signature:**

CARDENAS & ASSOCIATES, INC.

By: JAYIER MONTES, Chief Financial Officer

By: MARIA De Los Angeles MUNOZ VALDEZ,  
Secretary

By: RICARDO CARDENAS, President

**Buyer's Signature:**

RS&RS ENTERPRISE, INC.

RAJ SINGH

SUNITA KAUR

RAMISH K. SYAL



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**AMENDED ESCROW INSTRUCTIONS**

To: Tulare County Escrow Co.  
Escrow Officer: Karen E. Niederreiter

Date: August 13, 2014  
Escrow No.: 42316

RE: Property Address: 501 W VISALIA RD, Exeter CA 93221

My previous instructions in the above numbered escrow are hereby modified – supplemented in the following particulars only.

**COVENANT NOT TO COMPETE:** As part of the consideration herein paid, the Seller does covenant to the Buyer that he will not engage, either directly or indirectly in the business within a radius of 30 miles from the business being conveyed herein, for a term of 10 years from date of Buyer's possession. This warranty is not transferable or assignable.

Buyer and Seller agree to indemnify, defend and hold Escrow Holder, its employees and officer of the corporation, real estate agents and/or broker harmless from any liability or loss in connection with this instruction.

All other terms and conditions of this escrow shall remain the same. All parties signing this instruction acknowledge receipt of a copy of same.

**\*\* END OF AMENDMENT \*\***

**Seller's Signature:**

CARDENAS & ASSOCIATES, INC.

By: JAVIER MONTES, Chief Financial Officer

By: RICARDO CARDENAS, President

By: MARIA De Los Angeles MUNOZ VALDEZ,  
Secretary

**Buyer's Signature:**

RS&RS ENTERPRISES, INC.

By: RAMESH K. SYAL, PRESIDENT

By: RAJ SINGH, CHIEF FINANCIAL OFFICER



## Tulare County Escrow Co.

308 West Oak Avenue  
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Margarita Mota  
Century 21 Jordan-Link & Co.  
2009 W Feenster Ave  
Visalia CA 93277-2111

Date: January 26, 2015  
Escrow No.: **42316**

RE: Property Address: **501 W VISALIA RD, Exeter CA 93221**

Dear **Margarita**:

We are pleased to inform you that the above referenced escrow was closed on **January 16, 2015** and we enclose the following for your records:

- Copy of Closing Statements—buyer and sellers
- Copy of Inventory Statement
- Copy of Signed Amended Escrow Instructions
- Copy of Signed Bulk Sale Escrow Instructions
- Authorization for Release of Check—SELLER TO COMPLETE WITH NEW INSTRUCTIONS

It has been a pleasure for us to handle your escrow transaction. We appreciate the opportunity to work with you and look forward to providing escrow services to you in the future.

Sincerely,

A handwritten signature in cursive script, reading 'Karen E. Niederreiter'.

**Karen E. Niederreiter**  
karen@tularecountyescrow.com





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### AUTHORIZATION FOR RELEASE OF CHECK

Escrow No.: 42316

Escrow Officer: Karen E. Niederreiter

Date: July 25, 2014

#### PLEASE INDICATE HOW YOU WOULD LIKE TO RECEIVE YOUR PROCEEDS CHECK:

- ☐ Please overnight our check for delivery the following business day after the close of escrow at a charge of \$20.00.
- ☐ Please wire our proceeds to our account as follows at a charge of \$20.00.

Bank Name: \_\_\_\_\_

Bank Address: \_\_\_\_\_

City, State, Zip: \_\_\_\_\_

Account No.: \_\_\_\_\_

Routing/ABA No.: \_\_\_\_\_

Account Name: \_\_\_\_\_

- ☐ Please use the U.S. Postal Service regular mail at no charge to us.

- ☒ Please hold my/our check for pick-up at your office.

#### ADDITIONAL INSTRUCTIONS:

GIVE IT TO MY REALTOR

Our signature below confirms our authorization as per our instructions above. We are aware that our proceeds will be deducted by the amount indicated next to the instruction of our choice.

#### Seller's Signature:

CARDENAS & ASSOCIATES, INC.

Javier's Mom

By: JAVIER MONTES, Chief Financial Officer

Maria De Los Angeles Munoz Valdez

By: MARIA De Los Angeles MUNOZ VALDEZ,

Secretary

By: RICARDO CARDENAS, President

[Signature]

#### PLEASE PROVIDE FORWARDING ADDRESS:

4740 W Sweet Ave.  
Visalia, CA 93291

2/23/15

I Ricardo Cardenas, President of Cardenas & Associates, Inc authorize Tulare County Escrow to pay any fees due to the State Board of Equalization and the Underground Storage Account from the funds held in escrow.

Sellers Signature  
CARDENAS & ASSOCIATES, INC

  
Ricardo Cardenas

  
Javier Montes

  
Maria De los Angeles Munoz Valdez

**INVENTORY OF EQUIPMENT AND FIXTURES  
501 W. VISALIA RD EXETER, CA**

20,000	31 Ft walking refrigerator	20,000
1500	4 Ft. Ice freezer	1500
6500	Ice machine	
800	4 tables	800
500	10 chairs	500
200	Desk	200
200	Microwave	200
500	Hot dog rotisserie	500
500	Commercial hood (exhaust fan)	4500
500	Commercial double sinks	500
1200	Stainless counter	500
6000	All formica counters	2000
1000	Cashier machine	6000
2000	Computer	1000
2000	All shelving	2000
2000	Security cameras system	2000
1000	Air pump	1000
	<del>4 double pump stations</del>	

49700

738-0215

ATTN: MARGARITA



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### ESCROW INSTRUCTIONS SALE OF BUSINESS WITH TRANSFER OF LIQUOR LICENSE

THESE INSTRUCTIONS CANCEL AND SUPERSEDE ANY AND ALL INSTRUCTIONS PREVIOUSLY

To: Tulare County Escrow Co.  
Escrow Officer: Karen E. Niederreiter

DATED  
Date: July 18, 2014  
Escrow No.: 42316

TULARE COUNTY ESCROW CO., A CALIFORNIA CORPORATION IS LICENSED AS AN ESCROW AGENT BY  
THE DEPARTMENT OF BUSINESS OVERSIGHT UNDER LICENSE NUMBER 963-7017.

#### Terms of Transaction

Buyers have deposited the sum of **\$1,000.00**; buyers are obtaining a SBA loan, the total proceeds of which will be deposited into escrow and buyers will deposit the further sum necessary to complete the total purchase price of **\$50,000.00 plus inventory (estimated at \$50,000.00)** for all **FIXTURES, EQUIPMENT, AND OFF-SALE BEER AND WINE LICENSE** of that certain business known as "**CARDENAS & ASSOCIATES** located at **501 W VISALIA RD, EXETER, CA 93221**."

Stock in Trade Inventory is Estimated at **\$50,000.00**, and ☐ is included in OR ☒ is in addition to the Total Consideration stated above.

**LIQUOR LICENSE SALE – UCC:** This Escrow will be processed in accordance with Division 6 of the Uniform Commercial Code as adopted by the State of California, specifically Section 6101 Through 6107; Section 3440 of the California Civil Code; and Section 24073-4 of the Business and Professions Code, or such other law as may be applicable to the subject matter of this transaction, in accordance with addendum to Escrow Instructions attached hereto and by this reference incorporated. Parties hereto acknowledge and agree that the full amount of the purchase price or consideration shall be deposited with the Escrow Holder and no funds are to be paid outside of this escrow.

**PRINCIPALS: CARDENAS & ASSOCIATES, INC.** (hereinafter known as Seller) has agreed to sell and **RS&RS ENTERPRISES, INC.** (hereinafter known as Buyer) has agreed to purchase the subject business under the terms and conditions as stated herein and will hand or cause to be handed to Escrow Holder the items noted herein, further to be defined.

**APPLICATION FOR LIQUOR LICENSE TRANSFER:** Seller and Buyer to make application with the State of California, Department of Alcoholic Beverage Control, herein after referred to as the "ABC" for the transfer of an **Off-Sale Beer & Wine** Sale Type License, License #**481921** hereinafter referred to as "License", concerning the business known as **CARDENAS & ASSOCIATES, INC.** with **Off-Sale Beer & Wine** Sale Type License and located at **501 W VISALIA RD, Exeter CA 93221**. Approval of transfer of "License" is a condition for closing.

**NEW SBA LOAN:** Buyers are obtaining a SBA Loan, the total proceeds of which will be deposited into escrow. This SBA loan will include the property being purchased concurrently under Escrow No. 42315/ken.

**CONCURRENT CLOSING:** This escrow is to close concurrently with the purchase of the Land and Improvements handled by Tulare County Escrow, Escrow NO. 42315/ken.

**ALLOCATION OF CONSIDERATION:** Buyer and Seller to provide a copy of mutually signed Allocation of Consideration, and without liability and/or concern on the part of the Escrow Holder as to the effect of same, agree it is to be as follows:

FIXTURES AND EQUIPMENT	\$ 50,000.00
INVENTORY—IN ADDITION TO	\$ 50,000.00 Estimated
<b>ALLOCATION TOTAL:</b>	<b>\$ 100,000.00 including estimated inventory</b>



To: Tulare County Escrow Co.  
Escrow Officer: Karen E. Niederreiter

Date: July 18, 2014  
Escrow No.: 42316

**STOCK IN TRADE:** Buyer and Seller will mutually instruct you in writing before closing as to the value of the Stock in Trade inventory. Buyer agrees to deposit value of same in addition to the consideration previously detailed. Escrow Holder is to adjust the cash/note portion of the Total Consideration accordingly. In the event an inventory service is employed to conduct this inventory, and an invoice for services is received by escrow before closing, you are authorized to charge the account of for same at closing.

**BILL OF SALE:** Seller will provide a Bill of Sale prepared by escrow on standard form, signed by Seller in favor of the Buyer, conveying the Fixtures and Equipment, Leasehold Improvements, Goodwill, Stock in Trade and Tradename of the aforesaid business. A copy of any mutually approved list of fixtures and equipment is to be attached to Bill of Sale, and once attached, the Bill of Sale to be delivered unrecorded to Buyer at closing.

**INVENTORY AND FIXTURES:** Buyer and Seller will provide an Inventory of Fixtures and Equipment which has been approved by each of the parties hereto prior to close of escrow.

**CLEARANCES TO BE OBTAINED THROUGH THE FOLLOWING AGENCIES:** STATE BOARD OF EQUALIZATION, EMPLOYMENT DEVELOPMENT DEPARTMENT AND THE FRANCHISE TAX BOARD. Buyer deposits all funds required to pay sales tax on fixtures and equipment through the close of escrow.

**CORPORATE RESOLUTION:** Prior to the close of escrow, there shall be delivered by CARDENAS & ASSOCIATES, INC. to TULARE COUNTY ESCROW, a certified copy of the appropriate Corporate Resolution as relating to the within subject transaction.

**DEPARTMENT OF CORPORATION CONFIRMATION:** Escrow will request confirmation that **CARDENAS & ASSOCIATES, INC.** is a Corporation in good standing as provided by Department of Corporations, State of California. Cost for same to be paid equally between the parties.

**ARTICLES OF INCORPORATION:** **CARDENAS & ASSOCIATES, INC.** to provide Articles of Incorporation, copy of Organizational Minutes and Corporate Resolution authorizing the sale/purchase of subject business and its assets to be furnished to Escrow Holder prior to closing.

**CORPORATE RESOLUTION:** Prior to the close of escrow, there shall be delivered by **RS&RS ENTERPRISES, INC.** to TULARE COUNTY ESCROW, a certified copy of the appropriate Corporate Resolution as relating to the within subject transaction.

**DEPARTMENT OF CORPORATION CONFIRMATION:** Escrow will request confirmation that **CARDENAS & ASSOCIATES, INC.** is a Corporation in good standing as provided by Department of Corporations, State of California. Cost for same to be paid equally between the parties.

**ARTICLES OF INCORPORATION:** **RS&RS ENTERPRISES, INC.** to provide Articles of Incorporation, copy of Organizational Minutes and Corporate Resolution authorizing the sale/purchase of subject business and its assets to be furnished to Escrow Holder prior to closing.

**ABANDON FICTITIOUS BUSINESS NAME:** Seller will sign an Abandonment of Fictitious Business Name and Buyer to sign new Fictitious Business Name forms to be processed directly with the Tulare County Clerk's office. Tulare County Escrow is released from any responsibility in this regard.

In the event of escrow cancellation, parties will need to address themselves to any refile/republishing that they deem necessary.

**VALERO FRANCHISE APPROVAL:** Buyer and Seller will obtain Franchise approval of transfer. Escrow Holder's only concern shall be to comply with Franchise instructions pertaining to the acceptance of the Buyer as Franchise Operator, and the delivery of Franchise documents if any at closing. Sellers will assign Valero Contract for the remaining term of 5 years; buyers will continue with Valero for at least one year in case buyers decide to breach the contract, sellers agree to pay ½ of the penalty not to exceed \$15,000.00. Sellers agree to execute a Note for the \$15,000.00 only good in the event that buyers breach the contract with Valero.

**JUDGEMENT LIEN REPORT:** Escrow to request a Judgment Lien Report of any lien(s) which have been recorded in **TULARE** County within the last 10 years in the name of Seller (and/or Buyer if carryback financing is part of terms). Cost of same to be paid equally between Seller and Buyer from funds on deposit or to be deposited before closing.



To: Tulare County Escrow Co.  
Escrow Officer: Karen E. Niederreiter

Date: July 18, 2014  
Escrow No.: 42316

**SEARCHES:** Escrow Holder is to request copies of any field liens against the Seller and business being sold hereunder using the fastest method available on the County and State levels. County Judgment Lien Report to include any liens which may have been recorded in the past ten (10) years. **BUYER AND SELLER ACKNOWLEDGE THAT ESCROW HOLDER IS NOT RESPONSIBLE FOR THE SUFFICIENCY OR CORRECTNESS OF THE SEARCHES NOR FOR ANY LIENS WHICH MAY HAVE BEEN FILED AFTER THE DATE OF SAID SEARCHES. ESCROW HOLDER IS TO RELY ON THE INFORMATION PROVIDED BY THEM BY THE APPROPRIATE PARTIES.**

**NOTICE TO CREDITORS:** Escrow to prepare a Notice to Creditors of Bulk Sale and Notice of Intended transfer of Retail Alcoholic Beverage License using the information provided in these instructions, and as provided to you by the parties. Signature of Buyer and Seller on Notice will conclusively be deemed their approval of the information contained therein. Said Notice shall provide for the sale, transfer, and assignment of the personal property involved in this escrow to be consummated at your office and shall further comply with UCC 6105(b) 1-3. **Should the Notice date not be sufficiently far in advance based upon the date that signed escrow instructions and other required documents or deposits are received by you, then at your sole discretion, you may change the sale date therein without further written instructions from the parties hereto.**

**TANGIBLE ASSETS:** Pursuant to S.B. 1064, in addition to providing a certified copy of the above Notice to County Tax Collector in the County (ies) which the tangible assets are located, if delivered or sent during the period from March 1 to the last Friday in May, inclusively, said Notice must be accompanied by a completed business property statement with respect to the property involved in the bulk sale. Seller can direct any questions or request a copy of said form from the Office of the County Assessor for said County.

**FAX TRANSMISSIONS:** The parties instruct Escrow Holder that fax transmission may be accepted from the parties for informational purposes only. The parties understand and agree that prior to close, cancellation of escrow or release of any funds held herein, Escrow Holder will require receipt of the signed originals of said faxed materials.

**FEES AND ACTIONS:** Unless otherwise provided for herein, all costs and fees in connection with this transaction, except for commissions due brokers, will be paid half each between Seller and Buyer.

**ESCROW SERVICE FEES:** For its ordinary services hereunder, and upon acceptance of this escrow, the Escrow Holder shall be entitled to a base fee of **\$750.00** non-refundable, payable concurrently with its acceptance hereof, by funds on deposit herewith. Said fee is over and above the total consideration being paid for the business. Additional compensation shall be for services rendered pursuant to instructions handed to Escrow Holder by the principals and shall include, but not be limited to the following: ~~\$\$\$~~**Waived** for each claim paid through escrow, **\$Waived** for each disputed claim, payable by Seller.

In the event that Escrow Holder performs any service not specifically provided hereinabove, or that there is any assignment or attachment of any interest in the subject matter of this escrow, or modification thereof, or that any controversy arising hereunder pertaining to this escrow or the subject matter thereof, Escrow Holder shall be reasonably compensated therefore and reimbursed for all costs and expenses occasioned thereby. Escrow Agent shall have a first lien on the property and papers held by it hereunder for such compensation and expenses, and the parties hereto agree jointly and severally to pay the same, and to indemnify Escrow Holder against any loss, liability or expense incurred in any act or thing done hereunder. The parties jointly and severally agree to pay all sums as required on demand by escrow.

**REPRESENTATIONS:** This escrow is made in consideration of representation as to average monthly gross receipts, as reflected in the listing agreement signed by Seller.

**INCURRED EXPENSES:** Prior to closing, and from funds deposited in escrow, you are instructed to pay any bills for expenses incurred by you on Buyer's or Seller's behalf in connection with the processing of this escrow. Parties acknowledge that in the event of cancellation for any reason, and in the absence of any instructions to the contrary, the party having made the deposit will have to seek reimbursement from the other party **DIRECT AND OUTSIDE OF ESCROW**. Escrow will have no responsibility or liability in connection with same.

**HOLD HARMLESS:** Except as otherwise expressly provided herein, Seller shall indemnify and hold Buyer and



To: Tulare County Escrow Co.  
Escrow Officer: Karen E. Niederreiter

Date: July 18, 2014  
Escrow No.: 42316

**COUNSEL:** Escrow Holder may advise with legal counsel in the event of any dispute or question as to the construction of the foregoing instructions, or Escrow Holder's duties thereunder, and Escrow Agent shall incur no liability and shall be fully protected in acting in accordance with the opinion and instructions of counsel.

**NOTICE OF DEFAULTS:** Escrow Holder shall not be required to take or be bound by Notice of Default of any persons, or to take any action with respect to such default involving any expense or liability, unless notice in writing is given to the Escrow Holder, at the office above named, of such default by the undersigned or any of them, and unless Escrow Holder is indemnified against such expense or liability in a satisfactory manner. These instructions shall not be subject to rescission or modification except for receipt by Escrow Holder, at the Office named above, of the written instructions of all of the parties hereto or their successors in interest.

**ESCROW HOLDER DISCLOSURE:** Escrow Holder shall not be liable for any error of judgment or for any act done, step taken or omitted in good faith or for any mistake of fact or law, or for anything which it may do or refrain from doing in connection herewith, except for its own willful misconduct and Escrow Holder shall have no duties to anyone except those signing these instructions.

**CONTROLLING DOCUMENTS AND LEGISLATION:** Unless specifically stated, these instructions are NOT intended to cancel, modify or supersede the terms of any purchase agreement by and between the parties, including but not limited to inspections, repairs warranties or possession.

In the event current laws pertaining to bulk sales, and/or liquor license transfers are modified, amended or changed in any manner during the course of this escrow, such modifications, amendments or changes shall take precedence over these instructions and shall pertain to the terms of this escrow where applicable.

**NOTICES:** Escrow Holder shall be protected in acting upon any notice, request, waiver, consent, receipt or other paper or document believed by Escrow Holder to be signed by the proper party (ies).

**AIR POLLUTION:** On all businesses that sell gasoline, you are instructed to forward the buyer's final closing statement to Valley Air informing them of the change of ownership of this business. The email address is: madeleine.armi@valleyair.org, Phone No. 230-5911. The fee for this service will be charged to the buyer in the amount of **\$10.00**.

**SIGNATURES:** These instructions may be signed in counterparts, each of which so executed shall be deemed as original, irrespective of the date of its execution and delivery; and said counterparts together shall constitute one and the same instrument.

**CLOSE OF ESCROW:** Close of Escrow to be on or after **September 18, 2014**. The close of this escrow will be the date the Alcoholic Beverage Control Board of the State of California, transfer to liquor license to the Buyer named herein.

**AUTHORIZATION TO COMPLETE DOCUMENTS:** The parties do acknowledge and agree that they have executed certain documents in the escrow prior to the insertion therein of pertinent information not now available. Escrow Holder is herewith authorized and instructed to insert the same in accordance with escrow instructions at any time up to and including the date upon which the escrow is closed.

**DELAY IN CLOSE OF ESCROW:** In the event that the conditions of this escrow has not been met at the close of escrow date provided herein, Escrow Holder is instructed to complete the close of escrow as soon as the conditions have been complied with unless any one of the parties has made a written demand on the Escrow Holder for cancellation and/or return of money and documents. In such event, you may stop all further processing of this escrow until such time as you receive written, mutual instructions from the parties of settlement of the controversy as provided.

**CANCELLATION OR RESIGNATION:** In the event this escrow is cancelled for any reason, parties authorize payment of escrow fee as stated, plus all costs and expenses of Escrow Holder. Notwithstanding anything in these instructions to the contrary, Escrow Holder may at their discretion upon two (2) days written notice to Seller and Buyer, resign from this escrow and shall be entitled to payment as stated plus all costs and fees of Escrow Holder to date of such resignation. Upon cancellation by the parties or resignation of Escrow Holder, after deduction of Escrow Holder's fee and/or costs and expenses, balance of funds and documents shall be returned



To: Tulare County Escrow Co.  
Escrow Officer: Karen E. Niederreiter

Date: July 18, 2014  
Escrow No.: 42316

**DISAGREEMENTS:** In the event of any disagreement between the undersigned or any of them, and/or the person or persons named in the foregoing instructions, and/or any other person, resulting in adverse claims and demands being made in connection with or for any papers, money or property involved herein or affected hereby. Escrow Holder shall be entitled, at its option, to refuse to comply with any such claim or demand, so long as such disagreement shall continue and in so doing, Escrow Holder shall not be or become liable for damages or interest to the undersigned or any of them or to any person named in the foregoing instructions for its failure or refusal to comply with such conflicting or adverse demands; and Escrow Holder shall be entitled to refrain and refuse so to act until:

- A) ~~the~~ rights of the adverse claimants have been finally adjudicated in a court assuming and having jurisdiction of the parties and the money, papers, and property involved herein or affected hereby; and/or
- B) all differences shall have been adjusted by agreement and Escrow Agent shall have been notified thereof in writing signed by all of the persons interested;
- C) in the event of such disagreement Escrow Holder, in its discretion, may file a suit in interpleader for the purpose of having the respective rights of the claimants adjudicated, and deposit with the court all documents and property held hereunder, and the undersigned agree to pay all costs and expenses incurred by Escrow Holder in such action, including attorney's fees and said costs and expenses shall be included in the judgment in any such action.

**DUAL AGENCY:** Buyer and Seller are fully aware that is acting as a dual agent in this transaction.

**ARBITRATION CLAUSE:** Buyer and Seller have initialed the "Arbitration" clause contained in the Real Estate Purchase Contract for the subject property.

**LIQUIDATED DAMAGES CLAUSE:** Buyer and Seller have initialed the "Liquidated Damages" clause contained in the Real Estate Purchase Contract for the subject property.

**MEMORANDA: THE FOLLOWING ARE SHOWN AS A MATTER OF AGREEMENT BETWEEN PARTIES ONLY. ALL PARTIES ARE AWARE AND ACKNOWLEDGE THAT ESCROW HOLDER SHALL HAVE NO RESPONSIBILITY WITH REGARD TO THESE ITEMS. ESCROW HOLDER WILL TAKE NO ACTION WITH RESPECT TO THESE ITEMS EITHER BEFORE OR AFTER THE CLOSE OF ESCROW:**

**INSURANCE:** Unless specifically provided for to the contrary, any required insurance coverage(s) or assignment(s) of insurance policy(ies) will be arranged for by the parties OUTSIDE OF ESCROW, and Escrow Holder shall not be further concerned with nor liable for same.

**LICENSES AND/OR PERMITS:** Unless specifically provided for to the contrary, any required City and/or County business licenses and/or permits will be arranged for by the parties OUTSIDE OF ESCROW, and Escrow Holder shall not be further concerned with nor liable for same.

**CONTRACT/LEASES:** Seller warrants and guarantees to the Buyer that there are no contracts or leases which Buyer shall be obligated to assume, other than those which are specifically set forth herein. Seller warrants and guarantees that Buyer may cancel any contracts or leases which are in force at close of escrow within 30 days of close of escrow, with no penalty to Buyer for so doing.

**OTHER AGREEMENTS:** Unless otherwise provided herein, Escrow Holder is not to be concerned with any conditional sales contract, lease contract, or security agreement that may affect the herein referred to personal property, and is not responsible for the delivery of any papers other than those described herein. Escrow Holder is not a party to, or bound by any agreement which may be deposited hereunder, evidenced by or that may arise out of these instructions.

**TAXES:** Unless specifically instructed in this escrow, Escrow Holder is not to be concerned with any unpaid beverage, unemployment, social security, personal property or retail sales tax or sales tax on fixtures, equipment, etc., being sold, or any other tax or contributions, or any unpaid salaries or wages, even though Buyer may be personally liable for payment thereof. IF DIRECTED TO MAKE ANY SUCH PAYMENT, SAME MAY OR MAY NOT CONSTITUTE FULL OR FINAL PAYMENT THEREOF.

**UNCASHED CHECKS:** In the event that a check has been paid to either party and was not cashed and the





To: Tulare County Escrow Co.  
Escrow Officer: Karen E. Niederreiter

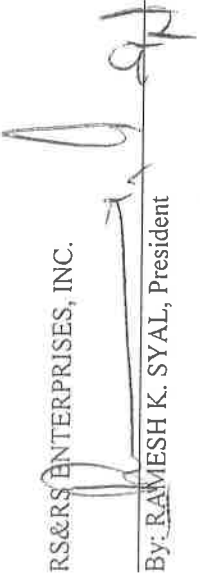
Date: July 18, 2014  
Escrow No.: 42316

Buyer and Seller acknowledge that they each have read, accept, approve and hereby creates, executes and enters into the foregoing escrow and instructions, each party acknowledges receipt of a copy hereof.

**\*\* END OF INSTRUCTIONS \*\***

**Buyer's Signature:**

RS&RS ENTERPRISES, INC.

  
By: RAMESH K. SYAL, President

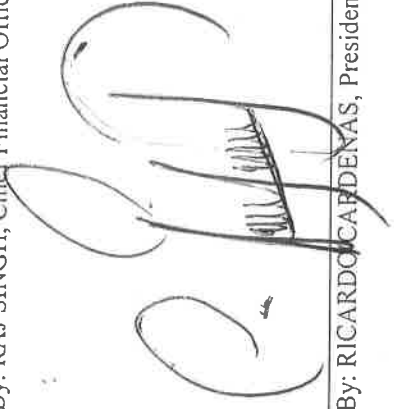


By: RAJ SINGH, Chief Financial Officer/Secretary

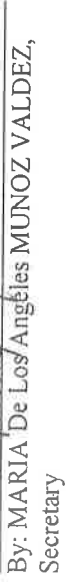
**Seller's Signature:**

CARDENAS & ASSOCIATES, INC.

  
By: JAVIER MONTES, Chief Financial Officer



By: RICARDO CARDENAS, President

  
By: MARIA De Los Angeles MUNOZ VALDEZ,  
Secretary

## EXHIBIT "A"

Seller and Buyer agree that in accordance with Section 24074 of the Business and Professions Code, claims of bona fide creditors of the Licensee are to be paid as follows and in the following priority:

- 1<sup>st</sup>, to the United States for claims based on income or withholding taxes; and therefore for claims based on any tax other than specified in Section 24049;
- 2<sup>nd</sup>, to the payment of claims for wages, salaries, or fringe benefits of employees of the Seller or transferor earned or accruing prior to the sale, transfer or opening of an escrow for the sale thereof;
- 3<sup>rd</sup>, to the payment of claims of secured creditors to the extent of the proceeds which arise from the sale of the security;
- 4<sup>th</sup>, to the payment of claims on mechanic's liens;
- 5<sup>th</sup>, to the payment of escrow fees and the payment of claims for prevailing brokerage fees for services rendered and claims for reasonable attorney's fees for services rendered;
- 6<sup>th</sup>, to the payment of claims for goods sold and delivered to the transferor for resale at his licensed premises and the payment of claims for services rendered, performed or supplied in connection with the operation of the licensed business, and to the payment of claims of a landlord, to the extent of proceeds on past due rent;
- 7<sup>th</sup>, to the payment of all other claims which have been reduced to court ordered judgments, including claims for court ordered support of a minor child;
- 8<sup>th</sup>, to the payment of all other claims. The payment of these claims if sufficient assets are not available for the payment of the claim in full, shall be paid pro rata.

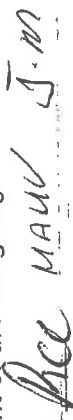
Payment of distribution is to be paid within a reasonable time after the completion of the transfer of the license and the close of escrow. The claims of any creditor approved by the Seller shall be deemed to be the claim of a bona fide creditor, provided however under this provision, if any creditor's claims are not approved by the Seller for payment, you shall notify the creditor and the amount or prorate amount thereof shall be retained by the Escrow Holder for a period of twenty-five (25) days, and if not attached by the Creditor, shall be paid to the Seller.

*My initials below represent my agreement and acknowledgement of the foregoing*

BUYERS INITIALS



SELLER INITIALS

 J.M.

## EXHIBIT "A"

In any case where the Notice of Bulk Transfer subject to Section 6106.2 states that claims may be filed with a person who is an Escrow Agent, the intended Buyer shall deposit with the Escrow Holder the full amount of the purchase price or consideration. If, at the time the bulk sale is otherwise ready to be consummated, the amount of cash deposited or agreed to be deposited at or prior to consummation in the escrow is insufficient to pay in full all of the claims filed with the Escrow Holder, the Escrow Holder shall do each of the following:

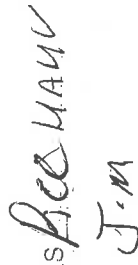
- A. (1) Delay the distribution of the consideration and the passing of legal title for a period of not less than 25 days nor more than 30 days from the date the notice required in paragraph (2) is mailed; and
- (2) Within five (5) business days after the time the Bulk Sale would otherwise have been consummated, send written notice to each claimant who has filed a claim stating the total consideration deposited or agreed to be deposited in the escrow, the name of each claimant who filed a claim against the escrow and the amount of each claim, the amount proposed to be paid to each claimant, the new date schedule for the passing of legal title pursuant to paragraph (1) of this subdivision and the date on or before which distribution will be made to claimants which shall not be more than 5 days after the new date specified for the passing of legal title.
- (3) If no written objection to the distribution described in the notice required by paragraph (2) of this subdivision is received by the Escrow Holder prior to the new date specified in such notice for the passing of legal title, the Escrow Holder shall not be liable to any person to whom the notice required by paragraph (2) was sent for any good faith error which may have been committed in allocating the distributing the consideration as stated in such notice.
- B. Distribute the consideration in the following order of priorities:
  - (1) All obligations owing to the United States, to the extent given priority by Federal Law;
  - (2) Secured claims, including statutory and judicial liens, to the extent of the consideration fairly attributable to the value of the properties securing such claims and in accordance with the priorities provided by law; provided, however, that a secured creditor shall participate in the distribution pursuant to this subdivision only if a release of lien is deposited by such secured creditor conditioned upon receiving an amount equal to such distribution;
  - (3) Escrow and professional charges and broker's fees attributable directly to the sale;
  - (4) Wage claims given priority by Section 1205 of the Code of Civil Procedure;
  - (5) All other tax claims;
  - (6) All other unsecured claims pro rata, including any deficiency claims of secured creditors.
- C. To the extent that an obligation of the Buyer to pay cash in the future is a part of the consideration and the cash consideration is not sufficient to pay all claims filed in full, apply all principal and interest received on the obligation to the payment of claims in accordance with subdivision (b) until they are paid in full before making any payment to the Buyer. In such case, the notice sent pursuant to subdivision (a) shall state the amount, terms and due dates of the obligation and the portion of the claims expected to be paid thereby.

*My initials below represent my agreement and acknowledgement of the foregoing*

BUYERS INITIALS



SELLER INITIALS



**Tulare County Escrow Co.**

308 West Oak Avenue  
Visalia, CA 93291  
(559) 733-1025 Fax (559) 733-9002

**BUYER'S CLOSING STATEMENT  
Final**

Escrow Number: 42316      Date: 01/26/2015 - 8:07:53AM  
Escrow Officer: Karen E. Niederreiter      Closing Date: 01/16/2015  
Buyer: RS&RS ENTERPRISES, INC.  
Seller: CARDENAS & ASSOCIATES, INC.  
Business Name: CARDENAS & ASSOCIATES, INC.  
Property: 501 W VISALIA RD, Exeter, CA 93221

DESCRIPTION		DEBITS	CREDITS
<b>TOTAL CONSIDERATION</b>			
Initial Deposit		50,000.00	1,000.00
Initial Deposit			70,000.00
Additional Deposit			35,000.00
<b>PRORATIONS/ADJUSTMENTS:</b>			
PERSONAL PROPERTY COUNTY TAXES @ 1,660.14 per 1 year(s) 1/20/2014 to 6/30/2014			737.84
Convenience Store Inventory		8,500.00	
Gasoline Inventory		18,479.89	
<b>ESCROW CHARGES TO: Tulare County Escrow Co.</b>			
Escrow Fee		375.00	
BILL OF SALE		30.00	
NOTICE OF CREDITORS		30.00	
ABC 227		30.00	
<b>ADDITIONAL DISBURSEMENTS:</b>			
TAX COLLECTOR DEMAND: Tulare County Tax Collector		12.50	
NOTICE OF BULK TRANSFER: THE SUN GAZETTE		39.66	
STATE SEARCH: SACRAMENTO ATTORNEY'S SERVICE, INC.		41.50	
RECORDING FEE FOR NOTICE: Tulare County Recorder		8.50	
SALES TAX ON FIXTURES AND EQUIPMENT: STATE BOARD OF EQUALIZATION		4,000.00	
RECORDING FEE 227 & CERTIFIED COPY: Tulare County Recorder		11.00	
<b>BALANCE DUE YOU</b>		25,179.79	
<b>TOTALS</b>		106,737.84	106,737.84