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STATE MS.-DESOTO CO.
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BK 94 PG 92
W.E. DAVIS OIL CLK.

To the Chancery Clerk of DeSoto County, Mississippi: The real property described herein is situated in the Northwest Quarter of Section 9, Township 2 South, Range 9 West, DeSoto County, Mississippi.

AMENDED AND RESTATED PROJECT SITE LEASE

THIS AMENDED AND RESTATED PROJECT SITE LEASE (this "Amended and Restated Project Site Lease"), dated as of April 1, 2002, is entered into by and between the **VILLAGE OF MEMPHIS, MISSISSIPPI**, a municipal corporation (the "Landlord"), and **BOMAINE CORPORATION d/b/a BRENTWOOD ORIGINALS, INC.**, a California corporation qualified to do business in Mississippi (the "Tenant").

WITNESSETH:

WHEREAS, Landlord is the fee simple owner of the land described in **Exhibit A** attached hereto and made a part hereof (together with all rights-of-way, easements, servitudes, licenses, tenements, hereditaments and appurtenances thereunto belonging, the "Site");

WHEREAS, Landlord desires to construct certain improvements on the Site (the "Improvements");

WHEREAS, the Landlord and certain state and local supporting governmental entities and others have entered into a Memorandum of Understanding (the "Memorandum of Understanding") with the Tenant pursuant to which the parties thereto agreed to provide certain inducements to Tenant in consideration of Tenant's agreeing to construct or cause to be constructed on the Site an industrial plant for use for any lawful purpose, including manufacturing, distribution and processing (the "Facility");

WHEREAS, based upon the Landlord's willingness to lease, Tenant will expend or cause to be expended certain amounts in connection with the construction of the Facility;

WHEREAS, the Facility will contain an estimated 375,000 square feet under roof, will be utilized for the production and distribution of decorative pillows and window treatments and will be composed of buildings, improvements, machinery and equipment;

WHEREAS, the Facility will be constructed so as to permit its expansion as necessary to satisfy increased business opportunities;

WHEREAS, in addition to the rent payable by the Tenant hereunder, the Landlord recognizes that the Landlord and the State will receive additional consideration from the location of the Facility within the State by the promotion of industry, the development of trade, the increase of tax revenue and the increase of employment opportunities both directly by Tenant as well as by the potential establishment of other entities within the State to provide support or services to the Tenant and other indirect benefits;

WHEREAS, Landlord and Tenant agreed on the terms and conditions for the leasing of the Site and entered into the Project Site Lease, dated as of September 2001 (the "Original Project Site Lease" and together with the Amended and Restated Project Site Lease, the "Project Site Lease") pursuant to which the Landlord agreed to lease the Site to the Tenant; and

WHEREAS, to further accomplish the purpose of the Memorandum of Understanding and record the Project Site Lease in the real estate records of DeSoto County, Mississippi; the Landlord and the Tenant desire to amend the Original Project Site Lease.

NOW THEREFORE, for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, and intending to be legally bound hereby, the parties hereto agree as follows:

1. **Lease.** Landlord hereby leases to Tenant and Tenant takes and leases from Landlord upon terms and conditions hereinafter set out, the Site on which the Tenant is to build its Facility.
2. **Term and Use.**
 - (a) The term of this Project Site Lease shall commence on September 18, 2001 (hereinafter referred to as the "Commencement Date") and shall end (unless extended in accordance with Section 2(b) below), on the fiftieth (50th) annual anniversary thereof (the "Initial Term").
 - (b) The term of this Project Site Lease shall thereafter be extended automatically for successive periods of one (1) year each unless the Tenant provides the Landlord with written notice not less than sixty (60) days prior to the last day of the Initial Term or the renewal term, as the case may be, that this Project Site Lease will terminate on the last day of the Initial Term or of the renewal term, as applicable. This Project Site Lease may continue to be extended, provided, the last renewal term shall not extend beyond the date that is seventy five (75) years after the Commencement Date. The "Term" of this Project Site Lease shall mean the Initial Term, and any renewal or extended term.
 - (c) The Site and the Facility may be used for any lawful purpose or purposes, specifically including the production and distribution of decorative pillows and window treatments. Landlord agrees that it will, upon the request of the Tenant, take all action necessary to preserve the rights of the Tenant hereunder and Landlord further agrees not to take any action or to consent to the taking of any action that would prevent or hinder use and development of the Site as a manufacturing facility of the size and type proposed by Tenant.
3. **Rent.** The rent obligation hereunder for each one (1) year period, whether during the Initial Term or any renewal term, shall be Ten Dollars (\$10.00), payable annually, in advance, on the Commencement Date and annually thereafter on or before the anniversary therefore. In addition to the rent payable by the Tenant hereunder, the Landlord recognizes that the Landlord and the State will receive additional consideration from the location of the Facility within the State by the promotion of industry, the development of trade, the increase of tax revenue and the increase of employment opportunities both directly by Tenant as well as by the potential establishment of other entities within the State to provide support or services to the Tenant and other indirect benefits.
4. **Real Estate Taxes.** During the Term of this Project Site Lease, Tenant will pay or cause to be paid all real estate taxes and assessments, both general and special, if any, which shall become due and payable on the Site, subject, however, to the provisions of the Memorandum of Understanding.
5. **Utilities.** Tenant will pay all customary and reasonable charges for sewer usage or rental, refuse removal, and utilities, including gas, water and electricity, consumed on the Site during the Term of this Project Site Lease as same shall become due and payable. Landlord agrees to cooperate with Tenant in obtaining all utility services necessary for the construction, operation and maintenance of the Site as set out in the Memorandum of Understanding.
6. **Insurance.** Tenant shall maintain at its expenses and at limits set in its discretion any and all insurance coverage as Tenant may reasonably need in its discretion, including but not

limited to hazard, fire, liability and worker's compensation insurance.

7. **Compliance with Laws and Ordinances.** Tenant, at its expense, will comply with all material federal, state, county and city laws, ordinances and regulations of any duly constituted authority affecting the Site.
8. **Landlord's Access to Site.** Landlord will have access to the Site, at its own risk and expense, at any reasonable times after obtaining permission from Tenant, which permission shall not be unreasonably withheld or delayed, during the term of this Project Site Lease for the purpose of examining and inspecting same and subject to Tenant's designation of certain areas as private due to the nature of the activities conducted therein.
9. **Assignment and Subletting.** Tenant shall have the right and power, at any time and from time to time, to assign or sublease the Project Site Lease with the consent of the Landlord, which consent shall not be unreasonably withheld; such person(s) and/or entity(ies) that has the consent of the Landlord shall be known as "**Permitted Assignees**" under this Project Site Lease.
10. **Performance by Assignees, Subtenants and Occupancy Tenants.** Landlord shall accept performance by any transferee (be it an assignee, subtenant or occupant) of any of the terms and provisions of this Project Site Lease required to be performed by Tenant with the same force and effect as though performed by Tenant and such transferee shall be deemed to be the Tenant for all purposes of this Project Site Lease. For the purposes of this Section 10, the term "transferee" shall be deemed to include any purchaser at foreclosure or party acquiring in lieu of foreclosure.
11. **Casualty.** If the Site, the Facility or any part thereof, suffers a casualty, Tenant's obligations under this Project Site Lease shall be abated pending the restoration of the Site to the point that the Site is fully operational.
12. **Events of Default.** Landlord and Tenant agree that the following shall be considered an "Event of Default":
 - (a) The Tenant shall be considered in default if the Tenant has not performed relative to its private capital investment in the new building and the retention of jobs in the Village of Memphis as set out in the Memorandum of Understanding five (5) years from the commencement date of this Project Site Lease; or
 - (b) Notwithstanding anything to the contrary contained herein, the Landlord's rights and remedies and Tenant's obligations and liabilities are subject to Section 20 of this Project Site Lease.
13. **Tenant's Right to Facility.** Notwithstanding anything in this Project Site Lease to the contrary, the Facility will remain the property of Tenant or Permitted Assignees, free from any lien, claim or interest of Landlord, and such Permitted Assignees will be given a reasonable opportunity to remove the Facility and any portion thereof after default.
14. **Tenants Right to Mortgage.** Tenant may at any time from time to time (and as many times as they desire) mortgage, hypothecate or pledge its interests in and to this Project Site Lease, the Site and the Facility, together with its right, title and interest in any and all subleases, including, but not limited to, the Project Site Lease, and in and to rents due or to become due thereunder, either individually or any combination thereof, pursuant to a mortgage, deed of trust, security agreement, assignment, capital lease, sale/leaseback, financing statement or other instrument or financing device (herein called a "Leasehold

Mortgage"; and the holder of any such Leasehold Mortgage, whether or not the same is recorded of record, is herein called a "Leasehold Mortgagee").

- (a) In the event a Leasehold Mortgagee or its nominee designated for that purpose acquires the leasehold estate pursuant to any proceedings for foreclosure of such Leasehold Mortgage, or by a voluntary assignment or transfer of this Project Site Lease or any sublease and the leasehold estate in lieu of foreclosure or otherwise, the Leasehold Mortgagee or its nominee or assignee as aforesaid shall be deemed an assignee of all the rights of Tenant under this Project Site Lease or of all the rights of any subtenant, as the case may be.
- (b) If this Project Site Lease shall be rejected or disaffirmed pursuant to any bankruptcy law or other law affecting creditors' rights or if this Project Site Lease is terminated for any other reason whatsoever, Landlord will enter into a new lease of the Site with the Leasehold Mortgagee or its nominee not less than ten (10) nor more than thirty (30) days after the request of the Leasehold Mortgagee referred to below, for the remainder of the term of this Project Site Lease effective as of the date of such rejection or disaffirmance or termination, upon all the terms and provisions contained in this Project Site Lease; provided that (i) the Leasehold Mortgagee makes a written request to Landlord for such new Project Site Lease within ninety (90) days after the effective date of such rejection or disaffirmance or termination, as the case may be, and such written request is accompanied by a copy of such new lease, duly executed and acknowledged by the Leasehold Mortgagee or its nominee and (ii) upon taking possession of the Site the Leasehold Mortgagee cures any outstanding defaults within the period reasonably required to cure the same. Any new lease made pursuant to this paragraph shall have the same priority with respect to other interests in the Site as this Project Site Lease. The provisions of this paragraph shall survive the rejection or disaffirmance or termination of this Project Site Lease and shall continue in full force and effect thereafter to the same extent as if this paragraph were a separate and independent contract made by Landlord and the Leasehold Mortgagee.
- (c) So long as a Leasehold Mortgage is in effect (i) Landlord will not accept a voluntary surrender of this Project Site Lease, (ii) the Project Site Lease shall not be modified in any material respect without, in each case, the prior written consent of the Leasehold Mortgagee and (iii) Landlord waives any statutory or other lien which Landlord may have in the Site or the Project in favor of a Leasehold Mortgagee. Any violation of this paragraph shall be void.

Landlord shall execute any instruments any such Leasehold Mortgagee may reasonably request or require from Landlord, with respect to the provisions of this Section 14.

- 15. **Right to Mortgage or Sell.** Landlord shall not have the right to place a mortgage or other lien on the Landlord's interest in the Site or this Project Site Lease or sell the same or pledge or encumber its rights to any revenues pertaining to the Site at any time during the term of this Project Site Lease without the prior written consent of Tenant. If Landlord violates the provisions of this Section 15, such sale, mortgage, pledge, lien or other encumbrance shall be deemed null and void.
- 16. **Landlord's and Tenant's Certificates.** Landlord and Tenant, on written request from each other, shall execute and deliver to the other party, or any Leasehold Mortgagee if so requested, without charge, a certificate certifying whether this Project Site Lease is in full force and effect, and whether it has been modified (or if there have been modifications, stating them), and whether the party executing the certificate knows of any default, breach

or violation by the other party under any of the terms of this Project Site Lease, and such other matters as may reasonably be requested.

17. **Quiet Enjoyment.** Landlord agrees that, so long as no Event of Default exists under the terms of this Project Site Lease, Tenant's quiet and peaceful enjoyment of the Site shall not be disturbed or interfered with by Landlord, or by any person or party claiming by, through or under Landlord. Landlord further agrees to regulate or to cause the appropriate entity or agency to regulate drilling, mining or other means of exploration, development and production of oil, gas and other minerals in such a manner that the surface of the Site remains undisturbed and any subsurface activity is conducted in a manner that the bearing capacity and integrity of the subsurface remains the same as of the date of completion of site preparation by Tenant.
18. **Option to Purchase.** Landlord grants to Tenant the irrevocable option to purchase the Site at any time after the Tenant has performed its obligation relative to its private capital investment in the new building and the retention of jobs in the Village of Memphis as set out in the Memorandum of Understanding. The purchase price shall be ten dollars (\$10.00). Upon receipt of notice and payment, Landlord shall convey the Site to Tenant, free of the rights of any party other than Tenant or anyone claiming by, through or under Tenant, and subject only to those items of public record as of the Commencement Date, ad valorem taxes payable by Tenant, and easements for public utilities serving the Site.
19. **Recording of Project Site Lease.** Upon the execution hereof, Tenant may record this Project Site Lease or a memorandum hereof (which Landlord agrees to execute) in the office of the Chancery Clerk of DeSoto County, Mississippi.
20. **Inability to Perform.** Anything in this Project Site Lease to the contrary notwithstanding, Tenant's inability to fulfill any of Tenant's agreements and undertakings under this Project Site Lease shall not be considered an Event of Default if Tenant is prevented or delayed from so doing by reason of strikes, labor troubles, lockouts, riots, civil commotions, acts of God, governmental restrictions, unavailability of services or materials, national economy or any other cause beyond the reasonable control of Tenant.
21. **Notices.** All notices to or demands upon Landlord or Tenant desired or required to be given under the provisions hereof shall be in writing and shall be deemed to have been duly given upon the earlier of actual receipt or, if mailed, three days after being deposited in the United States mail, registered or certified, return receipt requested, postage prepaid and addressed as follows:

If to Landlord: Village of Memphis
 Attention: Mayor
 Post Office Box 188
 Village of Memphis, Mississippi 38671

If to Tenant: Bomaine Corporation
 Attention: Kenji Onishi
 4551 Glencoe Avenue
 Marina Del Rey, California 90292

or at such other address within the continental United States as any party may notify the other party as herein specified.

22. **Liability of Tenant.** Anything in this Project Site Lease to the contrary notwithstanding, Landlord acknowledges and agrees that each of the covenants, undertakings and agreements herein made on the part of Tenant, while in form purporting to be covenants, undertakings, and agreements of Tenant, are, nevertheless, made and intended not as personal covenants, undertakings and agreements by Tenant, or for the purpose of binding Tenant or its assets personally, but are made and intended for the purpose of binding only Tenant's interest in the Site; and that no personal liability or personal responsibility is assumed by, nor shall at any time be asserted or enforceable against Tenant, whether by virtue of any constitutional provision, statute or rule of law or by enforcement of any liability or claim under or in connection with this Project Site Lease from any source other than the Tenant's interest in the Site, it being agreed that no personal liability of Tenant is created hereunder and any such personal liability of Tenant is hereby waived.
23. **Miscellaneous.**
- (a) All agreements, terms, provisions and conditions in this Project Site Lease shall extend and inure to the benefit of, and be binding upon, the authorized successors and assigns of the parties hereto.
 - (b) The captions of this Project Site Lease are for convenience only, and are not to be construed as a part of this Project Site Lease, and shall not be construed as defining or limiting in any way the scope or intent of the provisions hereof.
 - (c) If any term or provision of this Project Site Lease shall be to any extent held invalid or unenforceable, the remaining terms and provisions of this Project Site Lease shall not be affected thereby, but each term and provision of this Project Site Lease shall be valid and be enforced to the fullest extent permitted by law; provided, that notwithstanding any finding of invalidity with respect to any portion of this Project Site Lease, the Tenant may exercise its option to purchase the Site as provided in Section 18.
 - (d) This Project Site Lease shall be construed and enforced in accordance with the laws of the State of Mississippi.
 - (e) This Project Site Lease represents the entire agreement between the parties hereto and supersedes all prior negotiations, representations or agreements; provided, this Project Site Lease does not supersede or replace the Memorandum of Understanding, the terms of which Memorandum of Understanding are in addition to the provisions of this Project Site Lease, and the terms of which, to the extent of any conflict, shall prevail. No provision contained herein abrogates or lessens any obligation of Tenant under the Memorandum of Understanding or any amendments thereto.
 - (f) This Project Site Lease may be executed in multiple counterparts or in counterpart originals, each of which taken together shall constitute one and the same instrument.
 - (g) Nothing herein contained shall be deemed or constructed by the parties hereto, nor by any third party, as creating the relationship of principal and agent or of partnership or of joint venture between the parties hereto, it being understood and agreed that no provision contained herein, nor any acts of the parties hereto, shall be deemed to create any relationship other than Landlord and Tenant.
 - (h) Any waiver given by either party with respect to performance by the other party of any provision of this Project Site Lease shall be construed only as a waiver of the

particular provision in question and only then with respect to the particular failure to comply, and such waiver shall not be construed as a waiver of any separate failure to comply or of any other provisions of this Project Site Lease.

- (i) Whenever herein the singular number is used, the same shall include the plural and words of any gender shall include each other gender.
- (j) The individuals executing this instrument on behalf of Landlord and Tenant, respectively, represent that each has been duly authorized so to do by appropriate action taken by Landlord or Tenant, as the case may be.

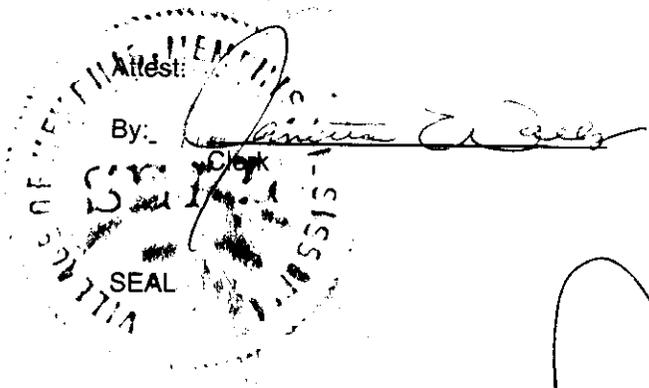
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IN WITNESS WHEREOF, the parties hereto have executed and delivered this Project Site Lease as of the date first above written with actual execution on the dates set forth in the respective acknowledgments below.

Landlord:

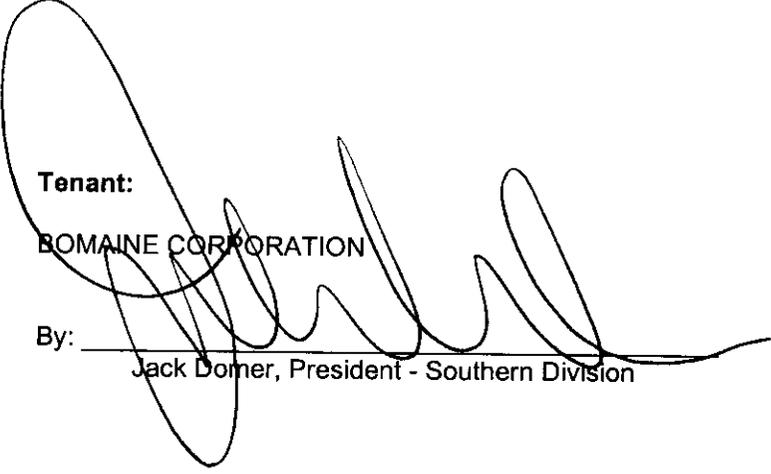
VILLAGE OF MEMPHIS, MISSISSIPPI

By: , Mayor



Tenant:

BOMAINE CORPORATION

By: 
Jack Dorner, President - Southern Division

LANDLORD ACKNOWLEDGMENT

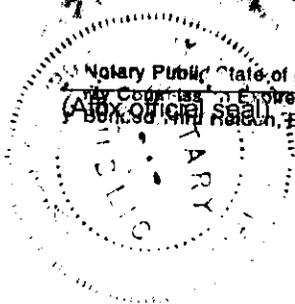
STATE OF MISSISSIPPI
COUNTY OF DESOTO

Personally appeared before me, the undersigned authority in and for the said county and state, on this 7th day of April, 2002, within my jurisdiction, the within named Robert E. Smith and Jenita Walls, duly identified before me, who acknowledged that they are the Mayor and City Clerk, respectively, of the Village of Memphis, Mississippi and that for and on behalf of said Village, and as its act and deed, they executed and sealed the above and foregoing instrument, after first having been duly authorized so to do.



NOTARY PUBLIC

My Commission Expires:



Notary Public, State of Mississippi At Large
My Commission Expires: July 17, 2002
Brooks & Garland, Inc.

TENANT ACKNOWLEDGMENT

STATE OF MISSISSIPPI
COUNTY OF DeSoto

Personally appeared before me, the undersigned authority in and for the said county and state, on this 7th day of April, 2002, within my jurisdiction, the within named Jack Damer, duly identified before me, who acknowledged that he is President of Bomaine Corporation, and that for and on behalf of said corporation, and as its act and deed, they executed he above and foregoing instrument, after first having been duly authorized so to do.

[Handwritten Signature]
NOTARY PUBLIC
My Commission Expires: 4/10/04

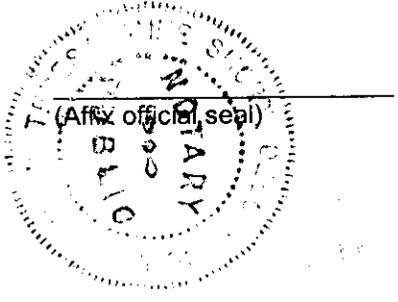


EXHIBIT A

44.077 acres of land located in the Northwest Quarter of Section 9, Township 2 South, Range 9 West, DeSoto County, Mississippi, described as follows:

Commence at a spike set at the Northwest corner of said Section 9; thence run South 87 degrees 42 minutes 02 seconds East, 1303.69 feet to a ½" iron rod set on the south 53 foot right-of-way line of Church Road and the POINT OF BEGINNING; thence continue along said right-of-way line, South 89 degrees 53 minutes 37 seconds East, 800.00 feet to a ½" iron rod set; thence leaving said right-of-way line, run South 00 degrees 06 minutes 23 seconds West, 2400.00 feet to a ½" iron rod set; thence North 89 degrees 53 minutes 37 seconds West, 800.00 feet to a ½" iron rod set; thence North 00 degrees 06 minutes 23 seconds East 2400.00 feet to the POINT OF BEGINNING.