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7 Attorneys for Plaintiff,
8 The People of the State of California

9
10 SUPERIOR COURT OF THE STATE OF CALIFORNIA

11 COUNTY OF LOS ANGELES - NORTHEAST DISTRICT

12
13 People of the State of California,

14 Plaintiff,

15 v.

16 FOREVER LIGHT FOUNDATION, a .
California Nonprofit Public Benefit
17 Corporation; et al.

18
19 Defendants.

CASE NO. BC 406 558 (Related to Case No.
GC 040 664 and Consolidated for Discovery
Purposes Only)

SETTLEMENT AGREEMENT AND
[PROPOSED] ORDER

DEPT: NE "S"

Hon. Joseph F. De Vanon, Jr.

Action Filed: January 29, 2009

20
21 1. Parties. This Settlement Agreement and Order are entered into by, between, and
22 among the following settling parties: plaintiff the People of the State of California ("the People"),
23 by Edmund G. Brown Jr., Attorney General of the State of California ("Attorney General");
24 defendant Forever Light Foundation, a California Nonprofit Public Benefit Corporation ("Forever
25 Light"); defendant Oscar Chang ("Oscar"); defendant Joan Chang ("Joan"); defendant Joshua
26 Chang aka Joshua Hsiungchun Chang ("Joshua"); defendant Wellington Chiang aka Wellington
27 Man-Ching Chiang, aka Wellington Man-Chang Chiang ("Wellington"); defendant Esther Joy
28 Chen ("Esther"); defendant Hsien-Chih Chuang aka Hsien-Chung Chuang ("Hsien"); defendant

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SEP 2 2009
LOS ANGELES
SUPERIOR COURT
NORTHEAST DISTRICT

1 W-Coline Management Company aka W-Coline Management Corporation, a Corporation (“W-
2 Coline”); defendant Re-Frame, Inc., a Corporation (“Re-Frame”); and defendant JC Core Corp., a
3 Corporation (“JC Core”). The defendants other than defendant Forever Light are collectively also
4 referred to as “the Defendants.” The parties to this Settlement Agreement are collectively also
5 referred to as “the Settling Parties.”

6 2. Recitals.

7 2.1 The Court has personal jurisdiction of the Settling Parties and subject matter
8 jurisdiction of the underlying action *People v. Forever Light Foundation, et al.* (BC406558)
9 (hereinafter referred to as “the Action”).

10 2.2 Forever Light, formerly called Hakka Foundation, is a California nonprofit public
11 benefit corporation whose assets are, and were at all times relevant herein, impressed with a
12 charitable trust for the benefit of the People.

13 2.3 In January 2009, the Attorney General, on behalf of the People, sued the Defendants
14 for multiple causes of action, most of which related to the transfer of real property, improved with
15 an office building thereon, from Forever Light to defendant W-Coline. The legal description of
16 that property is as follows: Parcel 1 of Parcel Map No. 16461 in the City of Monterey Park,
17 County of Los Angeles, State of California, as per map filed in Book 173 Pages 43 and 44 of
18 Parcel Maps in the Office of the Recorder of Los Angeles County, also known as APN No. 5265-
19 026-055, and commonly referred to as 2100 Saturn Street, Monterey Park, California. This real
20 property and the improvements thereon are collectively referred to in this Settlement Agreement
21 as “2100 SATURN.” The causes of action alleged in the Complaint include the following:
22 cancellation of written instruments, quiet title, breach of fiduciary duty, illegal loans and
23 distributions, self-dealing transactions, negligence, constructive fraud, conspiracy to defraud,
24 aiding and abetting a breach of fiduciary duty, wrongful retention of property/unjust enrichment,
25 and fraudulent conveyance.

26 2.4 The Defendants deny the allegations set forth in the Complaint.

27 2.5 The Settling Parties, each of whom, desiring to avoid the expense, uncertainty, and
28 inconvenience of further litigation in this case, state all civil claims alleged against the

1 Defendants arising out of the Action have been settled, and that the Court may enter the proposed
2 Order below on the facts, terms, and conditions stated herein.

3 3. Settlement Terms.

4 3.1 The Defendants have paid \$100,000 to the Honorable Judge Robert Letteau (retired)
5 to be held in escrow for the benefit of Forever Light. Upon the execution of this Agreement by
6 the Settling Parties, the Defendants agree that said funds shall be paid by Judge Letteau to
7 Forever Light. The Attorney General agrees to submit the Settlement Agreement to the Court for
8 execution of the proposed order on the Agreement within five business days after the \$100,000
9 payment has been made to Forever Light.

10 3.2 Forever Light has reviewed First American Title Insurance Company's ("FATCO's")
11 Preliminary Report regarding 2100 SATURN, Order Number NCS-436581-LA2 dated as of April
12 13, 2010, and the underlying documents provided therewith ("PTR"). Within 75 days after the
13 execution of this Agreement by all Settling Parties, the Defendant Re-Frame (or if Re-Frame is
14 not the Defendant that has record title to 2100 SATURN at the time this transfer is to be made,
15 the Defendant that does have record title) shall convey to Forever Light pursuant to a Grant Deed
16 in the form of Exhibit 1 hereto to be recorded in the Official Records of Los Angeles County,
17 California, fee simple title in and to 2100 SATURN ("Recordation") subject only to the
18 "Permitted Exceptions" as shown on the Grant Deed (Exhibit 1 hereto). Defendants agree, at
19 Defendants' cost, to cooperate with Forever Light in delivering such documents and instruments,
20 including quit claim deeds, as shall be required by FATCO in conjunction with the issuance of its
21 policy of title insurance. The foregoing covenant shall survive the Recordation. Prior to
22 Recordation, all monetary liens and exceptions to title which are not "Permitted Exceptions" shall
23 be removed by the Defendants at their sole cost and expense. Any dispute over whether any
24 additional exception to title (other than those shown in the Grant Deed as "Permitted Exceptions")
25 is also a "Permitted Exception" shall be submitted for resolution by Judge Letteau. In resolving
26 any dispute over whether any additional exception shall be a Permitted Exception, Judge Letteau
27 shall take into account whether the exception to title was caused by any of the Defendants or a
28 related party. However, in no event shall Defendants be required to remove any exception to title

1 which occurred prior to the original transfer of 2100 SATURN to W-Coline, or which was caused
2 by a third party unrelated to or controlled by any of the Defendants.

3 Defendants shall pay for (a) the premiums, fees and costs of a CLTA standard form of Title
4 Insurance Policy insuring Forever Light as the owner of the fee simple interest in and to 2100
5 SATURN in the policy liability amount of \$5,200,000 along with a Non-Imputation Endorsement
6 FA 52 ("Title Policy"), provided that Forever Light may elect to obtain an ALTA Extended
7 Coverage form of title policy by paying the excess premium over the CLTA form; (b) all costs of
8 FATCO in connection with the Recordation; and (c) all documentary transfer taxes, if any, and all
9 other out-of-pocket fees and expenses that relate exclusively to such conveyance to Forever Light
10 such that Forever Light shall not bear any expense in connection with such conveyance. Within
11 30 days after the execution of this Agreement by all Settling Parties, Defendant Re-Frame (or if
12 Re-Frame is not the Defendant that has record title to 2100 SATURN at the time this transfer is to
13 be made, the Defendant that does have record title) shall complete, execute and deliver to FATCO
14 such documentation and affidavits as FATCO shall require to issue such Title Policy, including
15 but not limited to delivering to FATCO (i) a certificate of good standing of recent date issued by
16 the California Secretary of State, (ii) a certificate copy of a resolution of the board of directors
17 authorizing the contemplated transaction and designating which corporate officers shall have the
18 power to execute on behalf of the corporation; (iii) the Owner's Affidavit attached hereto as
19 Exhibit 2, and (iv) the Non-Imputation Affidavit attached hereto as Exhibit 3 with respect to
20 defendant Hsien-Chih-Chuang and any other persons who were an officer, director or shareholder
21 of Re-Frame, Inc. at any time.

22 Within 60 days after the execution of this Agreement by all Settling Parties, the Defendants
23 shall also deliver to Forever Light a true and correct rent roll in the form set forth as Exhibit 4
24 hereto ("Rent Roll") and true and correct copies of all leases, occupancy agreements and service
25 contracts (collectively, the "Property Documents"), including but not limited to all amendments to
26 such Property Documents, and all property files with respect to 2100 SATURN, along with all
27 security deposits and an itemized accounting therefor ("Security Deposit Accounting").

28 Defendants represent that as of the date of this Agreement, to the best of their knowledge, said

1 Rent Roll is correct and complete. Within 60 days after the execution of this Agreement by all
2 Settling Parties, the Defendants shall use their best efforts to deliver to Forever Light Estoppel
3 Certificates by all tenants of 2100 SATURN in the form of Exhibit 5. On or before the
4 Recordation, the Defendants shall deliver, or cause to be delivered, to Forever Light an
5 Assignment of Leases in the form of Exhibit 6 hereto as to those Leases existing as of the date of
6 Recordation.

7 As of the date of this Settlement Agreement and as of the Recordation, the Defendants
8 represent and warrant to Forever Light, its successors and assigns (1) that Defendants are not
9 aware of any unpaid claims for work or services with respect to 2100 SATURN; (2) the property
10 documents delivered by Defendants are true, correct and complete copies of all of the property
11 documents that they have in their possession; (3) the rent roll delivered by Defendants accurately
12 describes with respect to each Lease, the commencement date, the expiration date, the current
13 monthly rent payable, rent paid to the date described, any advance rent paid and all other
14 information required to be provided as set forth in the Rent Roll form which is attached as Exhibit
15 4; (4) the Security Deposit Accounting delivered by Defendants accurately and completely
16 describes the amount of the security deposits originally deposited by each existing respective
17 tenant under the current Leases and the subtractions therefrom and additions thereto and
18 Defendants covenant that the Security Deposit Accounting and the deposits shall be transferred to
19 Forever Light upon the Recordation; (5) to Defendants' best knowledge, there are no existing
20 defenses or offsets that any tenant has against the enforcement of such tenant's Lease; (6) there
21 are no rights of first refusal or options to purchase 2100 SATURN or any portion thereof; and (7)
22 no leasing or brokerage fees or commissions are, or will become due or owing regarding any
23 Lease in effect as of the Recordation. In the event that any personal property is hereafter
24 discovered which is owned by any of the Defendants and which is located in or on 2100
25 SATURN, it is hereby assigned, sold and delivered to Forever Light. The foregoing
26 representations and warranties shall survive the Recordation. At Recordation, Defendants shall
27 execute and deliver to Forever Light notices to tenants regarding instructing the tenants to pay
28

1 rent to Forever Light in the form of Exhibit 7 hereto. At Recordation, the People shall release of
2 record its *lis pendens* recorded against 2100 SATURN.

3 3.3 If the Defendants fail to deliver 2100 SATURN free and clear with good and
4 marketable title along with the title insurance policy as set forth in paragraph 3.2 above, then the
5 Action shall continue. Notwithstanding the continuance of the Action, Forever Light shall be
6 entitled to keep the \$100,000 referenced in paragraph 3.1 above and the Defendants shall make no
7 claim to those funds.

8 3.4 Effective February 1, 2010, Forever Light shall be entitled to all rents from lessees
9 leasing space at 2100 SATURN. The Defendants shall pay over immediately upon receipt all
10 rents received after February 1, 2010. Effective February 1, 2010, all payments by W-Coline to
11 Forever Light on the promissory note or notes executed in connection with the transfer of 2100
12 SATURN from Forever Light to W-Coline (the "Notes") shall cease.

13 3.5 Within 45 days from the date the Defendants deliver 2100 SATURN to Forever Light
14 as set forth in paragraph 3.2, above, the Defendants shall deliver, by personal messenger, a
15 certified check in the amount of \$400,000 to the Attorney General's Office located at 300 S.
16 Spring Street, Suite 1702, Los Angeles, California, addressed to the attention of Deputy Attorney
17 General Sonja K. Berndt. The check shall be made payable to the California Attorney General.
18 Following delivery of this payment, the Attorney General's Office shall pay \$250,000 of the
19 \$400,000 to Forever Light. The remaining \$150,000 balance from the \$400,000 payment shall be
20 retained by the Attorney General for attorney's fees and costs incurred by the Charitable Trusts
21 Section, pursuant to Government Code sections 12598 and 12586.2. This \$150,000 balance shall
22 be used exclusively by the Charitable Trusts Section for the administration of the Attorney
23 General's charitable trust enforcement responsibilities. Following the delivery of the \$400,000
24 payment referenced in this paragraph, the People shall dismiss the Action with prejudice as to the
25 settling defendants.

26 3.6 If the Defendants fail to deliver the \$400,000 payment in the manner set forth in
27 paragraph 3.5 above or fail to transfer 2100 SATURN in the manner set forth in paragraph 3.2
28 above, the Action shall proceed. Notwithstanding the continuance of the Action, the \$100,000

1 payment referenced in paragraph 3.1 above shall be retained by Forever Light and the Defendants
2 shall make no claim on the payment. Furthermore, if 2100 SATURN has been transferred, the
3 Defendants shall make no claim on the property.

4 3.7 The Settling Parties agree that title to 2100 SATURN is quieted in Forever Light and
5 the settling defendants other than Forever Light shall make no claim to 2100 SATURN at any
6 time.

7 3.8 The Defendants shall not cause any injury to 2100 SATURN or to Forever Light's
8 beneficial interest therein that would substantially decrease the market value of the property.

9 3.9 Defendants Oscar, Joan, Joshua, Wellington, Esther and Hsien shall not serve as a
10 director or an officer of any California charitable organization/entity/foundation/group or
11 charitable trust during their lifetime. Further none of these defendants shall exercise any control,
12 or be in a position to exercise any control, over any assets of any California charitable
13 organization/entity/foundation/group or charitable trust during their lifetime.

14 3.10 With regard to each of the payments made pursuant to this Settlement Agreement, the
15 Defendants agree that they shall not make any assertion or claim to anyone that the payment is a
16 charitable donation.

17 3.11 The Defendants shall not make any claim for indemnification from Forever Light
18 under Corporations Code section 5238 or otherwise.

19 3.12 Cooperation: Each Settling Party shall cooperate fully in the execution of this
20 Settlement Agreement and any other documents and any other actions that may be necessary or
21 appropriate to give full force and effect to the terms and intent of this Agreement. Further, and in
22 addition thereto, the Defendants agree to cooperate with Forever Light in the transition of
23 ownership of 2100 SATURN from Re-Frame to Forever Light. Such cooperation shall include,
24 but is not limited to, providing Forever Light with all information necessary to continue the
25 leasing of space at 2100 SATURN and turning over all known copies of keys to 2100 SATURN
26 and any of the offices contained therein to Forever Light.

27 3.13 Web domains. The web domains Foreverlightusa.org and Foreverlightonline.org (and
28 any other web domains of Forever Light which shall be identified by the Defendants) are hereby

1 transferred to Sherwin Yang, President of Forever Light. The Defendants, including Oscar
2 Chang, shall execute any and all paperwork Forever Light deems necessary to effectuate said
3 transfers.

4 3.14 So long as the Defendants are in compliance with the terms of this Agreement,
5 discovery in the Action shall be suspended.

6 4. General Provisions

7 4.1 Upon the successful completion of all terms of this Agreement, the Settling Parties
8 hereby release and discharge each other party, his/her/its employees, officers, agents,
9 predecessors, successors and assigns from all civil liability, civil claims, and civil damages
10 whether or not known to them that relate to, or arise from, the allegations set forth in the
11 Complaint. The People and the Attorney General expressly do not release or discharge any of the
12 Defendants from any criminal liability or criminal claims known or unknown to them that relate
13 to, or arise from, the allegations set forth in the Complaint. The release and discharge set forth in
14 this paragraph is binding only on the parties to this Settlement Agreement and their successors.
15 Further, this release and discharge shall not be construed to limit or prevent any party's ability to
16 enforce the terms of this Agreement.

17 4.2 This Settlement Agreement shall not constitute an admission or finding of any
18 wrongdoing, fault, violation of law, or liability of any of the Defendants.

19 4.3 This Settlement Agreement contains the entire agreement and understanding among
20 the Settling Parties concerning the subject matter of the Action and supersedes all other
21 agreements of any kind concerning the subject matter of the Action. Each of the undersigned
22 warrants that no promise or inducement has been offered to them except as set forth herein and
23 that the Settlement Agreement is executed without reliance upon any statement or representation
24 by any persons or parties, or their representatives, concerning the nature and extent of injuries
25 and/or damages and/or legal liability herein.

26 4.4 Each of the Settling Parties acknowledges that he, she, or it has read the entire
27 Settlement Agreement and understands it and, in addition, has had an opportunity to discuss the
28

1 content with an attorney and make whatever investigation or inquiry that party may deem
2 necessary or desirable in connection with the subject matter of the Agreement.

3 4.5 Each of the parties warrants that he, she, or it is legally competent to execute the
4 Settlement Agreement. Any person executing this Settlement Agreement on behalf of any
5 Settling Party does hereby personally represent and warrant to the other parties that he/she/it has
6 the authority to execute this Settlement Agreement on behalf of, and to fully bind, that party.

7 4.6 This Settlement Agreement shall be binding upon the heirs, devisees, executors,
8 affiliates, administrators, successors, assigns, officers, directors, trustees, executors, agents and
9 employees of each and every one of the Settling Parties. Each of the Defendants is jointly and
10 severally liable for all obligations under this Agreement.

11 4.7 This Settlement Agreement is a product of bargained-for, arms-length negotiations
12 among the Settling Parties and their counsel. No party shall be considered the author of this
13 Agreement.

14 4.8 This Settlement Agreement and all rights and obligations arising out of it shall be
15 governed and construed in accordance with the laws of the State of California.

16 4.9 This Settlement Agreement may be executed in separate counterparts, each of which
17 shall be deemed an original, and said counterparts shall together constitute one Settlement
18 Agreement, binding all parties hereto notwithstanding that all of the parties are not signatory to
19 the original or same counterpart. All original signatures shall be delivered to Sonja K. Berndt,
20 Office of the Attorney General, 300 S. Spring Street, Suite 1702, Los Angeles, CA 90013.

21 IT IS SO AGREED.

22
23 EDMUND G. BROWN JR, Attorney General

24 DATE: 8/20/2010

25 By 
26 SONJA K. BERNDT, Deputy Attorney General
Attorneys for the People of the State of California

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RODRIGUEZ, HORII, CHOI & CAFFERATA LLP
Attorneys at Law

DATE: 6/16/10

By Andrew S. Atkin
ANDREW S. ATKIN, Esq.
Attorneys for Forever Light Foundation

RUTTER HOBBS & DAVIDOFF INC.
Attorneys at Law

DATE: _____

By _____
FRED A. FENSTER, Esq.
Attorneys for Wellington Chiang, Oscar Chang, Joan Chang, Joshua Chang, Esther Joy Chen, Hsien-Chih Chuang, W-Coline Management Corporation, Re-Frame, Inc; and JC Core Corp.

DATE: _____

By _____
OSCAR CHANG

DATE: _____

By _____
JOAN CHANG

DATE: _____

By _____
JOSHUA CHANG AKA JOSHUA HSIUNGCHUN CHANG

DATE: _____

By _____
WELLINGTON CHIANG AKA WELLINGTON MAN-CHING CHIANG, AKA WELLINGTON MAN-CHANG CHIANG

DATE: _____

By _____
ESTHER JOY CHEN

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1 RODRIGUEZ, HORII, CHOI & CAFFERATA LLP
2 Attorneys at Law

3 DATE: _____

4 By _____
5 ANDREW S. ATKIN, Esq.
6 Attorneys for Forever Light Foundation

7 RUTTER HOBBS & DAVIDOFF INC.
8 Attorneys at Law

9 DATE: 6/8/10

10 By Fred A Fenster
11 FRED A. FENSTER, ESQ.
12 Attorneys for Wellington Chiang, Oscar Chang, Joan
13 Chang, Joshua Chang, Esther Joy Chen, Hsien-Chih
14 Chuang, W-Coline Management Corporation, Re-Frame,
15 Inc; and JC Core Corp.

16 DATE: 26-09-10

17 By [Signature]
18 OSCAR CHANG

19 DATE: 6/9/2010 ^{AKB w/ approval}

20 By [Signature]
21 JOAN CHANG

22 DATE: 6/9/10

23 By [Signature]
24 JOSHUA CHANG AKA JOSHUA HSIUNGCHUN
25 CHANG

26 DATE: 6/9/10

27 By [Signature]
28 WELLINGTON CHIANG AKA WELLINGTON MAN-
CHING CHIANG, AKA WELLINGTON MAN-CHANG
CHIANG

DATE: _____

By _____
ESTHER JOY CHEN

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RODRIGUEZ, HORII, CHOI & CAFFERATA LLP
Attorneys at Law

DATE: _____

By _____
ANDREW S. ATKIN, Esq.
Attorneys for Forever Light Foundation

RUTTER HOBBS & DAVIDOFF INC.
Attorneys at Law

DATE: _____

By _____
FRED A. FENSTER, Esq.
Attorneys for Wellington Chiang, Oscar Chang, Joan
Chang, Joshua Chang, Esther Joy Chen, Hsien-Chih
Chuang, W-Coline Management Corporation, Re-Frame,
Inc; and JC Core Corp.

DATE: _____

By _____
OSCAR CHANG

DATE: _____

By _____
JOAN CHANG

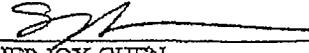
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By _____
JOSHUA CHANG AKA JOSHUA HSIUNGCHUN
CHANG

DATE: _____

By _____
WELLINGTON CHIANG AKA WELLINGTON MAN-
CHING CHIANG, AKA WELLINGTON MAN-CHANG
CHIANG

DATE: 7/8/10

By 
ESTHER JOY CHEN

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DATE: 8/16/10

By H. C. Chuang
HSIEN-CHIH CHUANG AKA HSIEN-CHUNG CHUANG

DATE: 8/16/10

By [Signature]
[NAME] JOSHUA CHANG
[TITLE] CEO
For W-Coline Management Company aka W-Coline Management Corporation, a Corporation,

DATE: 8/16/10

By H. C. Chuang
[NAME]
[TITLE]
For Re-Frame, Inc., a Corporation

DATE: 8/16/10

By [Signature]
[NAME] JOSHUA CHANG
[TITLE] CEO
For JC Core Corp., a Corporation

ORDER

IT IS SO ORDERED **SEP - 2 2010**

DATE: _____

[Signature]
JOSEPH F. De VANON, JR.
Judge of the Superior Court
Joseph F. De Vanon

EXHIBIT 1

**EXHIBIT 1
GRANT DEED**

RECORDING REQUESTED BY

AND WHEN RECORDED MAIL TO
and MAIL TAX STATEMENTS TO:

Space Above This Line for Recorder's Use Only _____

GRANT DEED

APN: 5265-026-055

The undersigned grantor(s) declare(s) that documentary transfer tax is: County and City \$ _____
(X) Computed on full value of property conveyed, or
() Computed on full value less value of liens or encumbrances remaining at time of sale.
() unincorporated area; (X) City of Monterey Park, and

FOR A VALUABLE CONSIDERATION, Receipt of which is hereby acknowledged,

[INSERT GRANTORS NAMES]

HEREBY GRANTS TO:

FOREVER LIGHT FOUNDATION, a California Nonprofit Public Benefit Corporation

The following described property in the City of Monterey Park, COUNTY OF LOS ANGELES, State of California, commonly known as 2100 SATURN;

See Exhibit "A" which is attached hereto and made a part hereof

GRANTOR *[INCLUDE SIGNATURE BLOCK FOR ALL GRANTORS]*:

By: _____

Date signed: _____

EXHIBIT A to GRANT DEED

That certain real property in the City of Monterey Park, County of Los Angeles, State of California, described as follows:

PARCEL 1 OF PARCEL MAP NO. 16461, IN THE CITY OF MONTEREY PARK, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 173 PAGES 43 AND 44 OF PARCEL MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY;

SUBJECT ONLY to the following:

A. Non-delinquent Real property taxes and assessments for the ____ half of fiscal year 20__ and subsequent years; and

B. The following "Permitted Exceptions":

- 1) The lien of supplemental taxes, if any, assessed pursuant to Chapter 3.5 commencing with Section 75 of the California Revenue and Taxation Code, arising from a change in ownership or construction completed on or after the date of recordation of this Deed;
- 2) Water rights, claims or title to water, whether or not shown by the public records;
- 3) An easement for public utilities and incidental purposes in the document recorded August 30, 1971 as Instrument No. 2581 of Official Records.
- 4) Covenants, conditions, restrictions and easements in the document recorded February 15, 1972 as Instrument No. 4190 of Official Records, which provide that a violation thereof shall not defeat or render invalid the lien of any first mortgage or deed of trust made in good faith and for value, but deleting any covenant, condition or restriction indicating a preference, limitation or discrimination based on race, color, religion, sex, handicap, familial status, national origin, sexual orientation, marital status, ancestry, source of income or disability, to the extent such covenants, conditions or restrictions violate Title 42, Section 3604(c), of the United States Codes or Section 12955 of the California Government Code. Lawful restrictions under state and federal law on the age of occupants in senior housing or housing for older persons shall not be construed as restrictions based on familial status.
- 5) A declaration of annexation recorded July 16, 1979 as Instrument No. 79-771035 of Official Records.
- 6) An easement for public utilities and incidental purposes in the document recorded February 17, 1972 as Instrument No. 3974 of Official Records.
- 7) The terms and provisions contained in the document entitled "Covenant and Agreement" recorded June 14, 1979 as Instrument No. 79-646021 of Official Records.
- 8) The terms and provisions contained in the document entitled "Covenant and Agreement" recorded October 9, 1980 as Instrument No. 80-1001358 of Official Records.
- 9) An easement shown or dedicated on the Map as referred to in the legal description
For: Planting, sidewalk and public utility and incidental purposes.
- 10) An easement for public utilities and incidental purposes in the document recorded April 24, 1979 as Instrument No. 79-437351 of Official Records.
- 11) Rights of parties in possession as tenants only, or with a lesser interest than tenancy.

*****END OF PERMITTED EXCEPTIONS*****

EXHIBIT 2

Date: **April 23, 2010**

Owner's Affidavit

File No.: **NCS-436581-LA2 (jq)**

Commercial Owner's Affidavit

STATE OF _____ }
 COUNTY OF _____ }

The undersigned affiant first being duly sworn, deposes and says:

1. That the Individual named herein is the owner of certain real property in the State of California described as follows (the "property"):

PARCEL 1 OF PARCEL MAP NO. 16461, IN THE CITY OF MONTEREY PARK, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 173 PAGES 43 AND 44 OF PARCEL MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

2. That there have been no construction, repairs, alterations, improvements made, ordered or contracted to be made on or to the Property, nor materials ordered within the last 6 months (or 4 months after completion of work) which have not been paid for, nor are there any fixtures attached to the Property which have not been paid for in full; and there are no outstanding or disputed claims for any such work or item, except:

That the work of improvement, if any:

Started on _____

Was completed on _____

Will be completed on _____

3. That there has been no work done, nor notice received that work is to be done by the municipality (city, borough, or township), or at its direction, including but not limited to the installation of water or sewer lines, or for improvements such as paving or repaving of streets or alleys, or the installation of curbs or sidewalks.

Date: April 23, 2010

Owner's Affidavit - Continued File No.: NCS-436581-LA2 (jq)

4. That there are no unrecorded leases or agreements affecting the Property, and there is no one in possession of or that has access to the Property, other than: **(enter N/A if such is true)**

the undersigned
 tenants based on month-to month rental agreements
 lessees based on existing leases, copies of which are attached hereto
 affiant(s) please remember to attach copies of leases.

5. That there are no rights of first refusal or options to purchase all or any part of the Property except:

(enter "none" or N/A if such is true)

6. That there are no unpaid real estate taxes or assessments except as shown on the current tax roll. That the undersigned has not received any supplemental tax bill which is unpaid.
7. That no actions in bankruptcy have been filed by or against the corporation in any federal court or any other court of competent jurisdiction.
8. That there are no matters pending against the Affiant that could give rise to a lien that would attach to the property between the most recent effective date of the title commitment and the recording of the interest to be insured, and that the Affiant has not and will not execute any instrument that would adversely affect the title or interest to be insured.
9. That this affidavit is given for the purpose of inducing First American Title Insurance Company and/or its agent to issue its policies of title insurance which may provide coverage as to the matters listed above. The undersigned acknowledge that they have read the foregoing and fully understand the legal aspects of any misrepresentation and/or untrue statements made herein and indemnify and hold harmless FIRST AMERICAN TITLE INSURANCE COMPANY against liability occasioned by reason of reliance upon the statements made herein.

Date: **April 23, 2010**

Owner's Affidavit - Continued File No.: **NCS-436581-LA2 (jq)**

Re-Frame, Inc.

STATE OF _____)SS
COUNTY OF _____)

On _____, before
me, _____ Notary Public,
personally appeared _____

_____, 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

My Commission

Expires: _____

*This area for official notarial
seal*

EXHIBIT 3

Properties, other than the following (which is to be released at closing pursuant to that certain settlement agreement entered into between Plaintiff identified below and Defendants identified below).

Notice of pendency of action recorded January 29, 2009 as Instrument No. 20090119493 of Official Records.

Court: Superior Court of the State of California, County of Los Angeles, Central District
Case No.: BC 406 558
Plaintiff: People of the State of California
Defendant: Forever Light Foundation, a California Nonprofit Public Benefit Corporation; Oscar Chanf; Joan Chang; Joshua Chang aka Joshua Hsiungchun Chang; Wellington Chiang aka Wellington Man-Ching Chiang aka Wellington Man-Chang Chiang; Esther Chen aka Esther Chen Diaz; Hsien-Chih Chuang aka Hsien-Chung Chuang; W-Coline Management Company aka W-Coline Management Corporation, a corporation, Re-FRAME, Inc., a corporation, Ticor Title Company of California, a corporation; Investors Title Company, a corporation; The Mill Group, Inc., a corporation; Seacliff Diagnostics Medical Group, a corporation; Columbia Sportswear Company, a corporation; Innovative Mortgage Group, Inc., a corporation; Cornerstone Financial Solutions, Inc., dba Proliance Financial & Insurance Solutions, a corporation; Caretrans Freight Services, Inc., a corporation; JC CORE CORP., a corporation; Bazkin, Inc., a corporation; Vincent Chui Consulting Engineer, Inc., a corporation; all persons unknown, claiming any legal or equitable right, title, estate, lien or interest in the property described in he complaint adverse to Forever Light Foundation's title or any cloud on Forever Light Foundation's title thereto; and DOES 1 through 75, inclusive
Purpose: real property claim

6. An independent examination of the business records of the Corporation would reveal that the records are complete and in good order and would not disclose or suggest the existence of any unrecorded legal or equitable interests in the Properties.
7. The Corporation has sufficient assets, excluding the value of the Properties, to satisfy all unrecorded debts, demands or equities created, suffered or permitted by the Corporation and the transfer pursuant to which the New Entity acquires the Properties will not render the Corporation insolvent nor is such transfer a fraudulent

transfer under the bankruptcy laws of the United States or any similar creditors' rights law.

- 8. The undersigned make this affidavit for the purpose of inducing First American to include the non-imputation endorsement as described in Paragraph 2 with the knowledge the First American would not issue such non-imputation endorsement without having first received this affidavit and will rely on the assurances and representations made herein.
- 9. That the undersigned acknowledge that they have read the foregoing and fully understand the legal ramifications of any misrepresentation and/or untrue statements made herein and hereby indemnify and hold First American harmless against any liability occasioned by reason of its reliance on the statements made herein.

Each of the undersigned certify under penalty of perjury that the foregoing is true and correct.

_____ Name Date	_____ Name Date

Subscribed and sworn to before me on .

Notary Public

My Commission Expires: _____

EXHIBIT 'A'

**PARCEL 1 OF PARCEL MAP NO. 16461, IN THE CITY OF
MONTEREY PARK, COUNTY OF LOS ANGELES, STATE OF
CALIFORNIA, AS PER MAP RECORDED IN BOOK 173
PAGES 43 AND 44 OF PARCEL MAPS, IN THE OFFICE OF
THE COUNTY RECORDER OF SAID COUNTY.**

TENANT ESTOPPEL CERTIFICATE

The undersigned, as Tenant under that certain Lease (the "Lease") dated as of _____, _____, made by _____, as Landlord, with respect to the premises located at _____ (the "Premises"), hereby certifies as follows:

1. The commencement date under the Lease was _____;
2. The term of the Lease will expire on _____;
3. Tenant has deposited with Landlord the sum of _____ Dollars (\$ _____) as a Security Deposit;
4. No rents or charges have been paid in advance, except for the following rents or charges which have been paid to the date specified: \$ _____ paid to _____;
5. The current monthly rental (including all Consumer Price Index adjustments and as otherwise adjusted pursuant to the terms of the Lease) is _____ Dollars (\$ _____) [and/or _____ percent (___%) of Tenant's gross sales];
6. The Lease (including all Exhibits) is in full force and effect and has not been assigned, modified, supplemented or amended in any way, except as follows:

7. The Lease, a true and correct copy of which is attached hereto, as affected by those changes as set forth in Paragraph 6 above, represents the entire agreement between the parties as to the Premises;
8. There are no uncured defaults by Landlord under the Lease, and Tenant knows of no events or conditions which, with the passage of time or notice, or both, would constitute a default by Landlord under the Lease, except as follows: _____
9. At the date hereof, there are no existing defenses or offsets which the undersigned has against the enforcement of the Lease by Landlord.
10. Tenant acknowledges that it has waived any right of first refusal to purchase the Premises or any right to purchase the Premises or any option to purchase the Premises that it may have; and
11. All conditions of the Lease to be performed by Landlord and necessary to the enforceability of the Lease have been satisfied.

This estoppel is being provided by Tenant in favor of Forever Light which Tenant acknowledges is acquiring the property, a portion of which is subject to the Lease, in reliance upon this Tenant's estoppel.

EXECUTED this ____ day of _____

TENANT:

By: _____
Name: _____
Title: _____

**EXHIBIT A to ESTOPPEL
TRUE AND CORRECT COPY OF LEASE AND ALL AMENDMENTS THERETO**

ASSIGNMENT OF LEASES

THIS ASSIGNMENT OF LEASES ("Assignment") is dated as of _____, 20____, and is entered into by and between _____, a _____ ("Assignor"), and FOREVER LIGHT FOUNDATION, a California nonprofit public benefit corporation (["Assignee"]), with reference to the following:

RECITALS

A. The Assignment relates to that certain real property located at 2100 SATURN, in the City of Monterey Park, County of Los Angeles, State of California, as more particularly described on Exhibit A attached hereto (the "Real Property").

B. Assignor is the landlord under certain leases described on Schedule "1" hereto (herein, the "Leases") which Assignor has agreed to assign to Assignee upon its purchase of the Property.

C. Assignor and Assignee are making and delivering this Assignment of Leases pursuant to the Settlement Agreement entered into by and between, among others, Assignor and Assignee.

NOW, THEREFORE, in consideration of the foregoing recitals and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties agree as follows:

1. Assignment. Effective as of the recordation of the Grant Deed in the Official Records of Los Angeles County (the "Closing Date"), Assignor hereby assigns, conveys, transfers and sets over unto Assignee, its successors and assigns, any and all right, title and interest of Assignor, as landlord or otherwise, in and to the Leases for the remaining term and all extensions thereof and to the rents set forth in the Leases, together with any and all rights and appurtenances thereto in any way belonging to Assignor, its successors and assigns. Assignor represents and warrants to Assignee that Assignor is the owner of such Leases, has delivered true and correct copies of such Leases to Assignee, has delivered the security deposits in connection with such Leases to Assignee.

2. Acceptance and Assumption. Assignee hereby accepts and agrees to perform all of the terms, covenants and conditions of the Leases on the part of the landlord therein required to be performed from and after the Closing Date, including, but not limited to, the obligation to repay in accordance with the terms of each Lease to the tenant thereunder any security or other deposits to the extent transferred by Assignor to Assignee on or before the Closing Date.

3. Miscellaneous. Assignor and Assignee each agrees to execute such other documents and perform such other acts as may be necessary or desirable to effectuate this Assignment. This Assignment shall be governed by and construed in accordance with the laws of the State of California, and shall be binding upon and inure to the benefit of Assignor and Assignee and their respective successors and assigns. This Assignment may be executed in multiple counterparts, all of which shall be but one and the same instrument, binding on all parties when all separately executed copies have been fully delivered. No addition to or modification of any provision contained in this Assignment shall be effective unless fully set forth in writing and executed by both parties hereto. Each of the Schedules and Exhibits attached hereto is incorporated herein by this reference and is made a part of this Assignment.

IN WITNESS WHEREOF, the undersigned have executed this Assignment as of the date and year first above written.

"ASSIGNOR"

_____, a

By: _____

Its: _____

By: _____

Its: _____

"ASSIGNEE"

_____, a

By: _____

Its: _____

By: _____

Its: _____

EXHIBIT A to Assignment of Leases

That certain real property in the City of Monterey Park, County of Los Angeles, State of California, described as follows:

PARCEL 1 OF PARCEL MAP NO. 16461, IN THE CITY OF MONTEREY PARK; COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 173 PAGES 43 AND 44 OF PARCEL MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

Schedule 1 to Assignment of Leases

SCHEDULE OF LEASES

[To be attached prior to Execution]

93 01 21

EXHIBIT 7

Form of Tenant Notice

BY CERTIFIED MAIL

[INSERT TENANT'S NAME AND ADDRESS]

Dear _____:

Our records show that you are currently a tenant or occupant of Unit or Suite No. _____ in the building located at 2100 SATURN, LOS ANGELES, CALIFORNIA (the "Property"). This letter constitutes notice to you that effective _____, 20____, the Property was conveyed, and your lease has been assigned to FOREVER LIGHT, a California non-profit public benefit corporation ("New Owner"), at _____, telephone # _____.

With respect to all rents due on or after February 1, 2010, all rents should be paid to New Owner as provided above and not to the undersigned.

Very truly yours,