

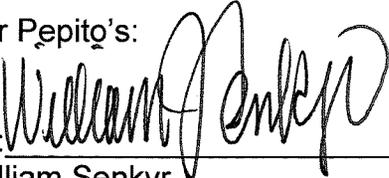
Conditions of License
Pepito's Mexican Foods, Inc. DBA: Pepito's Restaurant
4820 Chicago Avenue South
On-Sale Liquor, Class A with Sunday Sales Ward 8
License Number L198-12062

Your license(s), if granted, will be based on the following conditions:

1. The establishment will comply with a minimum standard of gross sales revenue during each fiscal year from the sale of food and beverages not containing alcohol in an amount of not less than seventy (70) percent of its total gross revenue. The licensee will report this for the first three months after the expansion is operational.
2. Alcohol will only be available for sale in the theater portion of the establishment during 21 and over events or showings.
3. Seating in the theater portion of the establishment will not exceed 400 seats.
4. Operational use of the theater portion of the establishment will be 60% cinema, 20% live theater, and 20% live entertainment/cabaret. This use will be reviewed every two months to assure compliance.
5. During live band performances that are open to the public and/or charged admission, (no more than 20% live entertainment/cabaret), there will be no patron dancing.
6. If any operational change takes place, the business plan on file will need to be amended and the change approved by the City of Minneapolis, prior to any change taking place.
7. Free valet service will be provided for customers of Pepito's. Also, licensee must retain the leased 30 parking stalls located at 4700 Chicago Avenue, the 15 stalls at 4701 Chicago Avenue, the 10 stalls at 4749 Chicago Avenue, the 10 stalls at 4801 Chicago Ave, and keep the owned 15 stalls behind 4820 Chicago Avenue.

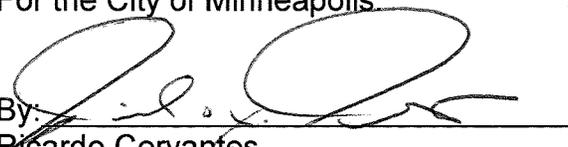
I have read the conditions listed above. I agree with the conditions and understand that failure on our part, or on the part of my company or employees to adhere to these conditions, may be cause for future adverse license action, including the suspension, revocation, or denial of the renewal of the On-Sale Liquor License, Class A with Sunday Sales. These conditions will be effective for the duration the licensee operates at these premises, unless otherwise amended by the City Council of Minneapolis.

For Pepito's:

By: 
William Senkyr
Owner/Licensee

Dated: 6/12/07, 2007

For the City of Minneapolis:

By: 
Ricardo Cervantes
Deputy Director of Licenses and Consumer Services

Dated: June 12, 2007