

EXHIBIT B

LICENSEE STANDARDS OF OPERATIONS

1. Hours of Operation

- Signs which indicate the hours of operation must be prominently posted by Licensee and visible for customer view at all times.
- No Licensee can be open when El Rancho stores are closed.
- All Licensees should be open on Saturdays and Sundays in addition to regular weekly hours.
- Licensee Premises should be open for business a minimum of six (6) days each week.
- Licensee Premises should be open for business a minimum of nine (9) hours each operating day, and open and operational by 11:00 a.m. each day of operation.
- Store Management may have additional requirements with regard to hours of operation.

2. Name Tags

- All personnel working in any Licensee licensed area must wear a name tag showing the name of the individual.
- All name tags in a Licensee area must be of the same type, style and color and not offensive.
- There is no single brand of approved name tags.

3. Attire

- Proper clothing must be worn at all times in all areas.
 - Shirts and blouses should be tucked in at all times.
 - Hats and caps should be fronted.
 - Wearing apparel should be tasteful and appropriate for the business being carried on by the Licensee.
 - Shoes must be worn at all times.
- Prohibited Clothing:
 - Tank tops, bathing suits, or beach wear.
 - Sagging pants, under-shirts or flip flops.
 - Clothing displaying any type of gang affiliation, offensive (as deemed exclusively by Licensor) sexual message or drug paraphernalia.

4. Signage and Decoration

- All Licensee signs inside of any El Rancho store must be approved by the Licensor.
- No signs will be allowed for Licensee outside of the El Rancho Store unless the Licensed Premises is outside of the Store or such signs are otherwise approved by Licensor. Licensor has the right to remove Licensee's signs at anytime without notice.
- In the interior of the Store, signs should be flush against a wall, table or otherwise reasonably displayed to avoid the obstruction of visibility. No signs are allowed outside the booth space, on the Store sales floor, Store ceiling, exterior and interior walls and windows, doors, store carts or any part of the interior or exterior of the Store without approved by Licensor.
- There should be no decoration or signs in a Licensee area without the prior approval from Licensor.
- All signage should be clean and legible at all times.

5. Displays

- Displays on top of showcases and counters should not be higher than five feet from the ground without prior approval of the Director of Area Operations for the Store.
- Merchandise hanging from the ceiling is not permitted.
- Along the interior walls of the Store, Licensee should not have displays higher than eight feet from the ground.

6. Display Cabinets and Showcases

- All display cabinets and showcases need to satisfy El Rancho's standards for safety and appearance and can be asked to be replaced by the Licensor.

7. Merchandising

- Licensee areas should not be allowed within six feet of store entrances without specific exceptions approved by the Director of Area Operations for the Store.
- Licensee's merchandise cannot extend beyond the Licensee's designated license footprint and approved square footage without the prior approval of the Director of Area Operations for the Store.
- Licensee shall not use the Store's common areas for the purpose of conducting business unless approved by the Licensor.

8. General Considerations

- Music cannot be played by a Licensee inside of an El Rancho store.
- Music should be kept at a moderate level and not be offensive when played by a Licensee outside any El Rancho Store.
- No posters, art work, magazines or literature that may be considered offensive or with sexual overtones shall be allowed on the premises (either inside or outside of the Store).
- Licensee will not sell products that are deemed unlawful, offensive, objectionable, profane, obscene, racist, or otherwise unacceptable, or products that would be in direct competition with El Rancho.
- Licensee will be held strictly responsible to sell only the products that are specifically permitted to be sold in their License Agreement.
- No products will be sold in any El Rancho Store that cannot be legally sold in that Store.
- Any modification of utilities or utility usage must be approved by Licensor and any repairs will be performed by licensed and bonded repair personnel.
- Children are NOT permitted to accompany the Licensee at the Licensed Premises for any purpose. Failure to abide by this rule will result in IMMEDIATE TERMINATION of this Agreement.
- Licensee shall not disrupt other Licensee's business and Licensor shall have the right to remove Licensee or any other person associated with Licensee from the Premises. Failure to abide by this rule will result in IMMEDIATE TERMINATION of this Agreement.

AGREED:

Licensee

Date

Exhibit B-1