

Pima County Clerk of the Board

Julie Castañeda

Melissa Manriquez
Deputy Clerk

Administration Division
130 W. Congress, 5th Floor
Tucson, AZ 85701
Phone: (520) 724-8449 • Fax: (520) 222-0448

Management of Information & Records Division
1640 East Benson Highway
Tucson, Arizona 85714
Phone: (520) 351-8454 • Fax: (520) 791-6666

May 21, 2019

Christian Ho
China Phoenix Restaurant
7090 N. Oracle Road, No. 172
Tucson, AZ 85704

RE: Application for Agent Change/Acquisition of Control/Restructure
Arizona Liquor License Job No.: 65098
China Phoenix Restaurant

Dear Mr. Ho:

Notice is hereby given that the Pima County Board of Supervisors will hold a hearing in reference to the above application. Please be advised that the hearing has been scheduled for Tuesday, June 4, 2019, at 9:00 a.m. or thereafter, to be held at the following location:

Pima County Administration Building
Board of Supervisors Hearing Room
130 West Congress, 1st Floor
Tucson, Arizona 85701

If you have any questions pertaining to this hearing, please contact this office at (520)724-8449.

Sincerely,

A handwritten signature in black ink, appearing to read "Julie Castañeda", is written over a horizontal line.

Julie Castañeda
Clerk of the Board



Pima County Clerk of the Board

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TO: Pima County Sheriff's Department
Investigative Support Unit

FROM: Alina Bárcenas
Administrative Support Specialist Senior

DATE: May 17, 2019

RE: Sheriff's Report - Application for Agent Change/Acquisition of Control/
Restructure

Attached is the application of:

Christian Ho
d.b.a. China Phoenix Restaurant
7090 N. Oracle Road, No. 172
Tucson, AZ 85704

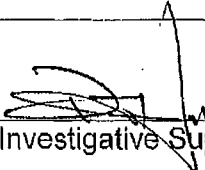
Arizona Liquor License Job No. 65098

SHERIFF'S REPORT

DATE: 05/20/19

Is there any reason this application should not be recommended for approval?

Nothing found


Investigative Support Unit Supervisor

When completed, please return to cob_mail@pima.gov.

MAY 20 19 PM 04 26 PCD KDF RD

ARJ

19-03-0127

State of Arizona
Department of Liquor Licenses and Control

Created 05/16/2019 @ 11:10:55 AM

Local Governing Body Report

LICENSE

Number:	12103036	Type:	012 RESTAURANT
Name:	CHINA PHOENIX RESTAURANT		
State:	Pending		
Issue Date:		Expiration Date:	09/30/2019
Original Issue Date:	05/17/1996		
Location:	7090 N ORACLE ROAD #172 TUCSON, AZ 85704 USA		
Mailing Address:	7090 N ORACLE ROAD #172 TUCSON, AZ 85704 USA		
Phone:	(520)531-0658		
Alt. Phone:	(480)315-2676		
Email:	CHRISTIANHO@EMAIL.ARIZONA.EDU		

Currently, this license has pending applications.

AGENT

Name:	CHRISTIAN HO
Gender:	Male
Correspondence Address:	7090 N ORACLE ROAD #172 TUCSON, AZ 85704 USA
Phone:	(480)315-2676
Alt. Phone:	
Email:	CHRISTIANHO@EMAIL.ARIZONA.EDU

OWNER

MAY 17 19PM0308PC CLK OF ED
AR3

Name: CHINA PHOENIX LLC
Contact Name: CHRISTIAN HO
Type: LIMITED LIABILITY COMPANY
AZ CC File Number: L11537093 State of Incorporation: AZ
Incorporation Date:
Correspondence Address: 7090 N ORACLE ROAD
#172
TUCSON, AZ 85704
USA
Phone: (480)315-2676
Alt. Phone:
Email: CHRISTIANHO@GMAIL.ARIZONA.EDU

Officers / Stockholders

Name:	Title:	% Interest:
TINA YOUN HUM	MEMBER	50.00
THOMAS HUM	MEMBER	50.00

CHINA PHOENIX LLC - MEMBER

Name: TINA YOUN HUM
Gender: Female
Correspondence Address: 7090 N ORACLE ROAD
#172
TUCSON, AZ 85704
USA
Phone: (480)315-9793
Alt. Phone:
Email: TINAHUM88@GMAIL.COM

CHINA PHOENIX LLC - MEMBER

Name: THOMAS HUM
Gender: Male
Correspondence Address: 7090 N ORACLE ROAD
#172
TUCSON, AZ 85704
USA
Phone: (480)315-4555
Alt. Phone:
Email: THUM91761@AOL.COM

APPLICATION INFORMATION

Application Number: 65098
Application Type: Acquisition of Control
Created Date: 05/16/2019

QUESTIONS & ANSWERS

012 Restaurant

- 3) Have you submitted questionnaires? Each person listed must submit a questionnaire and mail in a fingerprint card along with a \$22. processing fee per card.
Yes
- 4) Is the Business located within the incorporated limits of the city or town of which it is located?
No
- 5) Does the Business location address have a street address for a City or Town but is actually in the boundaries of another City, Town or Tribal Reservation?
Yes
If Yes, what City, Town or Tribal Reservation is this Business located in?
PIMA COUNTY

24 APRIL 2019

113 MAY 15 11:41 AM '19

MEETING MINUTES

This meeting was called by Kai Shao and Shoumei Fu, members of China Phoenix LLC and Thomas Hum and Tina Youn Hum to discuss the sale of China Phoenix Restaurant, 7090 N Oracle Rd Suite 172, Tucson AZ 85704. The discussion centered on business financial status, business operations, and inspection of licensed premises. They also discussed sale was contingent on approval of landlord and reaching an agreement to terms and condition satisfactory to both sellers and buyers. It was agreed by both parties that they would seek legal advice from an attorney and have legal draft up any business documents related to the sale contract.

After a couple of hours, the sellers and buyers both agreed to terms and conditions specified by both parties. Part of discussion was whether to start a new entity or assume control of the existing entity; China Phoenix LLC. After considering the pros and cons it was agreed to assume control of the same entity by the buyers.

Actions required to make the transition as smooth as possible were discussed; which included actions required by both the sellers and buyers in relationship to updating with business agencies involved in this type of transaction in the State and County. Important agencies, AZ Corporation Commission, AZ Department of Liquor, AZDOR, IRS, PCHD, and any other agencies that require updating based on the amended Articles of Amendment.

Again, it was agreed that the assignment would be possible only if the landlord approved the assignment of lease agreement from sellers to buyers. Once landlord approved the assumption of lease agreement from current tenants (sellers) to new tenants (buyers), this would be effective upon his approval. Sellers and buyers will determine which month would be best for tax purposes. Landlord has approved and with an effective date of 1 May 2019. On this date, the Articles of Amendment will be submitted to the AZ Corporation Commission.

Meeting adjourned at 3pm, 15 April 2019.

Shoumei Fu

Kai Shao 5-26-2019
Date

Kai Shao

Shoumei Fu 5/26/2019
Date

Thomas Hum

Thomas Hum 5-26-19
Date

Tina Y Hum

Tina Y Hum 5-26-19
Date

19 MAY 16 09:04 #1105

**CONSENT TO CHANGE OF CONTROL
CHINA PHOENIX LLC**

Re: Lease Agreement dated May 5, 1995 by and between AZ Sun Holdings, Inc., an Arizona corporation, predecessor in interest to La Toscana Village, LLC., as "Landlord" and Ben Yu Wong Lau and Sarah. S. Lau, husband and wife, predecessor in interest to China Phoenix LLC, an Arizona limited liability company, as "Tenant" for premises located at "7090 N. Oracle Road" in a retail shopping center located in the City of Tucson, County of Pima, State of Arizona, as such lease has been amended (the "Lease").

1. **Consent to Change of Control.** Landlord hereby acknowledges the sale of 100% ownership interest in China Phoenix LLC, an Arizona limited liability company from Kai Shao and Shoumei Fu ("Seller") to Thomas Hum and Tina Hum ("Buyer"); and Landlord consents to the change of ownership of China Phoenix LLC from Seller to Buyer. China Phoenix LLC (originally incorrectly named as "China Phoenix, LLC") is, and shall continue to be, the Tenant under the Lease. However, Landlord's consent is contingent on Buyer executing a Guaranty in form and content acceptable to Landlord.
2. **No Waiver.** Landlord's consent shall be limited to this transaction and shall not be deemed to be a waiver of any restrictions contained in the Lease concerning further change of control, assignment, subletting or hypothecation of the Lease or any other provisions of the Lease.
3. **Lease in Full Force and Effect.** Except as otherwise set forth herein, the Lease is in full force and effect and has not been amended.

Landlord:
La Toscana Village, LLC

By 
John J. Jakosky III, Manager

Dated: 4/26/19

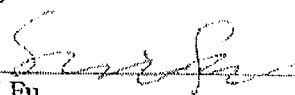
Agreed: Tenant, China Phoenix LLC, an Arizona limited liability company

By: Seller (former sole members of Tenant); and Buyer (current sole members of Tenant):

Seller:

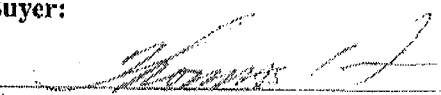

Kai Shao

Dated: 04-25-19


Shoumei Fu

Dated: 4/25/19

Buyer:


Thomas Hum

Dated: 4-25-19


Tina Hum

Dated: 4-25-19

SALE AND ASSIGNMENT OF MEMBERSHIP INTEREST

WHEREAS, Kai Shao and Shoumei Fu are the owners of 200 units of China Phoenix LLC, an Arizona limited liability company, representing 100% ownership of China Phoenix LLC; and,

WHEREAS, China Phoenix LLC, owns that certain restaurant business known as China Phoenix located at 7090 North Oracle Road, Suite 172, Tucson, Arizona, including the attached list of equipment and furnishings, a No. 12 liquor license, goodwill, and all other items of value utilized in the day-to-day operation of the Chinese restaurant; and,

WHEREAS, Kai Shao and Shoumei Fu, hereinafter referred to as SHAO/FU, are selling the restaurant business, including fixtures, equipment, and other elements of value, to the Buyers Thomas Hum, Sr. and Tina Hum, hereinafter referred to as HUM/HUM, by assigning their 100% ownership interest in China Phoenix LLC, to HUM/HUM; and,

WHEREAS, Buyers HUM/HUM, desire to purchase the China Phoenix restaurant by becoming owners of China Phoenix LLC.

NOW, THEREFORE, and in furtherance of this Agreement, SHAO/FU, as Sellers/Assignors, hereby sell to HUM/HUM, as Buyers/Assignees, their 100% ownership interest as members of China Phoenix LLC, and HUM/HUM agree to purchase the 100% interest, in accordance with the following terms and conditions.

1. The purchase price shall be the total sum of ONE HUNDRED FIFTY THOUSAND AND 00/100 DOLLARS (\$150,000.00). The full sum of ONE HUNDRED FIFTY THOUSAND AND 00/100 DOLLARS (\$150,000.00) shall be paid by HUM/HUM to SHAO/FU upon execution of this agreement. The purchase shall include all assets of China Phoenix LLC including, but not limited to all furniture, fixtures, tools, equipment, signs, artwork, business and employment records, telephone and fax numbers, tradenames, trademarks, service marks, logos, websites, domain names, software, data, access codes and passwords relating to any websites or computer programs, including Quickbooks online, used in running China Phoenix restaurant, transferable licenses or permits associated with the restaurant, equipment leases, including but not limited to the dishwasher, the security alarm, T-mobile phone lines and utilities, and other contracts relating to the restaurant, such as with Grub Hub, T-mobile, APC Alarm, Mission Linen, Auto-Chlor dishwasher equipment rental, DirecTV, CenturyLink, Vivial etc, and HUM/HUM shall honor such contracts till they expire if such contracts cannot be terminated prior to expiration. In the event this transaction is not completed for any reason, the entire payment shall be refundable, provided that any such failure is not the fault of the Buyers/Assignees HUM/HUM.

2. The restaurant China Phoenix is occupying the subject premises pursuant to a lease from M. Knott La Toscana, LLC, a Delaware limited liability company, JT La Toscana LLC, a Delaware limited liability company, and Hackett La Toscana LLC, a Delaware limited liability company, as Landlord, to China Phoenix LLC, as Tenant. Said lease was originally entered into on May 5, 1995, by LAU, individually. Its term was extended by a First Amendment to Lease dated May 24, 2005, to March 31, 2016; and more recently, effective December 28, 2015, the lease was assigned by LAU, individually, to China Phoenix LLC; and was further extended for an additional five year period to expire on March 31, 2021, with an option to further extend the lease for an additional five year period continuing through March 31, 2026 ("the Lease").

3. Article 14.4 of the original Lease provides that any transfer or other disposition of all or substantially all of the ownership interest of a limited liability company as tenant shall be deemed an

assignment of the lease and subject to approval by the Landlord. Since 100% of the ownership interest of China Phoenix LLC is being assigned by SHAO/FU to HUM/HUM, it is agreed that the primary responsibility of obtaining the consent of the Landlord to this assignment of interest shall be the responsibility of HUM/HUM since the Landlord has the right to approve assignees. SHAO/FU, however, will introduce HUM/HUM to Landlord and assure the assignment. In the event the Landlord is unwilling to consent to such assignment occasioned by this change of ownership, SHAO/FU will guarantee to the Landlord the continued performance by China Phoenix LLC, as Tenant, of the lease obligation, and refund the full payment \$150,000.00 to HUM/HUM.

4. The assets of the restaurant China Phoenix include a No. 12 liquor license issued by the State of Arizona with Shoumei Fu as the responsible party. It shall be the responsibility of HUM/HUM to obtain a transfer (or replacement) of the No. 12 liquor license to an appropriate representative of HUM/HUM in China Phoenix LLC, including payment of any costs or fees involved.

5. All accounts payable owed by China Phoenix LLC on the effective date of the assignment on May 1, 2019, including those not yet billed to China Phoenix LLC, shall have been paid in full or shall be the responsibility of SHAO/FU. All utility services shall be changed effective May 1, 2019, by HUM/HUM to relieve SHAO/FU of any and all responsibility and the return of any deposit that may exist.

6. HUM/HUM shall establish a separate checking account for China Phoenix LLC that shall be utilized in all restaurant transactions on or after May 1, 2019.

7. China Phoenix LLC has been engaged in certain gift card promotional activities wherein the holder of any such gift card is entitled to restaurant services pursuant to the terms of the card. HUM/HUM will honor any such unexpired outstanding gift cards until December 31, 2019. SHAO/FU shall reimburse HUM/HUM for any such card benefits that may be required to be honored until such date.

8. The Lease of the subject real property by China Phoenix LLC contains certain insurance requirements to be provided to the landlord. HUM/HUM shall take steps to assure that all insurance policies required by the Lease have been met and all required insurance policies will be in effect insuring the landlord and China Phoenix LLC on and after May 1, 2019.

9. HUM/HUM shall execute whatever specific assignments of their interest in membership in China Phoenix LLC, as may be required to be effective on May 1, 2019. Upon completion of such assignment, and its effectiveness on May 1, 2019, SHAO/FU will be deemed to have withdrawn as members of China Phoenix LLC. At that time, HUM/HUM shall make an appropriate filing with the Arizona Corporation Commission pursuant to ARS § 29-2102 providing notice of the assignment of 100% of the membership interest in China Phoenix LLC to new members.

10. Legal fees and other expenses incurred by HUM/HUM in the preparation of this agreement and any subsequent documents necessary to the sale and assignment of SHAO/FU's interest to HUM/HUM shall be paid to the legal provider by HUM/HUM.

11. A substantial portion of the daily income received by China Phoenix LLC is paid by credit card by its patrons. There is a time lag between the charging event by the patron and the payment to China Phoenix LLC of the amount charged. As HUM/HUM has established a new vendor credit card processing agreement for China Phoenix restaurant, any amounts received under the prior credit card processing agreement after May 1, 2019, for goods or services provided on or before May 1, 2019, shall be retained by SHAO/FU.

12. All restaurant equipment and furnishings, as set forth on the attached list, shall be in good working condition on May 1, 2019. Any repairs needed shall be paid for or reimbursed to HUM/HUM by SHAO/FU.

13. The Equipment inventory attached hereto will be reviewed and confirmed on or before May 1, 2019, by HUM/HUM and SHAO/FU.

14. SHAO/FU shall maintain adequate level of inventory of foods, ingredients, and supplies to ensure the continuity of business operation at time of business ownership transfer, and SHAO/FU shall conduct a physical count of all the remaining inventory of foods, ingredients, and supplies after 9:00 pm Tuesday April 30, 2019, and provide to HUM/HUM a statement of the true costs of the remaining inventory. HUM/HUM shall write a check for the inventory cost to SHAO/FU before SHAO/FU transfer all the keys and passcodes of the restaurant to HUM/HUM.

15. HUM/HUM shall reimburse SHAO/FU the security deposit to the landlord by cashier's check in the amount of \$6976.66 upon the execution of this agreement.

16. SHAO/FU will not become owners, employees, or have any connection with a restaurant operation that is competitive or will be competitive with the China Phoenix restaurant that is located within five (5) miles or less from the China Phoenix restaurant for a period of five (5) years from May 1, 2019.

17. SHAO/FU's Representations, Warranties and Covenants. As an inducement to HUM/HUM to enter into this Agreement, SHAO/FU, as indicated below hereby represent and warrant to HUM/HUM as follows:

a) China Phoenix LLC is an Arizona limited liability company, validly existing and in good standing under the laws of the State of Arizona, with full power and authority to enter into this Agreement and the other agreements contemplated hereby and perform its obligations hereunder;

b) The execution, delivery and performance by SHAO/FU of this Agreement and the other agreements contemplated hereby and the transactions contemplated hereby and thereby have been validly authorized by SHAO/FU, and SHAO/FU has full right, power and authority to make, execute and deliver this Agreement and perform the obligations of SHAO/FU contained herein, including, but not limited to, the transfer to HUM/HUM of the assets without joinder of any other party or persons;

c) The consummation of the transactions covered by this Agreement will not result in the breach of, or cause the default under, any Contract or any indenture or decree of any court, administrative agency or governmental body to which SHAO/FU is a party or by which SHAO/FU, China Phoenix LLC or any of the assets are bound;

d) All federal, state, county, local, payroll taxes, corporate state franchise tax and other taxes, including, without limitation, income taxes, sales taxes, ad valorem and personal property taxes due and payable by SHAO/FU in respect of the restaurant assets and business have been paid and SHAO/FU has filed all tax returns and reports required to be filed as of the date of closing with all applicable taxing authorities;

e) To the best of their knowledge, there is no litigation or other proceeding pending against SHAO/FU, the restaurant business or assets that would adversely affect SHAO/FU's performance under this Agreement or the consummation of the transactions contemplated hereby;

f) SHAO/FU has no written employment agreements or employee benefit programs. SHAO/FU has not made any representations or warranties to any employee or other person concerning employment with HUM/HUM following the closing.

g) To the best of SHAO/FU's actual knowledge, the restaurant business and the premises are in compliance with all applicable statutes and regulations, including without limitation, proper zoning, the restaurant business has operated in compliance with environmental laws and has not received notice of any such claims against the business or the SHAO/FU;

h). With respect to any and all contracts of China Phoenix LLC: (i) no contract or commitment to SHAO/FU has, to the best of SHAO/FU's actual knowledge, been breached or canceled by the other party; (ii) SHAO/FU has performed all the obligations required to be performed by it to the date of this Agreement and is not in receipt of any written claim of default under any such contract, commitment or other agreement; and (iii) to the best of SHAO/FU's

actual knowledge, no event has occurred which with the passage of time or the giving of notice or both would result in a breach or default under any such contract, commitment or other agreement; and

i) To the best of SHAO/FU's actual knowledge, there is no fact that is not disclosed to HUM/HUM in this Agreement that materially adversely affects or, so far as SHAO/FU can now reasonably foresee, could materially adversely affect the condition (financial or otherwise) of any of the restaurant business or assets, the ability of HUM/HUM to receive any right or privilege included in or necessary to the use and enjoyment of any of the restaurant assets, the ability of HUM/HUM to operate and carry on the restaurant business, or the ability of HUM/HUM to perform its obligations under this Agreement.

j). SHAO/FU agree to conduct restaurant business in an ordinary, normal and regular manner up to the date of closing and to maintain and leave the Premises in a clean and orderly condition, ordinary wear and tear excepted. SHAO/FU further agrees (as applicable) to keep all withholding taxes, workmen's compensation insurance, sales taxes and unemployment insurance taxes current through closing.

18. Indemnity.

a) SHAO/FU agrees to save, defend, indemnify and hold HUM/HUM, its respective agents, employees, heirs and assigns, harmless from and against any and all claims, causes of action, losses, costs (including reasonable attorney's fees and costs of suit), liabilities and expenses arising out of or resulting from (i) SHAO/FU's breach or violation of any representation, warranty or covenant of SHAO/FU contained in this Agreement, or (ii) the ownership of the restaurant assets for the period that SHAO/FU owns the restaurant or the operation of the restaurant business for the period that SHAO/FU owns the restaurant. Notwithstanding the foregoing, however, the amount of the indemnity shall be reduced by the amount of any insurance proceeds received by the indemnified party.

b) HUM/HUM agrees to save, defend, indemnify and hold SHAO/FU and their respective agents, employees, heirs and assigns, harmless from and against any and all claims, causes of action, losses, costs (including reasonable attorney's fees and costs of suit), liabilities and expenses arising out of or resulting from (i) HUM/HUM's breach or violation of any representation, warranty or covenant of HUM/HUM contained in this Agreement, or (ii) the ownership of the restaurant assets *after* the closing or the operation of the restaurant business after the closing. Notwithstanding the foregoing, however, the amount of the indemnity shall be reduced by the amount of any insurance proceeds received by the indemnified party.

c). This provision shall survive the closing.

Signature page to follow

///

IN WITNESS WHEREOF, the parties hereto have executed this Sale and Assignment of Membership Interest Agreement on the date as indicated below.

SELLERS/ASSIGNORS:

Date: 04-25-19

Kai Shao
Kai Shao

Date: 4/25/19

Shoumei Fu
Shoumei Fu

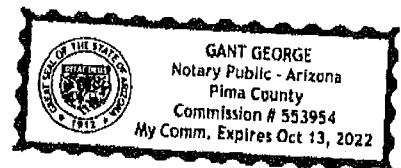
BUYERS/ASSIGNEES:

Date: 4-25-19

Thomas Hum, Sr.
Thomas Hum, Sr.

Date: 4-25-19

Tina Hum
Tina Hum



04/25/19

X

[Signature]
Notary

State of AZ
County of Pima

CHINA PHOENIX LLC
EQUIPMENT INVENTORY

Hood 24'	1
Exhaust Fans	2
Wok Range 8 Wok	1
Fryer	2
BBQ Oven	1
Range	1
Freezer 1 Door	1
Refrigerator	2
Cold Table	1
Steam Table	1
Slicer	1
15 Qt. Large Mixer	1
Stainless Table	2
Wood Top Table	1
Water Softener	1
Water Heater	1
Beer Box	1
Ice Machine	1
3 Comp Sink	1
3 Comp Sink and Table	1
Gas Water Boiler	1
Dining Tables	31
Dining Booths	5
Chairs	105
Partitions	10
Walk-in Box (Freezer and Refrigerator)	1