2012 1st Quarter INFORMATION AND DISCLOSURE STATEMENT

California Grapes International, Inc.
OTCPK: CAGR



All information contained in this Information and Disclosure Statement has been compiled to fulfill the disclosure requirements of Rule 15c2-11(a)(5) promulgated under the Securities Exchange Act of 1934, as amended. The enumerated captions contained herein correspond to the sequential format as set forth in the Guidelines for Providing Adequate Current Public Information provided by OTC Markets, LLC.



California Grapes International, Inc.

CUSIP #130266190 Trading Symbol: CAGR

Quarterly Report for the Three Months Ending March 31st 2012



Part "A" General Company Information

Item I-a The Exact Name of the Issuer and its predecessors:

> Since May 17th, 2011: California Grapes International, Inc.

> Since September 11th, 2008: California Grapes International, Inc.

Name Change August 3rd, 2011: China Food Services, Corp.
 After June 1st, 2008: Golden Dragon Holdings, Inc.
 Before June 1st, 2008: Diamond Powersports, Inc.
 Since May 13th, 1992: Diamond Racing, Inc.

Item I-b The Exact Name of the Issuer Subsidiaries:

Since November 18th, 2007: Golden Dragon Food & Beverage Import &

Export Company of Hong Kong, LTD.

Since November 12th, 2008: Beijing Jin Long Fei International

Trading Co., LTD.

Item II-a The Address of its Principal Executive Offices:

➤ **USA Office**: 2360 Corporate Circle Suite 400

Henderson, NV 89074

Item II-b The Address of its Principal Subsidiaries Offices:

Beijing Office: Beijing Shi Chaoyang Qu, Liyuan Li Bei Jie 2

Hao Yuan, Jin Di Ming Jing, D-1-607

Beijing PRC 100022

Beijing Warehouse: Ding Xin Zhuang (Opposite the Ding Xin Zhuang

Primary School), Hei Zhuang Hu Town, haoyang District, Beijing 100121 China

Item III-a The Jurisdiction and Date of Issuer's Incorporation:

Nevada Incorporation

Since May 17th, 2011: California Grapes International, Inc.

California Incorporation

Inactive/Merged July 1st, 2011: California Grapes International, Inc. Since September 11th, 2008: California Grapes International, Inc.

> Florida Incorporation



Inactive/Merged
China Food Services, Corp.

Name Change August 3rd, 2011: China Food Services, Corp.

After June 1st, 2008: Golden Dragon Holdings, Inc.

Before June 1st, 2008: Diamond Powersports, Inc.

Since May 13th, 1992: Diamond Racing, Inc.

Item III-b The Jurisdiction and Date of Issuer's Subsidiaries Incorporation:

Hong Kong Corporation

Since November 18th, 2007: Golden Dragon Food & Beverage Import &

Export Company of Hong Kong, LTD.

 Peoples Republic of China "WOFE" Whole Owned Foreign Entity

Since November 12th, 2008: Beijing Jin Long Fei International

Trading Co., LTD.



Part "B" Share Structure Item I The exact title and class of securities:

CAGR **Security Symbol: CUSIP Number:** 130266190 **ISIN Number:** US1302661095 Preferred Class "A" Classes: Preferred Class "B"

Common

Class "A"	Date	Number of Shares Authorized	Number of Shares Outstanding	Freely Tradable Shares	Total Number of Shareholders of record
<u>Preferred</u>	March 31st 2012	300,000,000	200,000,000	0	4
	December 31st 2011	300,000,000	200,000,000	0	4
	September 30 th 2011	200,000,000	100,000,000	0	4
	June 30 th 2011	200,000,000	100,000,000	0	4

Class "B"	Date	Number of Shares Authorized	Number of Shares Outstanding	Freely Tradable Shares	Total Number of Shareholders of record
<u>Preferred</u>	March 31st 2012	500,000,000	165,000,000	0	4
	December 31st 2011	500,000,000	165,000,000	0	4

Class "Common"	Date	Number of Shares Authorized	Number of Shares Outstanding	Freely Tradable Shares
Common	March 31st 2012	2,500,000,000	971,107,847	656,911,041
Post Split 10:1	December 31st 2011	2,500,000,000	530,147,929	485,638,286
	September 30 th 2011	5,000,000,000	4,901,479,290	4,456,382,860
	June 30 th 2011	5,000,000,000	4,901,479,290	4,456,382,860



Part "C" Management and Control Structure

Item I - The Name of the Officers, Members of the Board of Directors as well as Control Persons:

Name	Title	Shares	Percentage
Frank Yglesias	Chairman/EVP	Class "A" 70,000,000	35%
		Class "B" 57,750,000	
Jeff Crittenden	Secretary/CEO	Class "A" 56,000,000	28%
		Class "B" 46,200,000	
Jeffrey Wieser	Treasurer/EVP	Class "A" 44,000,000	22%
		Class "B" 36,300,000	
Brian Bumgarner	Vice-Chairman/CVO	Class "A" 30,000,000	15%
		Class "B" 24,750,000	

Item II - The name address of the transfer agent:

Guardian Registrar & Transfer, Inc. 7951 S.W. 6th Street Suite 216 Plantation, FL 33324

Note: Guardian Registrar and Transfer, Inc. is a registered transfer agent with the Securities and Exchange Commission.



Part "D" Company 2012 1st Quarter Financials

The interim financial statements have been filed separately on the OTCMarket on May 23rd, 2012, and can be view by the following link:

http://www.otcmarkets.com/financialReportViewer?symbol=CAGR&id=82404

Part "E" Management's Discussion and Analysis of Financial Condition and Results of Operations

Item I General:

This discussion and analysis of financial position and results of operation is prepared as at March 31st, 2012, and should be read in conjunction with the unaudited consolidated financial statements for the 12 months ended December 31st, 2011, which have been prepared in accordance with US GAAP generally accepted accounting principles. All amounts are expressed in US dollars, unless otherwise indicated. Additional information related to the Company can be found on www.cagrapes.com

Item II Forward Looking Information:

Statements contained in this document that are not historical facts are regarded as forward-looking statements. These statements may involve risk, uncertainties and other factors that could cause actual results to differ materially from those expressed or implied by such forward-looking statements. Factors that could cause such differences, without being limited to the following, include: volatility and sensitivity to market metal prices; impact of change in foreign currency exchange rates and interest rates; unexpected variations in geological conditions of a property or erroneous geological data; environmental risks including increased regulatory constraints; unexpected adverse mining conditions; adverse political conditions and changes in government regulations policies. Although the Company believes that the assumptions inherent in the forward-looking statements are reasonable, undue reliance should not be placed on these statements, which only apply as of the date of this document. The Company disclaims any intention or obligation to update or revise any forward-looking statement, whether or not it should be revised as a result of new information, future events or otherwise.



Part "G" Legal Proceedings

The Company is not a party in any material legal proceedings or administrative actions at this time.

Part "H" Defaults Upon Senior Securities

The Company has not been in default of any senior securities.



<u>Part "I" Other Information</u> Material Operations Update

Item I-Domestic Supplier/Winery Update:

California Grapes International, Inc. has been selectively recruiting a diverse representation of California Wineries for our initial retail outlet and direct sales efforts. The focus is to bring a dynamic offering of the entire state of California to China. This approach supports the international efforts in creating a base of education. To date, the recognition of the California Wine Industry is centered on the Napa Valley and Cabernet Sauvignon but, where does Pinot Noir, Chardonnay, Merlot, Zinfandel, etc. most notably come from. The following is a list of the 5 major growing regions and the number of wineries represented by California Grapes International, Inc. from each region;

North Coast – 38 Central Coast – 17 Central Valley – 8 Sierra Foothills – 23 Southern California – 5

This represents a total of 91 wineries in the 1st Quarter that have been selected for retail and direct sales and the company is well on the way to our target of 400 representations by the end of 2012.

Item II – Domestic Logistics and Consolidation:

The primary consolidator and logistics provider has been changed for California Grapes International, Inc. from California Wine Transport, Inc. (CWT) to Billet Transportation, Inc. The nature of our consolidations is based on small orders of many wineries at a time and the dynamic inventory and management systems offered by Billet Transportation suite the specific requirements needed for international export in a much more efficient and cost effective manner. Billet Transportation eliminates the need for physical inventory and pallet stacking by California Grapes International, Inc. staff before shipping and will greatly reduce overall costs associated with export preparations.

Item III-New Contracted Engagements:

1) The Bull Consulting Group

Scope of Work – The Bull Consulting Group is generating opportunities for the expansion of the company including but not limited to introductions of



investors/investment, potential acquisitions, global branding of the company along with other valuable advise and assist efforts.

The Term – The term of this contract is for 12 months and will renew annually unless notice of termination is provided with 30 days written notice.

Compensation – Compensation for this contract will consist of both cash payments and the issuance of "restricted" common shares of CAGR under and in accordance with the provisions set forth in SEC Rule 144

2) AGS Capital Group - Reserve Equity Financing "REF"

AGS "REF" – The security provided by the financing vehicle is based on several components including the agreements commitment to fund California Grapes International, Inc. up to 10 Million dollars. The financing is based a constant discount rate of 10% and a mandatory purchase requirement to be executed at the company's request. As the company determines the appropriate time to raise capital through the issuance of common shares, AGS Capital has a commitment to buy them with a 10% discount. The protections built into the transaction are based on the company's ability to set a "floor" on the selling price per share for every issuance. The "REF" has the additional benefit of an asset for the company that may be utilized as collateral in securing more traditional investment from institutional or private investors. This gives the Company the ability to engage with and or secure future Joint Ventures, acquisitions or new market deployments as determined to be beneficial.

Term – The commitment with AGS is for 3 years and the commitment amount of 10 Million Dollars may be increases as needed.

Fees – Administration, setup, implementation and commitment fees for the financing equate to 3% of the funding guarantee of 10 Million. The fees are one time and do not have annual service or renewal costs associated with the agreement. The compensation for this financing commitment was based on the issuance of "restricted" common shares subject to SEC Rule 144.

Item IV – Beijing Operation

Customs Clearance

Customs Clearance Process – The Company has established authorization with the Chinese Customs Authorities (CIQ) to move the import, registration and clearance process from the sea port of Tianjin to the facility located in Beijing proper. The efficiencies in the approval are greatly increased due to the overwhelming amount of paperwork and engagement necessary for the diversity of wines being imported. With 8 documents associated for every SKU registration and import clearance, the corporation between the Company and the Customs Authorities involving a shipment of wine containing hundreds of



SKUs is critical. To further increase the efficiencies of the import process, California Grapes International, Inc. has developed and approved, with Chinese Customs, a uniform set of "Export Documents" that provide for a greater level of control in the generation, correction and production time typically associated with this import/export documentation requirements. California Grapes International, Inc. is now the largest registrant of California Wines in China. As the Company continues to increase its position with the Chinese Customs Authority (CIQ), we are working with the American Trade Organization (ATO) to further enhance the import process for California Wine being imported into China.

Item V - New Contracts In Beijing

1) Retail Location - The procurement of our first Retail location that consists of a premier "ground level" storefront of approximately 900 square feet of indoor space and approximately 300 square feet of outdoor patio was secured in March 2012. (Lease Agreement Attached) The location is placed within a few block of the US Embassy in Beijing and is one of the major complexes in Beijing that is noted for heavy traffic of expat consumers. The demolition, HOA negotiations and build-out of the facility has pushed out target opening from April to May of 2012

Term

Lease Terms – The monthly lease is \$5,373.62 and the deposit required was 3 months. The lease term is for 3 years and the monthly payments are due in 6 month sums with the first payable month being May 2012. All deposits and lease payments have been made and final build-out is under way.



Item VI List of Outside Providers:

USA Corporate Attorney

Matthew McMurdo Nannarone & McMurdo, LLP 140 West 57th Street Suite 6D New York, New York 10019 (w) 917-318-2865 (f) 646-390-7090

USA Corporate Accountant

Jerry Jones, CPA A Professional Corporation 1495 Ridgeview Dr., Ste 115 Reno, NV 89519 (775) 828-0767 • Fax: (775) 348-9518

China Corporate Attorney

Beijing Century Law Firm Room 512, Tai Peng Tower, No. 10, Zhong Guan Cun Er Jie, Haidian District, Beijing Mr. Wang Ming 13911878175

China Corporate Accountant

Beijing Influence World Registration Attorneys Room 905, Hao Cheng Center, No. 6, Zuo Jia Zhuang Zhong Jie, Chaoyang District, Beijing Mr. Chu Xinbo 13811620053



Part "J" Exhibits

Exhibit I Articles of Incorporation
Exhibit II Peoples Republic of China Corporate Licenses
Exhibit III Lease Agreements "China Warehouse and Office"
Exhibit IV Domestic Business Licensing
Exhibit V New Lease Agreement(s) "China Retail Shop"

Exhibit 1 - Articles of Incorporation and Bylaws-The information required by this item was filed in conjunction with the Company's Initial Application and is herein incorporated by reference. There have been no amendments to the Articles of Incorporation or Bylaws from the date of filing through the period covered by this quarterly report.

<u>Exhibit II - Peoples Republic of China Corporate Licenses</u> -The information required by this item was filed in conjunction with the Company's Initial Application and is herein incorporated by reference. There have been no amendments to the PRC Corporate Licensing from the date of filing through the period covered by this quarterly report.

Exhibit III - Lease Agreements "China Warehouse and Office"-The information required by this item was filed in conjunction with the Company's Initial Application and is herein incorporated by reference. There have been no amendments to the Existing Lease Agreements for the Company's Warehousing or Office locations from the date of filing through the period covered by this quarterly report.

<u>Exhibit IV - Domestic Business Licensing</u> -The information required by this item was filed in conjunction with the Company's Initial Application and is herein incorporated by reference. There have been no amendments to the Domestic Corporate Business Licensing in the Sate of NV from the date of filing through the period covered by this quarterly report.

Exhibit V - "NEW" Lease Agreements "China Retail Shop" - Please see the attached Executed Agreement.



<u>"EXHIBIT V"</u> Retail Shop Lease Agreement

BF-2008-0605

合同编号: SLT-B1-1301

(Contract No.:SLT-B1-1301)

北京市房屋租赁合同 BEIJING MUNICIPALITY PROPERTY LEASE CONTRACT

出租人:	
Lessor:	wangyuying
承租人:	北京金龙飞国际贸易有限公司
Lessee:	California Grapes



居间人: 北京柏盛联行房地产经纪有限公司
Intermediary: Bei Jing Firstline Real Estate Brokers Co.,Ltd

Revised by

北京市建设委员会
Beijing municipal construction committee
北京市工商行政管理局
Beijing Administration of Industry and Commerce

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二〇〇八年五月修订

May 2008



北京市房屋租赁合同

BEIJING MUNICIPALITY PROPERTY LEASE CONTRACT

(经纪机构居间成交版)

(Intermediate version of brokerage transactions)

(一)租赁用途:<u>商业</u>;如租赁用途为居住的,居住人数为:___x_,最多不超过_x_人。

Article 2 The rental circumstance and the registration for record

第二条 房屋租赁情况及登记备案

1. The rental uses for <u>Business</u> only. If the rental purpose is for residence, the actual resident number is <u>×</u> person(s) and less than <u>×</u> persons.

- (二)如租赁用途为居住的,甲方应自与乙方订立本合同之日起7日内,到房屋所在地的社区来京人员和出租房屋服务站办理房屋出租登记手续。对多人居住的出租房屋,乙方应将居住人员情况告知甲方,甲方应当建立居住人员登记簿,并按规定报送服务站。 本合同变更或者终止的,甲方应自合同变更或者终止之日起5日内,到房屋所在地的社区来京人员和出租房屋服务站办理登记变更、注销手续。在本合同有效期内,居住人员发生变更的,乙方应当自变更之日起2日内告知服务站,办理变更登记手续。
- 2. If the rental purpose is for residence, the two sides shall handle the registration procedures for record of this contract at the local rental housing service station in which the Premises is situated within 7 days after this contract is signed. If the rental house is dwelt in several persons, Party B shall inform Party A the basic information of the resident persons; Party A shall establish the registration files of the resident persons and submit them to the local rental housing service station. Party A shall handle the registration procedures for modification or termination of this contract at the local rental housing service station in which the Premises is situated within 5 days after this contract is modified or terminated. Within 2 days after residential staff changing, Party B shall inform the service station and handle registration procedures for modification of resident persons.

居住人员中有外地来京人员的,甲方应提供相关证明,督促和协助乙方到当地公安派出所办理 暂住证;居住人员中有境外人员的,(□甲方 / √乙方)应自订立本合同之时起 24 小时内到当地公 安派出所办理住宿登记手续。

If there are some external persons in resident staff, Party A should provide the relevant certificate, and supervise and assist Party B to apply for temporary residence permits at the local police station; If there are some overseas personnel in resident persons, (\square Party / \sqrt{Party} B) should handle registration procedures for residence at the local police station within 24 hours from the time this contract is signed.

租赁用途为非居住的,甲方应自订立房屋租赁合同之日起 30 日内,到房屋所在地的房屋行政 管理部门办理房屋租赁合同备案手续。

If the rental purpose is for non-resident, Party A shall handle the registration procedures for record of this contract at the housing administrative department in which the Premises is situated within 30 days after this contract is signed.

第三条 租赁期限及免租期

Article 3 Lease Term and Deposit and Rent-free period

(一)房屋租赁期自<u>2012</u>年<u>5</u>月<u>1</u>日至<u>2015</u>年<u>4</u>月<u>30</u>日,共计<u>参</u>年<u>×</u>个月。甲方应于<u>×</u>年<u>×</u>月<u>×</u>日前将房屋按约定条件交付给乙方。

1.The lease term is [3] year(s), commencing on [2012.5.1] and expiring on [2015.4.30] (hereinafter referred to as the "Term"). Party A shall deliver the Premises to Party B before the date on ×

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according to this contract.

(二) 免租期(含装修期)

免租期为<u>壹</u>个月 , 自 <u>2012</u>年 <u>4</u>月 <u>1</u>日起至 <u>2012</u>年 <u>4</u>月 <u>30</u>日止, 乙方在免租期内免付租金, 但需缴纳水费、电费以及因乙方使用而产生的相关费用。

- 2.Rent-free period (including decoration): The Grace Period shall be for a period of [1] month, commencing from [2012.4.1] until [2012.4.30]. During the Grace Period, Party B need not pay the rent. But Party B need pay charges for water, electricity and the other use fees of the specific facilities provided for use by Party B.
- (三)租赁期满或合同解除后,甲方有权收回房屋,乙方应按照原状返还房屋及其附属物品、设备设施。甲乙双方应对房屋和附属物品、设备设施及水电使用等情况进行验收,结清各自应当承担的费用。
- 3.Upon expiry of the contract, Party A has the right to take back the entire Premises. Party B shall return the Premises and its subsidiary goods, equipment and facilities according to its original condition. The two sides should check the Premises and its subsidiary equipment and facilities, the use of water and electricity and other condition and settle the fees each side should bear.
- 乙方继续承租的,应提前_60_日向甲方提出(√书面 / □口头)续租要求,协商一致后双方重新签订房屋租赁合同。

If renewing the contract, Party B should submit a written application to obtain the written consent of Party A within 60 days before the expiry of the contract. The two sides should sign the contract again through bilateral friendly consultations.

第四条 租金及押金

Article 4 Rent and Deposit

(一)租金标准:

1. Rental Terms:

第一年: 自 2012 年 5 月 1 日起至 2013 年 4 月 30 日止,租金为 RMB 34059 元/月;

The 1st year:From [2012.5.1] to [2013.4.30], the Rent is RMB 34,059 yuan / month.

第二年: 自_2013_年_5_月_1_日起至_2014_年_4_月_30_日止,租金为 RMB_34059元/月;

The 2nd year:From [2013.5.1] to [2014.4.30], the Rent is RMB 34,059 yuan / month.

第三年: 自 2014年 5 月 1 日起至 2015 年 4 月 30 日止,租金为 RMB 35762 元/月;

The 3rd year:From [2014.5.1] to [2015.4.30], the Rent is RMB 35,762 yuan / month.

- (二)支付方式: (□现金/□转帐支票/√银行汇款),押_二_付_六_,各期租金应提前_7_天支付。
- 2.Payment: \Box Cash / \Box note of transfer / \checkmark Bank Transfer, the amount of deposit are two-months of deposit plus six months of rents. The rental mortgage is due within $\underline{7}$ days in advance.

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3.Deposit: (\(\xi\): 68,118), After expiry or termination of the contract, deducting the costs, rent and the liquidated damages which should be borne by Party B from the deposit, Party A shall refund the remainder of deposit to Party B.

(四)乙方应按甲方指定的下述帐户资料支付本租约项下所有的到期款项。所有付款以<u>人民币</u> 计算,以人民币支付。

4.Party B shall pay the rental mortgage and all other amounts due and payable in RMB to the account designated by Party A. The account designated by Party A is as follows:

银行名称:中国人民建设银行
Bank Name: China Construction Bank
帐户名称:
Account Name:qiaohua
银行帐号: 4367 4200 1026 0742 101
Bank Account: 4367 4200 1026 0742 101
第五条 其他相关费用的承担方式

Article 5 Other charges

Among the following fees, Party A shall bear the fees of (12). Party B shall bear the fees of (1)(2)(3)(4)(5)(7)(10)(11).

(1) water, (2)electricity, (3)telephone call, (4)TV, (5)heat,(6)gas, (7)management fee,(8)rental tax,(9)health costs,(10) fee of ADSL,(11)parking fees, (12) maintenance costs of indoor facility,(13) other fees.

本合同中未列明的与房屋有关的其他费用均由甲方承担。如乙方垫付了应由甲方支付的费用, 甲方应根据乙方出示的相关缴费凭据向乙方返还相应费用。

Other housing-related costs, but not listed in the contract, should be borne by Party A. If Party B advances the fees which should be paid by Party A, Party A shall return the fees to Party B according to the corresponding payment credentials showed by Party B within reasonable period.

第六条 居间服务

Article 6 Intermediary services

(一) 丙方应当认真负责地为甲乙双方订立房屋租赁合同提供机会或媒介服务,如实报告有关订立房屋租赁合同的事项,并协助甲乙双方办理物业交验,保证甲乙双方正常履行义务。在甲乙双方签订合同时,应提供甲乙丙三方的营业执照、法人、经办人身份证复印件、联系方式等作为合同的附件之一。

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- Party C should be conscientious and responsible for providing rental opportunities or media services for signing a lease contract between Party A and Party B, and accurately report on the matter relating to signing contract and assisting in handling the delivery examination of the property.
- (二)本合同签订后(□即时/□<u>3</u>日内),甲方应向丙方支付月租金的<u>82</u>%即人民币<u>贰万捌仟</u>元整(¥:_28000)作为佣金,支付方式:□现金/□转帐支票/□银行汇款;乙方应向丙方支付月租金的__×__%即人民币__×__元整(¥:__×__)作为佣金,支付方式:□现金/□转帐支票/□银行汇款。
- 2.After the signing of this contract (\square Immediate / \square 3 days), Party A shall pay Party C 82% of the monthly rent (namely RMB_34,059 yuan) as commission. payment: \square Cash / \square note of transfer / \square bank transfer; Party B shall pay Party C \times % of the monthly rent (namely RMB \times yuan) as commission ,payment: \square Cash / \square note of transfer / \square bank transfer.
- (三)本合同签订后,如租赁双方解除、中止或变更租赁关系的,租赁双方仍应向丙方支付所 约定的佣金。
- 3. After the signing of this contract, if each side terminates, suspends or amends the contract, the two sides should still pay the agreed commission to Party C.

第七条 房屋维护及维修

Article 7 Housing maintenance and repair

- (一)甲方应保证出租房屋的建筑结构和设备设施符合建筑、消防、治安、卫生等方面的安全条件,不得危及人身安全;乙方保证遵守国家、北京市的法律法规规定以及房屋所在小区的物业管理规约。
- 1. Party A shall ensure that the construction structure and the equipment and facility of the Premises conform to the safety conditions concerning construction, fire prevention security, health and other conditions, and the Premises has not any danger to the personal safety. Party B shall ensure that the relevant laws and regulations of national or Beijing government as well as the property management provious shall be observed during use of the Premises.
 - (二)租赁期内,甲乙双方应共同保障该房屋及其附属物品、设备设施处于适用和安全的状态.
- 2. During the Term, both parties shall ensure that the Premises and its contents, equipment and facilities are in usable and safe condition.
- (1) 对于该房屋及其附属物品、设备设施因自然属性或合理使用而导致的损耗,乙方应及时通知甲方修复。甲方应在接到乙方通知后的___7_日内进行维修。逾期不维修的,乙方可代为维修,费用由甲方承担。因维修房屋影响乙方使用的,应相应减少租金或延长租赁期限。

Regarding normal wear and tear of the Premises and its contents, equipment and facilities, Party B shall promptly notify Party A for repair and maintenance. Party A shall commence repair and maintenance within 7 days after receipt of Party B's notice. If Party A failed to do so, Party B can repair and maintain for Party A and, to the extent lawful and reasonable, the expenses shall be borne by Party A. Party A



should reduce the rent or extend the lease term because of maintenance affecting the use of the Premises.

(2)因乙方保管不当或不合理使用,致使该房屋及其附属物品、设备设施发生损坏或故障的, 乙方应负责维修或承担赔偿责任。

If the Premises and its contents, equipment and facilities are damaged due to Party B's improper keeping or unreasonable usage, Party B shall be responsible for repair and maintenance and shall be liable for compensation.

第八条 转租

Article 8 Subleting

除甲乙双方另有约定以外,乙方需事先征得甲方书面同意,方可在租赁期内将房屋部分或全部 转租给他人,并就受转租人的行为向甲方承担责任。

During the Term, Party B shall not sublet or assign the lease to any third party without prior to Party A's written consent.

第九条 合同解除

Article 9 Termination of Contract

(一)经甲乙双方协商一致,可以解除本合同。

The parties may terminate this contract by reaching a written agreement through consultation.

(二)因不可抗力导致本合同无法继续履行的,本合同自行解除。

This contract will be terminated due to the occurrence of any force majeure events resulting in both parties not performing it.

(三)甲方有下列情形之一的,乙方有权单方解除合同:

Upon occurrence of any of the following event, Party A is entitled to unilaterally terminate this contract.

1、迟延交付房屋达_7日的。

Delaying in the delivery of the Premises up to 7 days.

2、交付的房屋严重不符合合同约定或影响乙方安全、健康的。

The Premises not meeting the agreed conditions stipulated in the contract or affecting Party B's safety and healthy.

3、不承担约定的维修义务,致使乙方无法正常使用房屋的。

Not assuming the obligation of maintenance, leading to Party B not properly using the Premises.

4.	x		
	×		

(四) 乙方有下列情形之一的,甲方有权单方解除合同,收回房屋:

If Party B exists one of the following circumstances, Party A have the right to unilaterally terminate this contract:

1、不按照约定支付租金达 7 日的。

Delays paying the due rent, deposit up to 7 days.



2、欠缴各项费用达_5000元的。

Not paying the due fees up to RMB 5,000 yuan .

3、擅自改变房屋用途的。

Changing the Premises' use unauthorizedly.

4、擅自拆改变动或损坏房屋主体结构的。

Unauthorizedly changing the main structure of the Premises, or damaging the Premises.

5、保管不当或不合理使用导致附属物品、设备设施损坏并拒不赔偿的。

Improper or unreasonable use of the Premises, leading to damaging sub-items, equipment and facilities and refusing to compensation for them.

6、利用房屋从事违法活动、损害公共利益或者妨碍他人正常工作、生活的。

Violating the laws and regulations, using the Premises to pursue in illegal business activities.

7、擅自将房屋转租给第三人的。

Subletting the whole or part of the Premises to any third party without the written consent of Party

(五) 其他法定的合同解除情形。

Other circumstances leading to the contract being terminated lawfully.

第十条 违约责任

A.

Article 10 Penalty for Breach

- (一)甲方有第九条第三款约定的情形之一的,应按押金的<u>100</u>%向乙方支付违约金;乙方有第九条第四款约定的情形之一的,应按押金的<u>100</u>%向甲方支付违约金,甲方并可要求乙方将房屋恢复原状或赔偿相应损失。
- 1. On the occurrence of Article 9.3, Party A shall pay liquidated damages , which is equal to 100% of the deposit to Party B; on the crane of Article 9.4, Party B shall pay liquidated damages , which is equal to 100% of the deposit to Party A, and Party A shall require Party B to restore the Premises or compensate for consequential loss.
- (二)租赁期内,甲方需提前收回该房屋的,应提前_30_日通知对方,并按押金的_100_%支付违约金,甲方还应退还相应的租金。乙方需提前退租的,应提前_30日通知对方,并按押金的_100_%支付违约金,甲方已收的押金和租金不予退还。

During the leasing period, if party A evicts the premises in advance, party A should notify party B 30 days in advance and pay penalty which equal to 100% of the party B's deposit, Party A shall refund the appropriate rent to party B. If party B decided to terminate the contract before the termination date, party B should notify party A 30 days in advance plus pay penalty of 100% of the party B's deposit. Party A have the right not to give back party B's deposit plus advance rental fee and deposit.

(三)因甲方未按约定履行维修义务造成乙方人身、财产损失的,甲方应承担赔偿责任。

Party A shall bear the liability because Party A fails to perform the maintenance obligations and leads

to personal and property damage of Party B.

(四)甲方未按约定时间交付该房屋或者乙方不按约定支付租金但未达到解除合同条件的,以及乙方未按约定时间返还房屋的,应按押金的200%支付违约金。

Party A failing to deliver the Premises at the appointed time or Party B not paying the rent timely ,but the contract not being terminated thereof, and Party B not restoring the Premises timely, the party breaching the above circumstances shall pay liquidated damages to the other party according to 200% of the deposit.

(五)丙方提供虚假信息、隐瞒重要事实或有恶意串通行为的,除退还已收取的佣金外,还应 赔偿由此给甲方或乙方造成的损失,并负有连带责任。

Providing false information, concealing important facts or having malicious collusive behavior, Party C should compensate for all the losses of Party A or Party B in addition to refunding the commission having been received.

(六) ____x

第十一条 合同争议的解决办法

Article 11 Dispute Resolution

本合同项下发生的争议,由三方当事人协商解决;协商不成的,依法向有管辖权的人民法院起诉,或按照另行达成的仲裁条款或仲裁协议申请仲裁。

The dispute occurred under this contract should be settled through consultation by the three parties; if consultation fails, any party may bring legal proceedings at the People's Court which has the jurisdiction of the case or apply for arbitration in accordance with the arbitration clause or agreement.

第十二条 其他约定事项

Article 12 Other matters

- 一、本合同签署后 7 个工作日内, 乙方向甲方支付押金人民币陆万捌仟壹佰壹拾捌元整 (¥: 68118) 作为首付款 (直接汇入甲方指定银行账户), 余款应于 2012 年 4 月 1 日前向甲方支付。
- 1.After signing the contract, party B should pay party A the deposit within 7 working days. Party B agree to pay party A in amount of RMB68,118 as down payment, The amount of RMB68,188 will be transfer to party A's bank account. Remaining balance is due before April 1.2012.
- 二、甲方收取的租金中不含房屋租赁税费,因此产生的相关责任与乙方无关。
- 2.Mortgage received from party B is not include taxes, therefore party A is fully responsible for all the taxes by Chinese tax regulation and party B is not responsible and liable for anything to do with taxes due to the least.
- 三、甲方应于 2012 年 4 月 1 日前将原房屋内的遗留装修拆除,费用由甲方承担。
- 3.Party A should clear or move EVERYTHING out of premise BEFORE April 1,2012 to its original condition. Party A is responsible for all the feeds.
- 四、租赁期内, 甲乙双方不得恶意违约、提前解除合同。
- 4.During the leasing periods, both parties A and B are not allow to terminate contract with prior concern.
 - 本合同经三方签字盖章后生效。本合同(及附件)一式_叁_份,其中甲方执_壹份,乙方



执<u>壹</u>份,丙方执<u>壹</u>份,___×__执__×_份。

This contract shall be effective upon the signing and stamp of three parties. This contract (and annex), has three copies, with each party holding one with the same legal validity.

本合同生效后,各方对合同内容的变更或补充应采取书面形式,作为本合同的附件。附件与本合同具有同等的法律效力。

After this contract becomes effective, the modification or supplement of the contract should be in writing which act as annex to the contract, and the annex has the same legal validity with the contract.

出租人(甲方)签章: 多分

うな事

Lessor(Party A)(signed and sealed)

委托代理人:

gned and sealed

Agent:

联系方式:

18910988330

Contact:

12年 2月21日

Date:

居间人(丙方)签章

Intermediary (Party C)(signed and sealed)

学系方:

(Contact)

任

Date:

承租人(乙方)签章

Lessee(Party B)(signed and sealed)

国籍:

Nationality

联系方名

Contact:

年 月 日

Date:

经纪执业人员签字:

Brokerage practitioners signature

资格注册证书编号:

No. of registration certificate



*.

附件一: Annex 1:

其他相关费用

Other related costs

项目	单位	单价	起计时间	起计底数
project	unit	price	The beginning time	The actual amount of beginning
水费	Water fees			
电费	Eletrocity fees			
电话费	Telephone fees			
收视费	Cable fees			
供暖费	Heat fees			
燃气费	Gas fees			
物业费	Management fees			
卫生费	Health fees			
上网费	Fee for ADSL			
车位费	Parking fees			
租赁税费	Rental tax and fees			



交房确	对上述情况,乙方经验收,认为符合房屋交验条件,并且双方已对水、电、燃气等费用结算完结,同意接收。 After checking the above conditions, Party B deemed it be in terms of the examination conditions for accepting the Premises. and both sides have settled water, electricity, gas and other costs . Party B agrees to accept the Premises.			
认	交房日期: 年 月 日			
	(the date of delivery):			
	UARD	乙方 (承租人) 签章 CParty B:		
退房确	甲乙双方已对房屋和附属物品、设备设施及水电使用等情况进行了验收,并办理了退房手续。有关费用的承担和房屋及其附属物品、设备设施的返还 □无纠纷 / □附以下说明:。 Both sides have checked the Premises and its ancillary items, equipment and facilities, and the use of water and electricity, and handling the procedures of returning the Premise. The related costs and the return of subsidiary goods, equipment and facilities □ No disputes / □ attached to these following instructions:			
认	退房日期: 年 月 日 (the date of returning the Premises):			
	甲方(出租人)签章:	乙方(承租人)签章:		
	Party A:	Party B:		





Part "F" Issuer's Certifications

We the Board of Directors of California Grapes International, Inc. Incorporated in the State of Nevada, Certify that:

- 1. The Board of Directors has reviewed the Company's Information and Disclosure Statement submitted to the OTCMarket.
- 2. Based on the Board's knowledge, this disclosure statement does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this disclosure statement; and
- 3. Based on the Board's knowledge, the financial statements, and other financial information included or incorporated by reference in this disclosure statement, fairly present in all material respect the financial condition, results of operations and cash flows of the issuer as of, and for, the periods presented in this disclosure statement.

Frank Yglesias

Chairman of the Board

Jeffrey Wieser

Tréasure

Jeff Crittenden CEO/Secretary

Brian Bumgarner Vice-Chairman