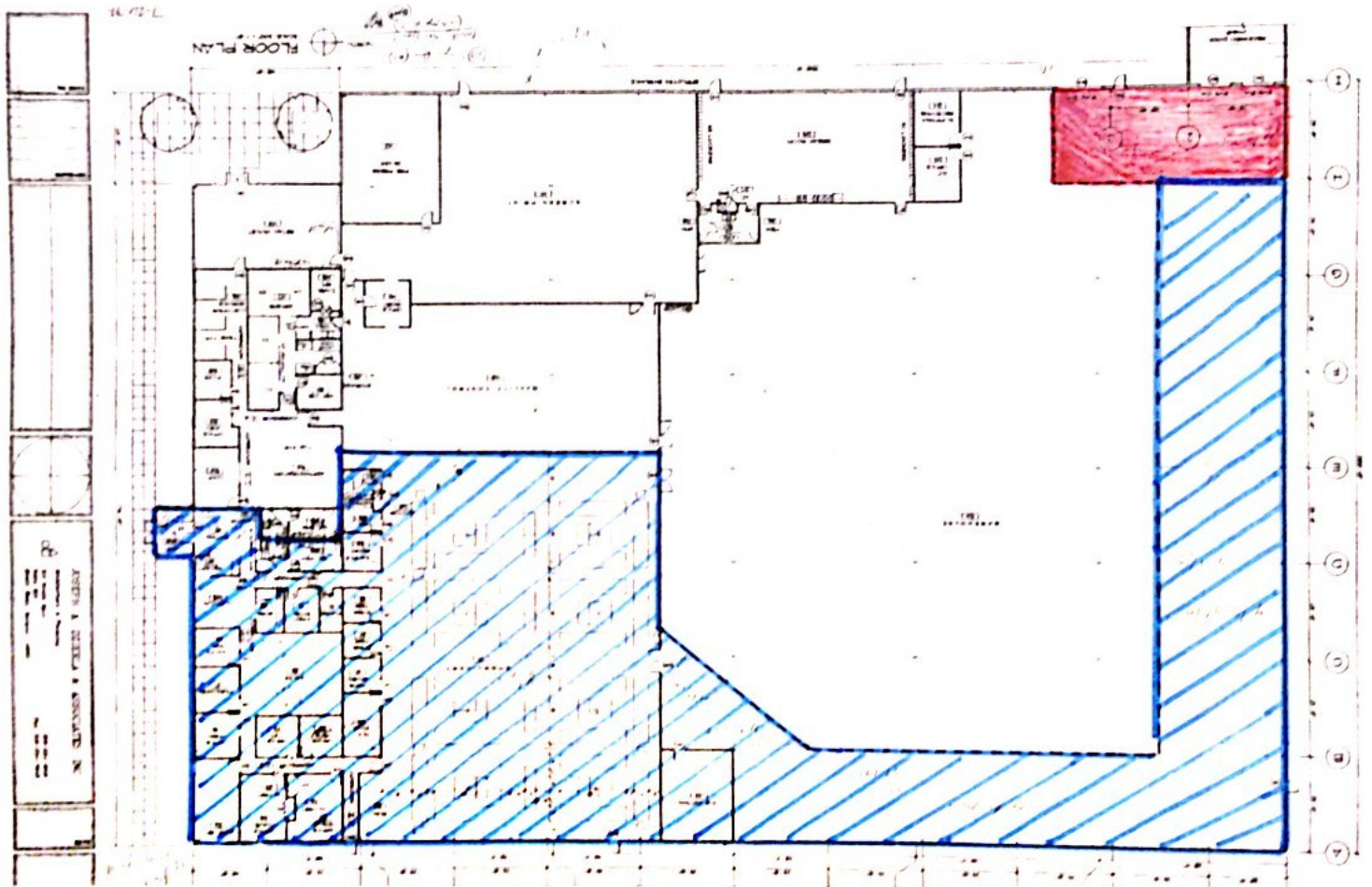




← Indicates Shared Area that Tenant St. Clair Apparel Inc is Entitled to use

↓
Indicates Tenant St. Clair Apparel Inc.'s Leased Area

Exhibit A



REAL ESTATE LEASE

THIS LEASE is made this 4th day of Feb, 2007, between Direct Channel, Inc. ("Landlord"), and St. Clair Apparel, Inc. ("Tenant").

Landlord, in consideration of the rent and covenants herein contained, leases to Tenant, and Tenant lets from Landlord, the following described premises (the "Premises"), being real estate (including any improvement or improvements now or hereafter located on it) in St. Joseph County, Indiana, or a part of such real estate, described as follows: The street address of the Premises is approximately 23,000 square feet of the improvement at 3431 William Richardson Drive, South Bend, IN 46628. Tenant's space in said property will include approx. 3,391 square feet in office space and with the remainder of Tenant's space in warehouse. Parties agree that Tenant shall occupy 40.3 % of the total space of the improvements, as shown on the attached Exhibit "A". Provided further that Direct Channel, Inc. shall have use and access to the utility room which is in Tenant's share of the office area.

This Lease is upon the following terms and conditions:

SECTION 1. TERM

1.01 The term of this Lease shall begin on the 1st day of March, 2007, and shall end on the 28th day of Feb, 2020, for a term of thirty-six months.

SECTION 2. RENT AND MANNER OF PAYMENT

2.01 Tenant shall pay Landlord total rent in the sum of \$207,000.00, payable in installments of \$5,750.00 per month, with the first payment being due and payable on the 5th day of March, 2007. Subsequent installments shall be paid on the 5th day of each month thereafter during the Lease term.

2.02 Tenant's failure to pay the full amount of any installment on or before the due date shall be an event of default under this Lease, as hereinafter provided. In addition, if the full amount of any installment is not actually received by Landlord when due, then a late charge of Twenty (\$20.00) per day that the installment remains unpaid. All late charges shall become part of the installment due.

2.03 All sums payable to Landlord under this Lease shall be paid to Landlord at the following address 3431 William Richardson Dr. South Bend, or at such other address as Landlord shall designate in writing delivered to Tenant.

2.04 All sums received by Landlord shall be applied first to rent due and unpaid, second to any late charges due and unpaid and finally to any other sums due hereunder.

SECTION 3. USE OF PREMISES

3.01 Tenant shall use the Premises only for the following purpose(s):

General Business Purpose

3.02 Tenant shall not use or permit the use of the Premises for any unlawful purpose or in violation of any law, order or regulation of any governmental authority or any restrictive covenant relating to the use or occupancy of the Premises.

3.03 If any use of the Premises increases insurance premiums, Tenant shall pay Landlord, upon demand, a sum equal to the increases in premiums.

3.04 Tenant shall not permit any waste or misuse of the Premises.

3.05 So long as Tenant is not in default under this Lease, Tenant shall be entitled to peaceably possess, hold and enjoy the Premises.

3.06 The Tenant shall pay, in monthly installments, it's proportionate share of the electric and natural gas service charges based upon Tenant's share of the improvements occupied and/or used by the Tenant (40.3%). Tenant shall pay all of the charges for water used at said property. All utilities will remain in the landlord's name. Landlord will be responsible for all lawn care and snow removal services.

3.07 The tenant will pay to Landlord 40.3% of all property taxes due and/or applicable to said property for the term of this lease, payable in monthly installments equal to 1/12 of Tenant's annual share. Tenant can pay it's share of said taxes as those taxes become due (May and November) upon written permission of the Landlord, which may be rescinded by Landlord upon thirty days written notice to Tenant, thereby reverting to monthly installments.

Steve St. Clair personally guarantees and agrees to pay all property taxes which are the Tenant's obligation pursuant to paragraph 3.07 above. Steve St. Clair acknowledges good and valuable consideration for this personal guarantee.

Steve St. Clair

SECTION 4. TENANT ACCEPTS PREMISES

4.01 Tenant has inspected the Premises and is satisfied with its physical condition. Except as otherwise specified in this Lease:

(a) Tenant's taking possession of the Premises shall be conclusive evidence of receipt thereof in good order and repair. (landlord will pay to partition off the tenant's portion of the building). and

(b) Tenant acknowledges that neither Landlord nor any of his agents has made any representation as to the condition

or state of repair of the Premises or made any agreements or promises to repair or improve it either before or after execution of this Lease.

SECTION 5. REPAIRS AND MAINTENANCE

5.01 Landlord's Obligation

Except as otherwise provided in Section 5.02, Landlord agrees, at his sole expense, to keep in good repair and working order (except to the extent damaged by Tenant's fault):

(a) all structured portions of the Premises, including (without limitation) foundations, walls, floors, stairways, roof and exterior portions thereof; and

(b) all electrical, gas, water, central heating, central air conditioning, and plumbing equipment and appliances, and any other equipment and appliances furnished by Landlord under this Lease.

5.02 Tenant's Obligation

Tenant agrees at his sole expense to keep the Premises in a clean, sightly and healthful condition and to make all repairs except such repairs as are Landlord's obligation which are necessary to maintain the Premises in good repair and condition. Tenant shall be responsible for all maintenance and repairs in the area occupied by Tenant which costs less than \$200.00 per repair or maintenance item. Tenant agrees to surrender the Premises at the expiration of this Lease in as good repair and condition as existed at the date of execution hereof (after completion of any initial leasehold improvement by Tenant as permitted or required by this Lease), reasonable wear and tear excepted. Tenant further agrees to comply with all statutes and ordinances concerning the maintenance and repair of the Premises.

5.03 Landlord's Right to Enter Premises.

Landlord or his agents shall have the right to enter the Premises (without causing or constituting a termination of this Lease or an interference with Tenant's possession) at all reasonable times for the purposes of showing the Premises to prospective buyers or tenants, examining its condition or use, and of performing Landlord's obligations (pursuant to Subsection 5.01) and Tenant's obligations (pursuant to Subsection 5.02).

SECTION 6. ALTERATIONS

6.01 Without Landlord's prior written consent, Tenant shall make no alteration or addition to the Premises, including (without limitation) painting, wallpapering and carpeting. Landlord's decision to refuse such consent shall be conclusive.

6.02 Should Landlord elect to give such consent, Tenant shall protect, indemnify and save Landlord harmless against:

(a) any lien for labor or material furnished, or
(b) any claim which any subcontractor, lessor of equipment, journeyman or laborer may have under law against an owner of real property for services, material or machinery, or

(c) any liability for personal injury or damage to property associated in any way with any alteration or addition.

6.03 Landlord may also require Tenant to furnish security, insurance, or other assurance as Landlord may reasonably require in a lawful and workmanlike manner and with proper materials.

6.04 Upon the termination of this Lease, or when Tenant abandons, quits or vacates the Premises, whichever shall first occur, any alteration or addition made pursuant to this Section shall become Landlord's property and shall remain upon the Premises. Tenant shall repair any damage to the Premises caused by Tenant or his agents in removing any property therefrom.

SECTION 7. RISK OF LOSS.

7.01 Landlord shall bear the risk of loss arising from damage to or loss of improvements and Landlord's personal property on the Premises.

7.02 Tenant shall bear the risk of loss arising from damage to or loss of Tenant's personal property and trade fixtures located on the Premises.

7.03 If use of the Premises is for business, Tenant shall bear the risk of loss arising from interruption of business use.

7.04 Tenant shall bear the risk of, and Tenant shall save Landlord harmless from loss, cost or expense by reasons of claims for personal injury and property damage arising out of Tenant's occupancy of the Premises, whether due to the fault of Tenant or others, exception only fault of Landlord.

7.05 Notwithstanding any provisions to the contrary in this Lease, if the Premises shall be destroyed or damaged by casualty to such an extent as will make the Premises unusable for more than seven (7) days for the purpose(s) described in Subsection 3.01 above, either party (excepting any party whose fault caused the casualty) has the right to terminate this Lease by giving notice of such termination to the other party within thirty (30) days after the date the casualty occurs. Termination of this Lease shall then be effective as of the date of such casualty. Rent shall be prorated to the date of termination.

7.06 Nothing in this Section 7 shall bar a claim of one party against the other for injury or damage caused by the fault of the other party.

SECTION 8 CONDEMNATION.

8.01 If the whole of the Premises, or such portion

thereof as will make the Premises unusable for the purpose(s) described in Subsection 3.01 above, is condemned and sold for any public use or purpose by any legally constituted authority, this Lease shall terminate when possession is taken by such authority; and rent shall be prorated as of the date possession is so taken. Termination of this Lease under this Subsection 8.01 shall not prejudice the rights of either Landlord or Tenant to recover compensation from the condemning authority for any loss or damage caused by such condemnation. Neither Landlord nor Tenant shall have any rights in or to any award made to the other by the condemning authority.

SECTION 9. SECURITY DEPOSIT.

9.01 Upon the execution of this Lease, Tenant shall deposit with Landlord the sum of \$5,750.00, which shall remain with Landlord as a security for the faithful performance by Tenant of all his obligations under this Lease. If by the expiration of the term of this Lease, or at the date Tenant otherwise surrenders possession or abandons, quits or vacates the Premises, Tenant has not performed his obligations under this Lease, including but not being limited to the payment of monies due under it, Landlord may apply the security deposit toward such obligations. Any amount not so applied shall be returned to Tenant, without allowance of interest, within a reasonable time after Tenant surrenders possession of the Premises as required by this Lease.

9.02 Upon a sale or conveyance of the Premises, Landlord or any owner of the Premises may transfer or assign such security deposit to any new owner of the Premises, and upon doing so, shall be relieved of any further liability for such security deposit.

SECTION 10. DEFAULTS AND REMEDIES

10.01 Defaults by Tenant. A default by Tenant will have occurred under this Lease If:

(a) Tenant fails to pay the full amount of any installment of rent on or before the date when it is due and payable; or

(b) Tenant fails to observe or perform any other provision of the Lease for thirty (30) days after Landlord has given Tenant notice of the nature of Tenant's failure, or

(c) Tenant files a petition in bankruptcy or for an arrangement under any present or future federal or state bankruptcy law, or is adjudicated a bankrupt or insolvent, or makes an assignment for the benefit of creditors, or admits in writing his inability to pay debts as they become due, or

(d) a receiver or trustee of Tenant or of the Premises is appointed and in the case of a proceeding brought against

Tenant, is not discharged within ninety (90) days after the appointment, or Tenant consents to or acquiesces in the appointment; or

(e) Tenant abandons, quits or vacates the Premises; or

(f) any activity of Tenant causes the cancellation of the hazard insurance coverage on the Premises; or

(g) the interest of Tenant under this Lease is ordered sold under execution or other legal process.

10.02 Remedies of Landlord for Default by Tenant.

If a default by Tenant has occurred under this Lease and is continuing, Landlord has the following remedies:

(a) The right to reenter and repossess the Premises, and the right to remove all persons and property from the Premises, all in a lawful manner, including self-help.

(b) The right to give Tenant notice of Landlord's termination of this Lease as of a date specified in the notice, the date to be not earlier than the date of the notice.

(c) The right to relet the Premises, or any part of it, for the account of Tenant, for such term or terms and on such conditions as Landlord, in his sole discretion, determines. Landlord shall not be responsible or liable to collect any rent payable upon any reletting.

(d) The right to advance money or make any expenditure to cure any default of Tenant other than default in payment of rent.

(e) The right to collect from Tenant by any lawful means

(1) any rent due and unpaid

(2) any deficiency which results from default of Tenant and the failure of any subletting to give Landlord the rent provided by this Lease.

(3) any money advanced or expenditure made by Landlord pursuant to Subsection 10.02, and

(4) any other amount which Tenant owes Landlord under this Lease.

~~(f) Landlord can claim a possessory lien on all of Tenant's personal property located at the premises upon default by the Tenant.~~ 22.

10.03 Effect of Exercise of Remedies by Landlord.

(a) Upon exercise by Landlord of his right to reenter and repossess, or to remove persons and property from the Premises or upon termination of this Lease pursuant to Subsection 10.01 (b), Tenant and each person claiming by or through Tenant shall forthwith quit the Premises and surrender it to Landlord, and Landlord shall be entitled to all remedies at law or in equity to effect this right. Upon reentry, Landlord shall again have possession of the Premises as though this Lease had not been made.

(b) Upon the date specified in Landlord's notice of intention to terminate this Lease, this Lease shall terminate, and Tenant and any person claiming by or through him shall become a tenant at sufferance.

(c) Within Thirty (30) days of Tenant's vacation of the Premises, Tenant shall remove therefrom all of his personal

property. If Tenant fails to so remove, said property shall be deemed as abandoned by Tenant and shall become the property of Landlord.

10.04 Defaults by Landlord.

A default by Landlord will have occurred under this Lease if Landlord fails to observe or perform any obligation imposed upon Landlord by this Lease for thirty (30) days after Tenant has given Landlord written notice of the nature of Landlord's failure.

10.05 Provisions Applicable to Defaults and Remedies.

(a) Failure or omission of landlord to exercise any remedy shall not constitute a waiver, or bar or abridge exercise of a remedy upon subsequent default.

(b) Receipt of rent by Landlord with knowledge of default by Tenant shall not constitute a waiver as to such default or as to remedy available in respect of such default.

(c) No right or remedy of landlord shall be exclusive of any other right or remedy, and each and every right or remedy shall be cumulative and in addition to any other right or remedy given by this Lease or now or hereafter existing at law or in equity. Termination of this Lease by landlord shall not prohibit Landlord from recovering any monies due or to become due pursuant to Subsection 10.02.

(d) In addition to any remedies given Landlord by any previous provision of this Lease, Landlord shall be entitled, to the extent permitted by law, to injunctive relief in case of any violation, or attempted or threatened violation, of any of the covenants, agreements or provisions of this Lease.

(e) Landlord is entitled to recover his reasonable attorney fees, costs and expenses incurred by reason of exercising his remedies under this Lease.

(f) If Landlord, without his fault, is made a party to any litigation commenced against Tenant or because of Tenant's activities, and if Tenant, at his expense, fails to provide Landlord with legal counsel satisfactory to Landlord, Tenant shall pay all costs and reasonable attorney fees incurred or paid by Landlord in connection with such litigation.

(g) Landlord shall be entitled to enforce any of his rights or exercise any of his remedies without relief from valuation and appraisal laws.

(h) Notice by one party of the nature of the other party's failure to observe or perform an obligation shall specify the details of such failure to a reasonable degree so that the party who has the obligation may reasonably understand his failure. If a default cannot, with diligence, be cured within the time provided by this Lease, the party whose obligation it is to cure may give the other party notice of that fact and of appropriate details and if the party is proceeding with diligence and in good faith to cure the default, the time within which the failure may be cured shall be extended for such period as may be needed to complete the curing in diligence and good faith.

SECTION 11. SUBORDINATION OF LEASE TO EXISTING AND FUTURE MORTGAGES.

11.01 This Lease is subject and subordinate at all times to the lien of existing and future mortgages upon the Premises, together with any renewals or extensions thereof, as may have been, or may hereafter be granted by Landlord. Although no instrument or act on the part of Tenant shall be necessary to effectuate such subordination. Tenant shall, nonetheless, execute and deliver such further instruments subordinating this Lease to the lien of any such mortgage, as may be desired or requested by a mortgagee of Landlord. Tenant hereby irrevocably appoints Landlord as his attorney-in-fact, for the limited purpose of executing and delivering any such subordination instrument for and on behalf of Tenant.

SECTION 12. MISCELLANEOUS.

12.01 Time is of the essence.

12.02 Tenant shall not assign, mortgage or encumber this Lease, nor sublet or permit the Premises or any part thereof to be used by others, without the prior written consent of Landlord. If this Lease is assigned, or if the Premises or any part thereof is sublet, or occupied by a party other than Tenant, Landlord may, after default by Tenant, collect rent from the assignee, subtenant or occupant as the case may be, and apply the amounts so collected to the rent herein reserved. No such assignment, subletting, occupancy or collection shall be deemed to be a waiver of this covenant, or the acceptance of the assignee, subtenant or occupant as a tenant, or a release of Tenant from his further performance of the covenants contained in this Lease. A consent by Landlord to an assignment or subletting shall not be construed to relieve Tenant from again obtaining Landlord's written consent to any subsequent assignment or subletting.

12.03 A notice to be given under this Lease shall be in writing and either delivered in person or mailed, postage prepaid, and addressed: if to Landlord, at the address applicable according to Subsection 2.03; and if to Tenant, at the address of the Premises, or at such other address as Tenant shall designate in writing delivered to Landlord. A notice mailed by registered or certified mail shall be deemed given on the date of postmark.

12.04 Reference to the masculine gender shall include the feminine or the neuter, as may be appropriate for a party. The singular includes, likewise, the plural.

12.05 Headings are for convenient reference only and do not affect the expressed terms, covenants, agreements and provisions of this Lease.

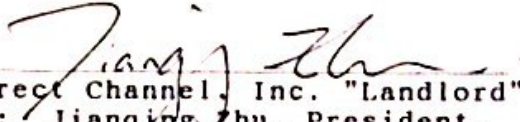
12.06 This Lease and its terms, covenants, agreements and provisions shall be binding upon, and inure to the benefit of the parties and their respective heirs, personal

representatives, successors and assigns.

12.07 Any change in, or modification or discharge of this Lease shall be in writing signed by all persons who at the time are parties to this Lease.

12.08 This Lease and its terms shall be construed under the laws of the State of Indiana.

IN WITNESS WHEREOF, the parties have hereunto set their hands and seals as of the date first above written.


Direct Channel, Inc. "Landlord"
By: Jianqing Zhu, President.


St Clair Apparel "Tenant"
By: Steven P. St. Clair

This instrument was prepared by J. Michael Ebersol, Attorney
at Law, 112 W. Jefferson, Suite 501, South Bend, Indiana