

(1) That as of the effective date of this merger or consolidation, it shall:

(a) Have no debts, liabilities or obligations other than (i) current accounts payable incurred in the normal and ordinary course of business, and (ii) accruals for current taxes not yet due or payable, and furnish effective and satisfactory indemnification to the contracting parties and to the resulting corporation against undisclosed and contingent tax and other obligations and liabilities,

(b) Shall have cash, accounts receivable, deposits, investments, prepaid expenses and prepaid insurance having a fair market value after deducting all liabilities, of not less than Two Hundred Twenty Thousand (\$220,000.00) Dollars,

(2) That it has not since July 28, 1953:

(a) Sold, transferred or disposed of any of its assets or equipment, except such sales, transfers, dispositions or consumptions or articles and equipment as were usual and reasonably necessary in the ordinary course of business,

(b) Entered into any contract or commitment or incurred any obligation of any kind or nature except those incurred in the ordinary course of business,

(c) Surrendered or released any contractual or other enforceable right, franchise, license or privilege except by and with the consent of other parties hereto,