

3. The Seller agrees that within thirty (30) days of the date of this Agreement he will submit his written resignation to the eleemosynary corporation, Onyx Lounge, Inc., and will cease to be an employee of said eleemosynary corporation.

4. The Seller warrants that all liabilities of the eleemosynary corporation, Onyx Lounge, Inc., have been paid and that there are no outstanding liabilities of the said eleemosynary corporation. The Seller specifically warrants that the corporation does not owe Seller any money and that the Seller has made arrangements for the payment of Mr. Collins of the moneys owed him.

5. The Seller further warrants that there are no facts that would lead him to believe that there are any contingent liabilities of the said eleemosynary corporation and he warrants and agrees to indemnify the Seller against any and all said contingent liabilities or any other liabilities of the said eleemosynary corporation.

6. Seller further agrees that he will not form, cause to be formed or in any other way be associated as an employee, director, trustee, officer or otherwise, with any other eleemosynary corporation that shall operate a lounge for a three (3) year period of time within a twenty-five (25) mile radius of the present location of said Onyx Lounge, Inc. JF G

7. Seller further agrees that he will provide all the assistance necessary in order to insure a smooth transition in change of ownership and control of the Onyx Lounge, Inc., including making any arrangements that are necessary with regulatory authorities, the landlord, and any and all trade creditors. JF G

8. The parties agree that in the event of any breach of any provision of this Contract, Seller authorizes the Purchaser to use so much of the Ten Thousand and No/100ths (\$10,000.00) Dollars to be paid in thirty (30) days of the date of this Contract, or the Ten Thousand and No/100ths (\$10,000.00) Dollars to be paid by way of the promissory note, for the satisfaction of any obligation that is in breach of this Contract and that the Seller should be

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