

4. Buyers acknowledge that they have made independent and satisfactory arrangements with the owners of the premises for a lease of the same, and Sellers do hereby quitclaim in favor of Buyers and the owners of the premises any and all claims arising out of prior tenancies existing between the Sellers and said owners.

5. Sellers acknowledge and agree that Buyers shall have no responsibility for any existing claims of creditors or any other party arising out of transactions occurring prior to the sale of the business herein, and Sellers do jointly and severally agree to hold Buyers harmless and forever defend them against any and all claims, demands, costs and actions of whatsoever nature, including attorneys' fees, arising out of pre-existing claims of creditors or any other parties. Sellers further authorize Buyers, at their sole election, that in the event any creditor makes claim against Buyers as a result of the bulk transfer of the assets of said business, in such event Buyers may pay such claims and deduct the same from current payments due under said note representing the balance of said purchase price.

6. That in the event of default by Buyers of any of the terms as provided in the note and security agreement referred to hereinabove, and to secure Sellers in the event of any such default and the exercise by Sellers of their rights under said security agreement, Buyers do hereby give to Sellers, their successors and assigns, the right, privilege and option to assume that certain lease now existing between Buyers and the owners of the premises, and upon such default, Buyers agree to execute any and all documents as may be necessary to effect said assignment, and to put Sellers into peaceful enjoyment of said premises under said lease.

7. In consideration of the sum of Three Thousand and No/100 (\$3,000.00) Dollars, as above provided, Sellers jointly and severally do hereby agree that they will not, for a period of five (5) years from the date hereof, directly or indirectly, for themselves or an agent or employee of, on behalf of or in conjunction with any person, firm or corporation, engage in the operation of a business of kind and character similar to the business conveyed hereunder within a radius of five (5) statute miles of the present location of said Pen Products, Inc., and Sellers hereby agree, that in addition to any remedy at law that may be available to Buyers, Buyers shall be entitled to injunctive relief restraining and compelling Sellers to comply herewith. Sellers further, in consideration of the sum as hereinabove provided, assign, set over and transfer unto Buyers all of the goodwill associated with themselves in the operation of said business. Sellers