

TRADEMARK ASSIGNMENT

Electronic Version v1.1
 Stylesheet Version v1.1

SUBMISSION TYPE:		NEW ASSIGNMENT	
NATURE OF CONVEYANCE:		ASSIGNS THE ENTIRE INTEREST AND THE GOODWILL	
CONVEYING PARTY DATA			
Name	Formerly	Execution Date	Entity Type
World's Best Cheesecake, Inc.		05/12/2004	CORPORATION: VIRGINIA
RECEIVING PARTY DATA			
Name:	Daystar Cheesecake, LLC		
Street Address:	10440 Leadbetter Road		
City:	Ashland		
State/Country:	VIRGINIA		
Postal Code:	23005		
Entity Type:	LIMITED LIABILITY COMPANY: VIRGINIA		
PROPERTY NUMBERS Total: 1			
Property Type	Number	Word Mark	
Registration Number:	2804725	THE ORIGINAL GOURMET CHEESECAKE WORLD'S BEST CHEESECAKE EST. 1957	
CORRESPONDENCE DATA			
Fax Number:	(804)697-2135		
	<i>Correspondence will be sent via US Mail when the fax attempt is unsuccessful.</i>		
Phone:	804-697-2035		
Email:	mdavis@Spottsfain.com		
Correspondent Name:	Mary Elizabeth Davis		
Address Line 1:	411 E. Franklin Street		
Address Line 2:	Suite 400		
Address Line 4:	Richmond, VIRGINIA 23219		
NAME OF SUBMITTER:	Mary Elizabeth Davis		
Signature:	/Mary Elizabeth Davis/		
Date:	10/27/2009		

OP \$40.00 2804725

Total Attachments: 24

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ASSIGNMENT OF TRADEMARK AGREEMENT

This ASSIGNMENT OF TRADEMARK AGREEMENT ("Agreement") is made as of the 12th day of May, 2004, by and between WORLD'S BEST CHEESECAKE, INC., a Virginia corporation (the "Assignor"), and DAYSTAR CHEESECAKE, LLC, a Virginia limited liability company (the "Assignee"), and provides as follows:

RECITALS

A. Assignor has adopted and currently is using the trademark "WORLD'S BEST CHEESECAKE" and associated design (the "Mark"); and

B. Assignee and Assignor are parties to that certain Asset Purchase Agreement dated as of May 12, 2004 (the "Purchase Agreement"), pursuant to which Assignor has agreed to sell to Assignee and Assignee has agreed to buy from Assignor the Assets (as defined in the Purchase Agreement), including without limitation the servicemarks, trademarks and trade names of Assignor. Pursuant to the Purchase Agreement, Assignor has agreed to execute such instruments as the Assignee may reasonably request in order to more effectively assign, transfer, grant, convey, assure and confirm to Assignee all of such assets.

C. In accordance therewith, Assignor desires to transfer and assign to Assignee, and Assignee desires to accept the transfer and assignment of, all of Assignor's worldwide right, title and interest in, to and under Assignor's Mark.

NOW, THEREFORE, Assignor, for and in exchange for the payment of the purchase price set forth in the Agreement, the receipt and sufficiency of which is hereby acknowledged, the parties further agree as follows:

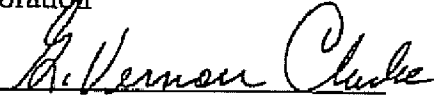
1. Assignor does hereby transfer and assign to Assignee, and Assignee hereby accepts the transfer and assignment of, all of Assignor's worldwide right, title and interest in, to and under the Mark, together with the goodwill of the business associated therewith and which is symbolized thereby, all rights to sue for infringement of the Mark, whether arising prior to or subsequent to the date of this Agreement, the same to be held and enjoyed by the said Assignee, its successors and assigns from and after the date hereof as fully and entirely as the same would have been held and enjoyed by the said Assignor had this Agreement not been made. This assignment and transfer of the Mark by Assignor to Assignee shall be effective as of May 12, 2004.

2. Except to the extent that federal law preempts state law with respect to the matters covered hereby, this Agreement shall be governed by and construed in accordance with the laws of the State of Virginia without giving effect to the principles of conflicts of laws thereof.

Signature page to Assignment of Trademark Agreement.


ASSIGNOR:

WORLD'S BEST CHEESECAKE, INC.,
a Virginia corporation

By: 
G. Vernon Clarke, President

ASSIGNEE:

DAYSTAR CHEESECAKE, LLC,
a Virginia limited liability company

By: 
Russell B. Cobb, Manager

ASSET PURCHASE AND SALE AGREEMENT

THIS ASSET PURCHASE AND SALE AGREEMENT (the "Agreement") is made and entered into as of the 12th day of May, 2004, by and between **WORLD'S BEST CHEESECAKE, INC.**, a Virginia corporation ("WBC") and **CLARKECO, L.L.C.**, a Virginia limited liability company ("ClarkeCo") (collectively WBC and ClarkeCo are the "Sellers") and **DAYSTAR CHEESECAKE, LLC.**, a Virginia limited liability company (the "Purchaser") and **DAYSTAR ENTERPRISES LTD.**, a New York corporation (the "Guarantor").

RECITALS

A. The Sellers operate a business known as World's Best Cheesecake, located at 10440 Leadbetter Road Ashland, Virginia (the "Business").

B. The Purchaser and Sellers have agreed that the real estate and improvements thereon known as 10440 Leadbetter Road, Ashland, Virginia ("Real Estate") will be leased by the Purchaser with an obligation to purchase, such obligation to purchase shall be assignable by Purchaser.

C. The Purchaser wishes to purchase, and the Sellers wish to sell, all of the assets of the Sellers relating to the Business, in accordance with the provisions of this Agreement.

NOW, THEREFORE, in consideration of the covenants, warranties and mutual promises set forth herein and in reliance upon the representations and warranties contained herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

ARTICLE 1. PURCHASE AND SALE OF ASSETS.

1.1 Assets. Subject to the terms and conditions of this Agreement, the Sellers shall sell, assign and transfer to the Purchaser, and the Purchaser shall acquire, on the Closing Date (as hereinafter defined), all of the Sellers' right to, good and marketable title and interest in, and exclusive possession of the assets owned, leased and/or used in connection with the Business (collectively, the "Assets"), free and clear of all liens, security interests, claims, charges, and encumbrances, except as specified otherwise in this Agreement, as described below:

(a) All inventories, vehicles, furniture, and equipment currently used and located on the Real Estate and used in the operation of the Business, including software and computers and including but not limited to the assets described in **Schedule 1.1(a)** attached hereto.

(b) All WBC's accounts receivable (subject to collection within 90 days of the Closing).

(c) To the extent assignable, all federal, state and local licenses, permits, approvals and authorizations granted to the Sellers for the operation of the Business (the "Permits").

(d) Copies of WBC's files, papers, books and records, including customer and supplier lists, recipes, development and business plans, customer files and accounts, advertising material and other documents related to the development and operation of the Business and all other data relating solely to the Business (the "Business Records").

(e) All of WBC's goodwill, trademarks (including, but not limited to the mark "World's Best Cheesecake") and service marks, and registrations thereof and applications therefore, trade names, copyrights, patents, permits, licenses and telephone numbers and listings relating solely to the Business.

(f) All third party warranties associated with any of the items set forth in subparagraphs (a) and (b) above.

(g) All other tangible and intangible property owned, leased and/or used by the Sellers solely in connection with the Business except those items excluded under paragraph 1.3.

1.2. Real Estate. Subject to the terms and conditions of this Agreement, ClarkeCo shall enter into a lease purchase agreement with the Purchaser with a purchase obligation at the end of the five (5) year lease term and an option to purchase at any time during the lease term for the Real Estate, located at 10440 Leadbetter Road, Ashland, Virginia (the "Real Estate") and all fixtures, appurtenances, easements and rights with respect to such real properties (including tangible personal property currently used in the Business and not owned by WBC) and all warranties relating to the foregoing (the "Lease Purchase Agreement"). The Lease Purchase Agreement shall be assignable by Purchaser

1.3 Excluded Assets. The Assets shall not include:

(a) The Sellers' cash, cash equivalents, money on deposit with banks and others, certificates of deposit, and commercial paper.

(b) The Sellers' stock book, minute book, tax returns, corporate records and records relating to assets not being sold.

(c) 2001 Lexus.

(d) Any amounts due WBC from ClarkeCo which total approximately \$67,684.89 as of October 31, 2003, representing advances by WBC to ClarkeCo.

(e) Other items of tangible personal property listed on the attached Schedule 1.3(e).

(f) Accounts receivable representing sales which were delivered more than 90 days before Closing.

(g) Other assets that the Purchaser and the Sellers agree to exclude.

1.4 Assumed Liabilities.

(a) At Closing, the Purchaser shall assume certain liabilities and obligations of the Sellers which relate to the Assets and the Business (the "Assumed Liabilities"), including, but not limited to the following:

(i) any current liabilities due to the Sellers' employees, who become employees of the Purchaser, for services rendered after the Closing Date;

(ii) all WBC's trade accounts payable, excluding commissions payable to brokers, which are not more than 60 days past their due date, according to the stated terms of the invoice, but not more than ninety (90) days as of the Closing Date, described as of the date hereof in Schedule 1.4(a)(ii) attached hereto and to be updated and delivered to Purchaser at closing and subject to Purchaser's verification with the vendor;

(iii) all liabilities and obligations incurred for equipment purchased due under that certain promissory note payable to Wachovia Bank (formerly known as First Union Bank), which has a current balance due of not more than \$20,000.00 as of October 31, 2003;

(iv) all liabilities and obligations incurred for equipment purchased due under that certain promissory note payable to Key Bank which has a current balance due of not more than \$47,147.43 as of October 31, 2003; and

(v) all liabilities and obligations incurred under the Batliner/Ginny's Non-Compete Note which has a current balance due of not more than \$30,833.53 as of October 31, 2003.

(b) When Purchaser or assign purchases the Real Estate pursuant to the Lease Purchase Agreement, Purchaser or assign shall either: (i) subject to receipt of an opinion of bond counsel satisfactory in form and substance to Purchaser or assign and its counsel, assume all liabilities and obligations of ClarkeCo under the terms of that certain Loan Agreement dated June 1, 2000 (the "Loan Agreement") between ClarkeCo and the Virginia Small Business Financing Authority ("VSBFA") as it relates to the industrial revenue bond issued to provide the funds to purchase and improve the Real Estate and which funds were made available to ClarkeCo pursuant to that certain promissory note dated July 14, 2000 in the principal amount of \$2,000,000 (the "VSBFA Promissory Note") or (ii) pay to ClarkeCo such amount as set forth in the Lease Purchase Agreement. Purchaser shall execute and deliver, without further consideration, and at no cost to the Sellers, such documents as may be reasonably requested by the Sellers or by its employees, agents, or lenders to effectuate, evidence, authorize or approve the assignment of the Loan Agreement, the VSBFA Promissory Note and the security agreement and deed of trust securing such loan (the "Assignment of Loan"). All costs and expenses,

including attorneys' fees and bond counsel, if any, employed by Purchaser or assign incurred to effectuate, evidence, authorize or approve the Assignment of Loan shall be the sole responsibility and obligation of Purchaser; provided, however,

(i) Principal and interest payable on the bond pursuant to the Loan Agreement until acquisition of the Real Estate by Purchaser or assign and approval by Purchaser or assign of the Assignment of the Loan, shall be paid by ClarkeCo.

(c) At Closing under this Agreement, while the Purchaser will not assume any liability under the Loan Agreement and related documents, certain assets of ClarkeCo, as listed on attached Schedule 1.4(c) (including the Real Estate), will remain subject to liens in favor of Branch Banking & Trust Company pursuant to documents executed in connection with the Loan Agreement.

1.5 Employment of Kevin Clarke. In addition, Purchaser shall enter into an employment agreement with Kevin Clarke ("Kevin") which shall provide for (a) employment of Kevin as Vice President-Operations, on the premises in Ashland, Virginia, with responsibility for production, inventory control, equipment maintenance, and packaging during normal business hours of 8:00 a.m. to 5:00 p.m., five days per week, (b) Kevin's salary at \$78,000 per year for one year if Kevin performs the routine duties described herein as Vice President-Operations to the reasonable satisfaction of the Purchaser, renewable annually subject to the joint agreement of both Purchaser and Kevin, (c) reimbursement of all business expenses incurred by Kevin during his employment by Purchaser, (d) payment of health insurance premiums for Kevin while employed by the Purchaser if Kevin is insurable at regular rates pursuant to the group insurance policy maintained by the Purchaser, and (e) Kevin will not, as an employee, owner, stockholder, partner, member, investor or otherwise, engage in the business of the manufacture and sale, in whole or in part, of cheesecake or frozen baked desserts in the States of Virginia and New York during the term of employment and for a period of one (1) year after termination of employment. Notwithstanding the foregoing, Kevin will not make use of the Business Records or information contained therein, for personal use or in any business or commercial entity for a period of two years after the date of Closing. Purchaser acknowledges that Redskin football season tickets that have been paid for by WBC prior to March 31, 2004, are the property of Kevin. Kevin and WBC acknowledge that Purchaser shall have no obligation with respect to Redskin football tickets.

1.6 Employee Jerold Lindamood. Purchaser acknowledges that employee Jerold Lindamood ("Jerry") has certain special needs and requires assistance in performing certain routine activities. Due to the special needs of Jerry, Purchaser agrees that Kevin and/or the employees of Purchaser shall be allowed, without additional compensation, during normal business hours, to assist Jerry in certain routine activities that would normally be the responsibility of Jerry. Such routine activities shall include, but are not limited to, (a) making Jerry's dental and doctor appointments, (b) maintaining and handling a personal checking account and checkbook (c) paying Jerry's rent (with Jerry's funds), and (d) coordinating any changes or scheduling needs with Jerry's mother. The assistance will be provided by Kevin and/or other employees of Purchaser as long as Jerry is employed by the Purchaser.

1.7 Further Assurances and Additional Documents. Prior to, at and after the Closing Date, each party shall promptly execute and deliver, without further consideration, and at no cost to the requesting party, such documents as may be reasonably requested by the other party or by its employees, agents, or insurers to effectuate, evidence, authorize or approve the transactions contemplated herein.

ARTICLE 2. CONVEYANCE OF ASSETS.

2.1 Execution and Delivery of Documents Evidencing Sale. To evidence the Sellers' sale of the Assets hereunder, the Sellers shall, at the Closing, execute and deliver to the Purchaser all of the following documents:

(a) Bill of Sale conveying good title to all of the Assets other than the Real Estate, free of all liens, claims and encumbrances, except for the liens associated with and related to the Loan Agreement and the industrial revenue bonds issued by the VSBFA referenced in Section 1.4(b).

(b) ClarkeCo and Purchaser or assign shall enter into the Lease Purchase Agreement referenced in Section 1.2.

(c) such other documents and instruments as the Purchaser may reasonably request.

ARTICLE 3. PURCHASE PRICE

3.1. Purchase Price of Assets and Business.

(a) Subject to the terms and conditions of this Agreement, the purchase price for the Assets and the Business (the "Business Purchase Price") shall be Seven Hundred Thirty-Three Thousand Dollars and XX/100 (\$733,000.00).

(b) The Business Purchase Price shall be paid to the Sellers as follows:

(i) Three Hundred Thousand Dollars and xx/100 (\$300,000.00) in immediately available funds at closing (the "Business Cash Payment"); and

(ii) Delivery at closing to WBC of the Purchaser's non-negotiable promissory note (the "Business Note") in the total principal amount of One Hundred Sixty-Eight Thousand Dollars and XX/100 (\$168,000.00) (the "Business Note Principal Amount"). The Business Note Principal Amount, together with interest at the rate of seven percent (7%) per annum (compounded monthly) accrued thereon, shall be payable in seventy-two (72) equal monthly installments, commencing on the 1st day of June, 2004, and continuing on the same day of each successive month thereafter until May 1, 2010 at which time, unless sooner paid, the entire principal amount, together with interest accrued and all other sums due hereunder, shall become due and payable in full. The Business Note shall be in the form attached hereto as Exhibit 3.1(b)(ii), and may be prepaid in whole or in part, at any time, without penalty.

(iii) Delivery at closing to ClarkeCo the Purchaser's non-negotiable promissory note in the amount of Two Hundred Sixty-Five Thousand Dollars and XX/100 (\$265,000.00) (the "ClarkeCo Note"). The ClarkeCo Note together with interest computed at the rate of seven percent (7%) per annum (compounded monthly) on the unpaid balance, the interest to be computed beginning May 12, 2005, such payments shall be payable in eighty-four (84) equal monthly installments of principal and interest on the unpaid balance commencing on the 12th day of June, 2005 and continuing on the same day of each successive month thereafter until May 12, 2012 at which time, unless sooner paid, the entire principal amount, together with interest accrued and all other sums due hereunder, shall become due and payable in full. The ClarkeCo Note shall be in the form attached hereto as Exhibit 3.1(b)(iii), and may be prepaid in whole or in part, at any time, without penalty.

3.2 Future Commissions. Purchaser agrees to pay to G. Vernon Clarke, ("Vernon") or as he shall direct in writing to Purchaser, a commission or bonus of fifteen percent (15%) (the "Bonus"), on all Sales of the Business, during the period of April 1, 2004 to March 31, 2005 (the "2005 Fiscal Year"), to all accounts or prospects, contacted or prospected by members of the Clarke family prior to Closing. For purposes of this Section 3.2, the definition of Sales in Section 3.1(a) shall control. Vernon shall provide a list to the Purchaser at Closing of all accounts and prospective customers contacted or prospected by the Clarke family prior to Closing. The Bonus shall be determined at the end of the 2005 Fiscal Year and Purchaser shall pay the Bonus to Vernon, or as he shall direct, in thirty-six (36) equal monthly payments beginning on May 1, 2005 and ending on April 1, 2008. Vernon shall not, as an employee, owner, stockholder, partner, member, investor or otherwise, engage in the business of the manufacture and sale (except for sales of purchaser's products), in whole or in part, of cheesecake or frozen baked dessert products in the States of Virginia and New York for a period of three years following the Closing Date provided, however, Vernon may sell any such products which Vernon buys directly from the Purchaser.

3.3 Computation of the Bonus.

(a) The Bonus shall be determined on or before April 30, 2005 in accordance with generally accepted accounting principles as consistently applied by Purchaser and/or the independent certified public accountants engaged by the Purchaser. A copy of the computation of the Bonus (the "Bonus Report") shall be submitted in writing together with payment of the first installment of the Bonus as to computed to Vernon on or before May 1, 2005. Unless Vernon notifies the Purchaser within thirty (30) days after receipt of the Bonus Report that he objects to the computation, the report shall be binding and conclusive for the purposes of this Agreement. Upon ten (10) days written notice to Purchaser, Vernon shall have access, at a mutually agreed upon time, during regular business hours, to the books and records of the Purchaser and to Purchaser's accountants' work papers to verify the computation of Bonus Report.

(b) If Vernon notifies the Company in writing within thirty (30) days after receipt of the Bonus Report that he objects to the computation of Bonus set forth therein, the amount of Bonus shall be determined by negotiation between Vernon and the Purchaser. If

Vernon and the Purchaser are unable to reach agreement within thirty (30) days after such notification, the determination of the amount of the Bonus shall be submitted to a mutually agreeable third-party firm of independent certified public accountants ("Special Accountants") for determination, whose determination shall be binding and conclusive on the parties. If the Special Accountants determine that the Bonus has been understated by five percent (5%) or more, then Purchaser shall pay the Special Accountants' fees, costs and expenses. If the Bonus has not been understated or has been understated by less than five percent (5%), then Vernon shall pay the Special Accountants' fees, costs and expenses. Any additional amounts owed to Vernon or reimbursements owed by Vernon to the Purchaser shall be made within fifteen (15) days of the Special Accountant's report.

3.4 Proration. All property taxes, utilities charges, or similar regular periodic charges in respect of the Assets, the operation of the Business or the Real Estate payable with respect to the current period in which the Closing occurs shall be prorated between the parties on the basis of the actual number of days elapsed from the first day of such period to the Closing Date.

3.5 Allocation of Asset Purchase Price. The Sellers and the Purchaser agree that the Purchase Price shall be allocated as set forth on Schedule 3.5 hereto. Each party agrees that it will not take any position inconsistent with such allocation for federal and state income and financial reporting purposes unless otherwise required by law.

3.6 Business Note. Payment of the Business Note shall be guaranteed by the Guarantor.

3.7 Verification. Sales, pursuant to Section 3.1, and the Bonus, pursuant to Section 3.2, shall be subject to verification by Purchaser's accountants within sixty (60) days of the Closing Date, and within sixty (60) days after March 31, 2005, respectively.

3.8 In the event Kevin Clarke or Vernon Clarke breaches the non-compete covenants set forth in Articles 1.5 and 3.2, the damages shall be an amount not to exceed the amount allocated to Goodwill.

ARTICLE 4. ACTIONS PRIOR TO CLOSING

4.1 Inspection.

(a) Purchaser's Right to Inspect. Purchaser shall have from the date of the execution of this Agreement by all parties and until Closing (the "Inspection Period") to inspect the Business, the Assets and the Real Estate to determine if the Business and Real Estate are suitable for its needs. Sellers shall give to Purchaser and its employees, agents and contractors access to the Real Estate on weekends or after normal business hours throughout the Inspection Period, at Purchaser's risk, cost and expense, for the sole purpose of undertaking surveys, title reports, environmental, engineering and other similar investigations as the Purchaser may desire. Purchaser indemnifies and agrees to defend and hold Sellers harmless from claims, losses or damages caused by or resulting from the actions of Purchaser or its employees, agents and contractors in the course of conducting the investigations, tests and studies described herein, and,

in addition, if Purchaser does not purchase the Business, Purchaser, at its sole expense, agrees to restore the Real Estate to its previous condition to the extent of any changes made by or resulting from the actions of Purchaser or its employees, agents and contractors.

(b) If, during the Inspection Period, Purchaser determines, in Purchaser's sole discretion, that the Business or the Real Estate is not acceptable to Purchaser for any reason, Purchaser may terminate this Agreement by giving written notice of termination to Sellers, and Sellers and Purchaser shall be relieved of any further liability hereunder. Any such notice of termination must be given by Purchaser to Sellers as soon as practical but not later than to be received by Sellers on the last day of the Inspection Period.

(c) The Purchaser agrees to cooperate with the Sellers in conducting its inspection and due diligence efforts so as to minimize disruption to Sellers' business operations. In such regard, Purchaser agrees to provide Sellers with reasonable notice of Purchaser's efforts and a reasonable opportunity to be present and participate in such efforts. The Purchaser shall provide to the Sellers a copy of any inspection/due diligence report upon request made prior to Closing.

(d) Prior to Closing, the Sellers and the Purchaser agree that all information concerning this transaction which is not generally available to the public shall be treated with strict confidence, and shall not be disclosed other than to those representatives who need to know for the purpose of understanding and evaluating the transactions contemplated hereunder. Upon the pre-Closing termination of this Agreement for any reason whatsoever, the Purchaser shall return all copies of documents, records and files, obtained by the Purchaser during the Inspection Period.

(e) The Sellers shall deliver to the Purchaser, upon written request, copies of all boundary and location surveys, title reports, engineering reports, environmental studies, building plans and specifications, soil compaction studies and building inspection reports, which it or its agents, attorneys or accountants have in their possession, custody or control, related to the Business or the Real Estate, to be used by the Purchaser during the inspection period. In the event the Purchaser does not acquire the Business and the Real Estate, all such documents delivered to the Purchaser shall be returned to the Sellers within ten (10) days after termination of this Agreement.

(f) Sellers shall deliver to Purchaser, upon written request, copies of any and all documents, deeds, leases, agreements, plats or surveys which constitute the Permitted Encumbrances.

4.2 Operation of Business.

(a) Affirmative Covenants. From the date hereof until Closing, the Sellers shall use their best efforts to:

(i) manage and conduct its operation of the Business only in the ordinary course of business and in substantially the same manner as heretofore carried on,

including the continuance and maintenance of purchase and selling agreements, lease agreements, inventory purchase agreements and employment and labor agreements;

(ii) preserve its goodwill and maintain intact its good relations and contractual relationships with customers, creditors, suppliers and employees;

(iii) conduct the operations of the Business in such a manner as to afford the Purchaser and its representatives the reasonable opportunity to monitor and observe the Business, to counsel regularly with the Seller's officers and managers about all aspects of the Business and to learn as much as practicable about the Business prior to Closing;

(iv) at the sole expense of the Seller: (i) maintain the Assets and the Real Estate in good working order, condition, and perform all necessary repairs thereto and make all necessary replacements thereof; and (ii) take all actions necessary to protect the Assets and the Real Estate against damage, destruction, fire, theft and other casualty;

(v) continue to pay its accounts payable and its debts generally in a timely manner consistent with past business practices and timing, including the payment of taxes due; and

(vi) comply with all applicable laws and regulations.

(b) Negative Covenants. From the date hereof until Closing, the Sellers shall not, without the prior written approval of the Purchaser which shall not be unreasonably withheld or delayed, cause or permit:

(i) the Assets or the Real Estate to be sold, conveyed or leased (other than existing leases), or otherwise disposed of other than in a sale of inventory in the ordinary course of business;

(ii) the Assets or the Real Estate to be subject to any lien, security interest, mortgage, option agreement, sale agreement, lease or other encumbrance of any kind or nature, other than those which the Purchaser has expressly agreed to assume under this Agreement;

(iii) the Business to incur any debts or to make any capital expenditures, except accounts payable and other liabilities incurred in the ordinary course of business;

(iv) the Business to hire additional employees or to increase any salaries for, or the payment of any bonuses or incentive compensation schemes to the employees, officers, or directors of the Sellers, except for increases in salaries occurring in the ordinary course of business consistent with customary past practices; and

(v) any loans or extension of any credit, to be granted other than in the normal course of operating the Business.

4.3 Continuing Disclosures. From the date hereof until Closing, the Sellers shall promptly notify the Purchaser in writing of any event or occurrence that causes any representation, warranty, or listing by the Sellers in this Agreement or any exhibit, or schedule hereto, to be untrue, inaccurate, incomplete or materially misleading. From the date of this Agreement until Closing, Purchaser shall promptly notify the Sellers in writing of any event or occurrence that causes any representation or warranty by the Purchaser in this Agreement to be untrue, inaccurate, incomplete or materially misleading.

ARTICLE 5. CLOSING AND CONDITIONS TO CLOSING.

5.1 Closing and Actions at Closing. The consummation of the transactions contemplated herein (the "Closing") shall take place at the offices of Sellers' attorney in Richmond, Virginia, May 12, 2004, but in no event later than May 31, 2004 (the "Closing Date"). Except as this Agreement may otherwise provide, all actions to be taken at Closing shall be deemed to be taken simultaneously.

(a) The Sellers shall execute and deliver, as the case may be, to the Purchaser the following documents and instruments:

- (i) the documents set forth in section 2.1;
- (ii) the written corporate approvals set forth in paragraph 5.2(c) below; and
- (iii) the good standing certificate and SCC records as to the existence of WBC and ClarkeCo as required under paragraph 5.2(c) below.

(b) On the Closing Date, WBC shall amend its Governing Documents and take all other actions necessary to change its name to one sufficiently dissimilar to WBC's present name, in Purchaser's judgment, to avoid confusion. WBC shall provide evidence of such name change to Purchaser at Closing and such documents shall be filed with the Virginia State Corporation Commission within five (5) days after the Closing. WBC's rights to the name "Worlds Best Cheesecake" shall be assigned to Purchaser.

(c) The Purchaser shall execute and deliver, as the case may be, to the Sellers the following payment, documents and instruments:

- (i) the Business Note as set forth in paragraph 3.2(b)(ii) hereof;
- (ii) the Business Cash Payment as set forth in paragraph 3.2(b)(i), as adjusted in paragraph 3.2(c), in immediately available funds; and
- (iii) such documents as may be required under paragraph 1.4.

5.2 Purchaser's Conditions to Closing. The conditions set forth below in the subparagraphs of this paragraph 5.2 shall constitute the "Purchaser's Conditions to Closing". The

Purchaser shall be the only party entitled to waive the Purchaser's Conditions to Closing. If the Purchaser's Conditions to Closing are not satisfied in full as of the Closing Date, the Purchaser shall be entitled to terminate all of its obligations and duties under this Agreement, without terminating, limiting, impairing, waiving or in any way affecting its rights or remedies under this Agreement provided Purchaser has satisfied or is capable of satisfying all of Sellers' conditions to Closing.

(a) Representations and Warranties True at Closing. The representations and warranties of the Sellers contained in this Agreement shall have been true and complete in all material respects at all the times during the Inspection Period and shall be true, accurate and complete in all material respects at the Closing Date.

(b) Performance. The Sellers shall have performed and complied with all agreements and conditions required by this Agreement to be performed or complied with by it prior to or at the Closing.

(c) Certificates. WBC shall have delivered to the Purchaser (i) resolutions of the WBC's Board of Directors and all of its shareholders approving this Agreement and the transactions contemplated herein; and (ii) an official good standing certificate of the Virginia State Corporation Commission ("SCC") dated no more than forty-five (45) days prior to the Closing Date, confirming that WBC is a corporation in good standing under Virginia law. ClarkeCo shall have delivered to the Purchaser (i) resolutions of ClarkeCo's Manager and all of its members approving this Agreement and the transactions contemplated herein; and (ii) SCC records as to the existence of ClarkeCo dated no more than forty-five (45) days prior to the Closing Date, confirming that ClarkeCo is a limited liability company duly organized and validly existing under Virginia law.

(d) Fire, Theft, Casualty and Condemnation. No loss or damage due to fire, theft or other casualty shall have affected the Purchaser's intended use or enjoyment of the Assets or the Real Estate. No taking, or sale in lieu thereof, pursuant to a power of eminent domain shall have occurred or been proposed by any federal, state or local agency or authority with respect to all or any part of the Real Estate.

(e) Real Estate. ClarkeCo and Purchaser shall have entered into the Lease Purchase Agreement for the Real Estate, in form satisfactory to Purchaser and all approvals of VSBFA, the Trustee, Branch Banking & Trust Company of Virginia and others as required under the Loan Agreement and related documents shall have been obtained. Purchaser shall pay all expenses and costs associated with such lease approvals related to the bond issued by VSBFA; provided, however, the Purchaser shall not be required to pay any of the counsel fees or expenses of the Sellers or of Vernon or of Kevin.

5.3 Sellers' Conditions to Closing. The conditions set forth below in the subparagraphs of this paragraph 5.3 shall constitute the "Sellers' Conditions to Closing." The Sellers shall be the only party entitled to waive the Sellers' Conditions to Closing. If the Sellers' Conditions to Closing are not satisfied in full as of the Closing Date, the Sellers shall be entitled to terminate all of its obligations and duties under this Agreement, without terminating, limiting,

impairing, waiving or in any way affecting its rights or remedies under this Agreement provided Sellers have satisfied or are capable of satisfying all of Purchaser's conditions to Closing.

(a) Representations and Warranties. The representations and warranties of the Purchaser contained in this Agreement shall be true at all times during the Inspection Period and shall be true, accurate and complete on the Closing date.

(b) Performance. The Purchaser shall have performed and complied with all agreements and conditions required by this Agreement to be performed or complied with by it prior to or at the Closing, including, but not limited to, the delivery of the Purchase Price.

(c) Real Estate. ClarkeCo and Purchaser shall have entered into the Lease Purchase Agreement for the Real Estate, in form satisfactory to ClarkeCo and all approvals of VSBFA, the Trustee, Branch Banking & Trust Company of Virginia and others as required under the Loan Agreement and related documents shall have been obtained. Purchaser shall pay all expenses and costs associated with such lease approvals related to the bond issued by VSBFA; provided, however, the Purchaser shall not be required to pay any of the counsel fees or expenses of the Sellers or of Vernon or of Kevin.

ARTICLE 6. REPRESENTATIONS AND WARRANTIES.

6.1 Sellers' Representations and Warranties. The Sellers jointly and severally represent and warrant to the Purchaser as follows:

(a) WBC Organization, Good Standing, and Authority. WBC is a corporation duly organized, validly existing and in good standing under the laws of the Commonwealth of Virginia. WBC has the corporate power and authority to own its properties, carry on its business as presently conducted, consummate the transactions contemplated by this Agreement and comply with the provisions of this Agreement. WBC's execution of, and performance under, this Agreement and all other agreements and instruments required to be executed in connection with this Agreement have been duly authorized by WBC's Board of Directors and, to the extent required by applicable law, WBC's shareholders.

(b) ClarkeCo Organization and Authority. ClarkeCo is a limited liability company duly organized and validly existing under the laws of the Commonwealth Virginia. ClarkeCo has the power and authority to own its properties, carry on its business as presently conducted, consummate the transactions contemplated by this Agreement and comply with the provisions of this Agreement. ClarkeCo's execution of, and performance under, this Agreement and all other agreements and instruments required to be executed in connection with this Agreement have been duly authorized by ClarkeCo's Manager and, to the extent required by applicable law, ClarkeCo's members.

(c) No Brokers. There are no real estate or brokerage commissions payable in connection with the transactions contemplated by this Agreement to any party claiming through Sellers, or arising out of the actions of Sellers, other than the commission payable by Sellers to Tidewater Group, Inc.

(d) Ownership and Title. The Sellers are the sole owners of the Assets free and clear (subject to rights of governmental entities) of any and all security interests, liens, encumbrances, option agreements, sales agreements, leases, claims and rights of any third party, except as set forth in this Agreement, and upon delivery of the Assets at Closing, good, valid and marketable title to the Assets, free and clear of all liens, encumbrances, charges, claims, restrictions, pledges, security interests or impositions, except as set forth in this Agreement, will pass to the Purchaser.

(e) Litigation and Compliance. There are, as of the date of this Agreement, no judgments, orders, decrees, actions, suits, claims or proceedings, whether in equity or at law, or governmental or administrative investigations pending, or to the best knowledge of the Sellers threatened (i) by, against or otherwise involving any of the Sellers, the Assets, the Real Estate, the Business that would have an adverse effect on the Business, Assets or the Real Estate, or (ii) which question or challenge the validity of this Agreement or any action taken or to be taken by the Sellers pursuant to this Agreement.

(f) Absence of Violations. To the best knowledge of the Sellers, neither the execution of this Agreement nor the consummation of the transactions contemplated herein will cause, constitute or result in any of the following (whether at present or with the giving of notice, the passage of time, or both), except as may be set forth on a schedule at Closing acceptable to the Purchaser:

(i) a violation, breach or default under, or a termination or non-renewal of, any agreement, contract, covenant, lease, mortgage, or other instrument to which the Sellers are a party or that is binding on the Sellers;

(ii) a violation of any constitution, statute, regulation, rule, ordinance or other legally enforceable restriction or requirement to which the Sellers is subject; or

(iii) a violation of any judgment, order, writ, injunction, decree or other requirement of law by which the Sellers are bound.

(g) Taxes. The Sellers have filed or will file, on or before the required dates (including the applicable dates of any authorized filing extensions), all federal, state and local tax returns and reports required to be filed by it and has paid or will pay all taxes (including but not limited to income, sales, use, ad valorem, personal property and employment taxes), assessments, deficiencies, penalties and interest required to be paid in connection with such returns and reports to the extent they relate to the Business.

(h) Environmental Matters. (i) To the best of their knowledge, prior to its ownership and/or occupancy of the Real Estate; and (ii) during its respective ownership and/or occupancy of the Real Estate: (1) no Hazardous Substances or Toxic Wastes, as such terms are defined below in this paragraph 6.1(k), have been illegally placed, used, stored or released on, within or under the surface of the Real Estate and no Hazardous Substances or Toxic Wastes have been illegally transported to, or from the Real Estate; (2) no Environmental Incident, as

such term is defined below in this paragraph 6.1(k), has occurred; and (3) no federal, state or local governmental authority or agency has served any notice on the Sellers regarding an actual, alleged or suspected Environmental Incident and, to the best knowledge of the Sellers, no such notice has been planned or proposed by any such agency or authority. As used in this Agreement, the following terms shall have the indicated meanings: (A) "Hazardous Substance" shall have the meaning ascribed to it in the federal Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended ("CERCLA"); (B) "Toxic Waste" shall have the meaning ascribed to it in the federal Resource Conservation and Recovery Act of 1976, as amended ("RCRA"); (C) "Environmental Incident" shall mean the illegal placement, use, storage or release of a Hazardous Substance, Toxic Waste, petroleum products or material containing asbestos at, on, within or under the surface of, the Real Estate, or the occurrence of any event that is a violation of any federal, state or local environmental statute, regulation, rule, ordinance or other requirement of law, including, but not limited to, CERCLA, RCRA, the federal Clean Water Act, the federal Clean Air Act, the federal Toxic Substances Control Act and the Virginia Waste Management Act; and (D) "Best knowledge" for this representation shall mean anything actually known by the Sellers, their officers, directors, managers, members or managing employees, as well as anything in the files of the Sellers relating to the matter at hand.

(i) Copyrights and Trademarks. To the best of Sellers' knowledge, the trade name "Worlds Best Cheesecake" does not infringe upon any common law or statutory copyright or trademark issued to any other person or entity and that no other name, advertisement or process utilized by Seller in the Business infringes upon any other common law or statutory copyright or trademark.

(j) Operating Equipment. All equipment (including processing equipment), motor vehicles and other tangible personal property purchased and sold hereunder, is in good operating condition, and any items not in good operating condition and functioning for its intended purpose, and known to Sellers, has been disclosed to Purchaser before the end of the Inspection Period.

6.2 Representations and Warranties of the Purchaser. The Purchaser represents and warrants to the Sellers as follows:

(a) Authority. The Purchaser has the power and authority to own its properties, carry on its business as presently conducted, consummate the transactions contemplated by this Agreement and comply with the provisions of this Agreement. The Purchaser's execution of, and performance under, this Agreement, the Note and all other agreements and instruments required to be executed in connection with this Agreement have each been duly authorized in accordance with the applicable provisions of Virginia and New York law.

(b) Brokers. There are no real estate or brokerage commissions payable in connection with the transactions contemplated by this Agreement to any party claiming through Purchaser, or arising out of the actions of Purchaser, other than the commission payable by Sellers to Tidewater Group, Inc.

(c) Litigation. There are no actions, suits, claims or proceedings, whether in equity or at law, or governmental or administrative investigations pending or, to the knowledge of the Purchaser, threatened against the Purchaser that relate to the transactions contemplated by this Agreement or which question or challenge the validity of this Agreement or any action taken or to be taken by the Purchaser pursuant to this Agreement.

(d) Solvency. The Purchaser is solvent and immediately after the Closing the Purchaser will be solvent.

(e) Absence of Violations. To the best knowledge of the Purchaser after due investigation, neither the execution of this Agreement nor the consummation of the transactions contemplated herein will cause, constitute or result in any of the following (whether at present or with the giving of notice, the passage of time, or both), except as may be set forth on a schedule at Closing acceptable to the Sellers:

(i) a violation, breach or default under, or a termination or non-renewal of, any agreement, contract, covenant, insurance policy, lease, mortgage, or other instrument to which the Purchaser is a party or that is binding on the Purchaser;

(ii) a violation of any constitution, statute, regulation, rule, ordinance or other legally enforceable restriction or requirement to which the Purchaser is subject; or

(iii) a violation of any judgment, order, writ, injunction, decree or other requirement of law by which the Purchaser is bound.

(f) Compliance with Laws. Except as may be set forth on a schedule at Closing acceptable to the Sellers, the Purchaser has not received any notices of non-compliance with any applicable state, federal and local statutes, regulations, rules, ordinances and other requirements of law (including, but not limited to, laws relating to environmental matters, land use and zoning matters, employee benefit plans and programs, occupational safety, workers' compensation, immigration and wage/hour standards), non-compliance of which could have any adverse effect on the Purchaser.

(g) No Knowledge of Sellers' Breach. Without any duty to investigate further, Purchaser is not aware of any breach by Sellers of any of its representations and warranties hereunder.

(h) No Guaranty of Profitability. The Purchaser acknowledges and agrees that the Sellers' representations and warranties shall not be construed as any assurance or guaranty of profitability or successful operation of the Business or any portion thereof after Closing.

(i) Consents and Approvals. Except as may be set forth on a schedule at Closing acceptable to the Sellers, to the best of Purchaser's knowledge, the Purchaser has obtained all consents and approvals that are necessary for the Purchaser to conduct the Business.

6.3 Survival. The representations and warranties in this Agreement shall survive the Closing and delivery of the Closing documents.

ARTICLE 7. INDEMNIFICATION.

7.1 Survival. The obligations of indemnification set forth in paragraphs 7.2(a) and (b) hereof shall survive the Closing Date for two (2) years, except that the obligations of Vernon Clarke set forth in Section 3.2 shall survive for a period of three (3) years from the Closing Date.

7.2 Indemnification.

(a) Indemnification of Purchaser. The Sellers shall indemnify, hold harmless and defend the Purchaser and its officers, directors, shareholders, employees, agents, representatives and its successors (the "Purchaser Group"), from and against any and all claims, causes of action, suits, motions for judgment, complaints, liabilities, damages, losses, debts, costs and expenses (including, but not limited to, actual attorneys' fees and costs reasonably incurred) that are made against or sustained by any member of the Purchaser Group and that arise from (i) any breach, default or violation by the Sellers under this Agreement or any other agreement or instrument executed by it in connection with this Agreement or the transactions contemplated herein; (ii) any material misrepresentation or omission of fact by the Sellers in this Agreement or any other agreement or instrument executed by it connection with this Agreement or the transactions contemplated herein; (iii) any failure by the Sellers to timely pay and discharge the obligations and liabilities of the Sellers other than the obligations assumed by the Purchaser hereunder; and (iv) any representation or warranty of the Sellers being untrue, false, misleading, inaccurate or incomplete in any material respect. If the Sellers should wrongfully fail to close hereunder or breach any of its obligations, agreements or covenants hereunder, the Purchaser shall be entitled to pursue any remedies at law or in equity which it may possess.

(b) Indemnification of Sellers. Purchaser shall indemnify, hold harmless and defend Sellers and Sellers' officers, directors, shareholders, managers, members, employees, agents, representatives and other affiliates and its successors (the "Sellers' Group"), from and against any and all claims, causes of action, suits, motions for judgment, complaints, liabilities, damages, losses, debts, costs and expenses (including, but not limited to, actual attorneys' fees and costs reasonably incurred) that are made against or sustained by any member of the Sellers' Group and that arise from (i) any breach, default or violation by Purchaser under this Agreement or any other agreement or instrument executed by it in connection with this Agreement, or (ii) the failure of the Purchaser to timely pay and discharge the Assumed Liabilities or any other expense, liability, obligation or claim arising after the Closing Date. If Purchaser should wrongfully fail to close hereunder or breach any of its obligations, agreements or covenants hereunder, Sellers shall be entitled to pursue any remedies at law or in equity which it may possess.

(c) Setoff. The Purchaser may setoff and recoup any damage incurred or suffered by them or either of them due to any loss, threatened, suffered or incurred, arising from the matters described in Section 7.2(a), and/or due to the failure of any accounts receivable of the

Sellers, acquired by the Purchaser to be paid within ninety (90) days from the date of Closing. Such right of setoff and recoupment shall include, but not be limited to, crediting and withholding payment of any sum due to the Sellers first under the Business Note or the Non Compete Note and only after the right of setoff exceeds any amount due under the Business Note and the Non Compete Note, shall any excess right of setoff be applied to the Purchase Price, as that term is defined in the Lease Purchaser Agreement, for the Real Estate; however, such setoff and recoupment may only be made after written notice by the Purchaser to the Sellers; provided further that any of said accounts receivable which are not collected within ninety (90) days from the date of Closing shall be assigned by Purchaser to the Seller.

ARTICLE 8. GENERAL PROVISIONS.

8.1 Fees and Expenses. Except as otherwise provided in this Agreement, each party hereto shall pay its own fees and expenses for any brokers, agents, investment bankers, attorneys, accountants, or finders as may be retained or employed, directly or indirectly, in connection with the negotiation, preparation and/or Closing under this Agreement and the consummation of transactions contemplated herein. Each party hereto shall indemnify and hold harmless, each other party from any and all claims or obligations, or whatever kind, or nature, including, but not limited to, claims for reasonable attorneys' fees and costs, arising as a result of such party's failure to pay any broker, attorney, accountant, or other representative retained by such party with respect to the negotiation or consummation of the transactions contemplated herein. Sales and transfer taxes due to the State of Virginia, in the consummation of this transaction, shall be paid equally by Sellers and Purchaser.

8.2 Negotiations with Others. During the period prior to the Closing Date specified in Paragraph 5.1, neither the Sellers nor any agent or broker engaged by it, shall directly or indirectly, without the prior written consent of the Purchaser, initiate or participate in any negotiations or other discussions with any person or entity regarding any sale, assignment or lease, or any option to sell, assign or lease, all or part of the Assets or the Real Estate, except for sales and assignments arising in the ordinary course of the Sellers' Business.

8.3 Risk of Loss or Damage. The Sellers shall bear the risk of loss or damage to the Assets or the Real Estate by fire, theft or other casualty prior to the Closing Date.

8.4 Waivers. All rights and remedies available at law, in equity or under the terms of this Agreement or any other agreement or instrument executed in connection herewith shall be cumulative, and no waiver thereof shall be (i) implied from the prior acts or omissions, or based solely upon the oral representations, of a party hereto; or (ii) effective or binding unless, and then only to the extent that, such waiver is set forth in this Agreement or a party hereto signs an express written waiver of rights or remedies and causes such written waiver to be delivered to the party for whose benefit such written waiver is made.

8.5 Notices. All notices given to a party hereto in connection with this Agreement shall be in writing and shall be deemed to have been properly delivered if actually received or if (i) delivered either by hand or by a recognized overnight courier service (such as Federal Express) with delivery charges prepaid or telefaxed to the addressee's telefax number, or three

days after being deposited in the United States Mail, postage prepaid, registered or certified, return receipt requested, and (ii) addressed to the following address or such other address as a party may subsequently designate in writing to all other parties:

If to the Sellers:

WBC: Mr. G. Vernon Clarke
8643 Carywood Court
Mechanicsville, Virginia 23116
Phone: (804) 427-5203

ClarkeCo: Mr. G. Vernon Clarke
8643 Carywood Court
Mechanicsville, Virginia 23116
Phone: (804) 427-5203

with a copy to: Beverley L. Crump, Esquire
McSweeney & Crump, P.C.
11 South Twelfth Street
(P. O. Box 1463; Richmond, Virginia 23218)
Richmond, Virginia 23219
Telefax: (804) 782-2130

If to the Purchaser: Daystar Enterprises LTD.
c/o Russell B. Cobb
437 Railroad Ave.
Westbury, NY 11590
Phone: (516) 334-3707
Telefax: (516) 334-2394

with a copy to: Stephen C. Winter
Miles & Stockbridge, P.C.
600 Washington Avenue, Suite 300
Towson, Maryland 21204
Phone: (410) 823-8124
Telefax: (410) 823-8123

8.6 Applicable Law. This Agreement shall be interpreted and enforced in accordance with the laws of the Commonwealth of Virginia, without regard to any conflicts of law provisions or principles thereof to the contrary.

8.7 Prior Agreements. All prior agreements, whether written or oral, among the parties hereto with respect to the subject matter of this Agreement have been merged and integrated into this Agreement and, to the extent of any conflict or inconsistency with this Agreement, are superseded by the provisions of this Agreement.

8.8 Terms of Convenience. Captions and headings are used in this Agreement for convenience only and shall not be construed to affect the meaning of this Agreement. Terms such as "hereof," "herein," "hereto," "hereby," "hereunder" and similar references to this Agreement shall be deemed to refer to this Agreement as a whole and not to any particular section or provision of this Agreement.

8.9 Modification, Assignment and Delegation. This Agreement shall not be modified unless, and then only to the extent that, a written modification is executed by all of the parties hereto or their respective successors or assigns. No party hereto may assign or delegate, whether in whole or in part, any of his or its rights, duties or obligations under this Agreement, and any attempted assignment or delegation in violation of this Agreement shall be void.

8.10 Termination. This Agreement and the transactions contemplated by this Agreement may be terminated (i) by the Purchaser during the Inspection Period if, during the Inspection Period, the Purchaser discovers any fact, matter or condition which is unacceptable to it, in its reasonable discretion, whether such matter, fact or condition is discovered as a result of its due diligence efforts, as a result of schedules, exhibits or documents (or updates or amendments thereof) furnished it by the Sellers or otherwise; or (ii) at any time before the Closing Date by the Purchaser, in the event of a failure of a condition set forth in any of the paragraphs of section 5.2, or (iii) at any time before the Closing Date by the Sellers, in the event of a failure of a condition set forth in the paragraphs of section 5.3. If this Agreement shall be terminated, then, except as set forth below, all covenants, agreements, representations, warranties, and obligations of any kind contained in this Agreement or made in writing in connection herewith shall be terminated. Notwithstanding the foregoing provision, after termination of this Agreement, (i) the parties shall remain obligated to pay any and all fees and expenses incurred with respect to their retention of brokers, attorneys, accountants and other representatives and the parties hereto shall remain obligated to indemnify and hold harmless each of the other parties with respect to such obligations in accordance with paragraph 8.1 hereof; (ii) the parties shall remain obligated to comply with the confidentiality provisions set forth in paragraph 4.1(d) hereof; (iii) the Purchaser shall remain obligated to indemnify the Sellers from all liabilities, losses and damages to the Assets arising out of their inspection of such Assets during the Inspection Period as set forth in paragraph 4.1(a) hereof; and (iv) the parties shall continue to be bound by their respective representations and warranties respecting the retention of brokers set forth in paragraphs 6.1(c) and 6.2(b), hereto.

8.11 Breach or Default.

(a) Breach By Sellers. In the event of a material breach by Sellers of any of its material representations and obligations under this Agreement which is not cured within fifteen (15) days after written notice to that effect from Purchaser, Purchaser shall have the option, provided that Purchaser is not then in default of any material terms or condition of this Agreement to be performed or satisfied by it, to terminate this Agreement, and recover from the Sellers, as liquidated damages, out-of-pocket expenses paid in the negotiation, execution and consummation of this Agreement.

(b) Breach By Purchaser. In the event of a material breach by Purchaser of any of its material representations and obligations under this Agreement, including, but not limited to a failure to close by May 31, 2004, which is not cured within fifteen (15) days after written notice to that effect from Sellers, Sellers shall have the right, provided that Seller is not in default of any material term or condition of this, to terminate this Agreement and recover from the Purchaser, as liquidated damages, out-of-pocket expenses paid in the negotiation, execution and consummation of this Agreement.

8.12 Binding Effect. This Agreement shall be binding upon and shall inure to the benefit of the parties hereto and their permitted assigns and successors in title or interest.

8.13 Counterparts. This Agreement may be executed in counterparts, and any executed counterparts shall bind the parties hereto and inure to the benefit as though all parties were signatory to the same counterpart.

8.14 Post-Closing Cooperation. The Sellers, on the one hand, and the Purchaser, on the other, agree to cooperate with one another in good faith to further effect the conclusion of the transactions contemplated by this Agreement. In addition, if the Purchaser waives any conditions to the Closing under paragraphs 5.2 of this Agreement, the Sellers agree, at the request of the Purchaser, to use good faith, and commercially reasonable efforts but without cost or expense to Sellers to seek to satisfy the conditions after the Closing and to cooperate with the Purchaser.

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SIGNATURES APPEAR ON THE FOLLOWING PAGES.]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by a duly authorized officer, as of the first date written above.

SELLERS:

World's Best Cheesecake, Inc., a Virginia corporation

By: *G. Vernon Clarke*
G. Vernon Clarke, President

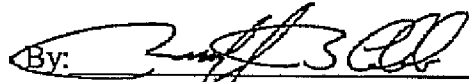
ClarkeCo, L.L.C., a Virginia limited liability company

By: *G. Vernon Clarke*
G. Vernon Clarke, Manager

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by a duly authorized officer, as of the first date written above.

PURCHASER:


Daystar Cheesecake, LLC, a Virginia limited liability company

By: 

Russell B. Cobb, Manager

GUARANTOR:

Daystar Enterprises Ltd., a New York corporation

By: 

Russell B. Cobb, President