

TRAVEL AGENCY

ASSETS PURCHASE AND SALE AGREEMENT

THIS AGREEMENT is hereby made, INC., hereinafter ("SELLER") a _____ Corporation whose principal place of business is located at _____, and, INC., (hereinafter "BUYER"), whose principal place of business. SELLER operates a retail travel agency business known as _____ (hereinafter the "Premises") (hereinafter "The Travel Agency") SELLER owns 100 percent of the Travel Agency.

BUYER desires to purchase from the SELLER and SELLER desires to sell to BUYER, on the terms and subject of the conditions of this agreement, certain assets of The Travel Agency. In consideration of the mutual covenants, agreements, representations, and warranties contained in this Agreement, the parties agree as follows:

1. Purchase and Sale of Assets

Subject to the terms and conditions set forth in this Agreement, SELLER agrees to sell, convey, transfer, and deliver to BUYER, and BUYER agrees to purchase from SELLER, assets of the travel Agency ("ASSETS") set forth in Exhibit "A".

1.1. Assignment of Real Property Lease.

SELLER shall assign the real property office lease to BUYER, This Agreement is conditioned upon LANDLORD'S consent to the assignment of the existing lease in the form of Exhibit "C".

1.2. Equipment.

SELLER shall deliver to BUYER all machinery, appliances, furniture, and equipment (hereinafter collectively, the "Equipment"), in "as is" condition, used in the conduct of the business of the Travel Agency.

1.3. Inventory and Supplies.

SELLER shall transfer all of the SELLER's inventory and supplies on hand as of the close of this transaction. Seller shall provide an inventory of the deposit. "Ticket Stock" shall mean accountable documents for air transportation provided by ARC.

1.4. Intangibles and Goodwill.

SELLER shall transfer to BUYER all of the Travel Agency's intangible assets, including, but not limited to, The Travel's Agency telephone numbers, name, good will, Internet domain, and customer files.

1.5. Assumption of certain Liabilities.

BUYER shall assume certain liabilities relating to the operations of The Travel Agency arising from or created by agreement, commitment and/or contract to which SELLER is a party and

by which SELLER or any of its Properties are bound. Each such liabilities is set to a 'Schedule of Assumed Liabilities' attached hereto as Exhibit ' B ' .

2. Consideration from Buyer.

2.1 The purchase price for the ASSETS transferred hereby is \$

2.2 SELLER acknowledges receipt of BUYERS deposit in the amount of ____ (5% to 10% of selling price) and BUYER acknowledges that the deposit of _____ is non-refundable provided that the SELLER has not breached any of the additional terms of this Agreement.

2.3 SELLER acknowledges and agrees to accept from the BUYER monthly installment payments of per month.

The first payment will begin on _____. Each payment will be due and payable by the 5th day of each month. If any payment is not paid by the 10th day of the month, the Buyer shall pay SELLER a late charge of five percent (5%) of such payment.

2.4 If any debit memos arise after the date of this Agreement from tickets issued prior to the date of this Agreement, SELLER shall pay the same promptly on receipt. SELLER shall not be responsible for debit memos that result from operations of the agency after the date of this Agreement.

2.5 Upon delivery of the final installment payment by the BUYER to the SELLER, both parties will complete a Type V Change of Ownership with ARC (Airlines Reporting Corporation) and change of ARC bank account, both of which BUYER and SELLER shall use best efforts to obtain.

2.6 As the BUYER will also be utilizing the services of the SELLER from the delivery of the initial deposit, and SELLER will receive commissions and revenues for transactions which were generated by the BUYER. All airline and railway tickets must be paid for by the customer by cash or credit card in advance of SELLER'S remittance to the suppliers. After the date of this Agreement, SELLER shall have no obligation to advance any funds for any tickets. If during this Agreement the sum of cash and credit card commissions is greater than the sum of total cash sales, and the SELLER receives commissions directly from the travel supplier including ARC, SELLER will remit the full amount of said commissions to the BUYER on the 15th and last day of each month.

3.0 Right to Presence at Agency

At the time of the delivery of the initial deposit to the SELLER from the Buyer, the BUYER'S principals, agents and employees shall have the right to occupy the premises of the Agency and utilize the agency's services for its own travel requirements. SELLER shall maintain the right to be present on the premises until the delivery of the 10th payment and to ensure compliance with the Airlines Replication Corporation (ARC) rules until date of ARC approval of transfer of ownership.

3.1 Seller's ARC Accounting to Buyer - Between the delivery of the initial deposit and ARC approval for transfer of ownership, SELLER shall make a full and complete accounting to BUYER of all ARC ticket transactions issued and shall turn over all monies and commissions pertaining to transactions after the delivery of the initial deposit from the SELLER to the

BUYER as instructed by the BUYER. SELLER will also provide a complete reporting of a non-air sales, commissions, and revenue generated after the delivery of the initial deposit which include but are not limited to cruises, tours, hotel and car commission, group sales, insurance, and any other miscellaneous transactions.

The SELLER will permit the designated member of the BUYER'S accounting staff to assist with the weekly ARC reporting after the delivery of the initial deposit, and make an electronic data file available through CRS and the accounting system available to the Buyer on a daily basis of both air and non-air sales.

4. Allocation of Commissions, and Other Properties

4.1. Commissions for Travel Ticketed or fully paid for Prior to the delivery of the initial deposit. All commissions (including oversees) or for travel ticketed or fully paid prior to the delivery of the initial deposit shall be allocated to the SELLER

4.2 Commissions for Travel ticketed or fully paid for after the delivery of the initial deposit. All commissions (including oversees) or travel ticketed or fully paid for after the delivery of the initial deposit and those commissions generated from sales to BUYER after shall belong to BUYER.

4.3 Transfer or Customer Deposits - Any and all customer deposits held by Seller for future travel bookings shall be separately stated and maintained by the SELLER until receipt of ARC approval. SELLER shall be responsible for remitting all such payment to respective travel vendors as required by the Individual travel vendor. Any and all deposits held by the SELLER after the receipt of ARC approval shall be transferred to the BUYER within 10 days of receipts of ARC approval. A schedule of all deposits held by the signing of this Agreement shall be provided to the BUYER and attached hereto the Exhibit "D".

An updated schedule of deposits held by the SELLER at the time of ARC approval will be provided to the Buyer by the SELLER within 10 days of ARC approval.

4.4 Operating Expenses - All operating expenses, which are outlined and exhibit "E" and attached hereto, will be responsibility of the Buyer the delivery of the initial deposit by the BUYER to the SELLER. Both parties agree that normal operating expenses include those obligations that it currently maintains in the operation of the agency. SELLER warrants to the BUYER that he normal operating expenses outlined in exhibit "E" are a true and accurate accounting of the costs previously associated with the company, but SELLER makes no representation as to what the future operating expenses will be after the date of this Agreement. Any invoices received by the Agency for expenses or liabilities received for services rendered or disputes occurring prior to the delivery of the initial deposit by the BUYER to the SELLER shall be the responsibility of the Seller. Any invoices received by the Agency for expenses or liabilities received for services rendered or disputes occurring prior to the delivery of the initial deposit by the BUYER to the Seller shall be the responsibility of the SELLER. SELLER shall continue to maintain the existing payroll account until such time as ARC approval for the sale occurs. Buyer shall be responsible to reimburse Seller for all such expenses weekly as they are incurred

5. Leases and Contracts

5.1 The transaction contemplated by this Agreement is contingent upon SELLER's assignment of the office space lease to the Premises to the Buyer at the time of closing in the form shown on Exhibit "C". BUYER shall take all steps reasonably required by the Landlord, including making a security deposit and providing reasonable guarantees, if required, to induce Landlord to consent to such transfer and to release the Seller and its guarantor from any liability under the Lease.

5.2. SELLER shall use its best efforts to cause each lessor, vendor, or contractor to continue to allow BUYER'S to continue to use the services or products provided by each lessor, vendor and contractor. The only leases are the office lease (see Exhibit C) and the subscriber lease with the reservation system.

5.3 SELLER shall maintain and keep in good standing surety bond or letter of credit made in favor of the Airlines Reporting Corporation (ARC) until approval is received from ARC that the change or ownership application has been approved. At such time, the SELLER may relinquish its bond or letter of credit and the Buyer will be obligated to assume this requirement.

6. Delivery to Buyer

At the time the BUYER delivers to the SELLER, the SELLER shall deliver to the Buyer the following:

6.1 Bill of Sale for the Agency and its Assets, including a complete customer list, purchased by BUYER. The Bill of Sale may indicate that it is subject to receipt of full payment as defined in Section 2 of this Agreement.

6.2 Bridge/Branch - The Seller will establish full Bridge/ Branch capabilities for the BUYER with the reservation system allowing the BUYER to queue reservations it creates to the SELLER for tickets issuance as well as enable network and remote ticket printing.

6.3 Any other documents or items for BUYER to effectively operate the Agency until approval by ARC.

7. Access and Information

Seller shall make available to BUYER any and all contracts, commitments, and financial and other records of the agency necessary for its daily operation. This will include but not be limited to ARC reports, customer receipts, accounts receivable, journals, account payable journals, payroll records, reservation system supervisory access.

8. Ownership of the Travel Agency

Upon receipt of all payments from the BUYER to the SELLER shall remain the legal owner of the agency and its assets. Upon completing such payment and obtaining approval for the Change of ownership application which be filed upon the delivery of the final payment, the ownership shall officially be transferred to the BUYER (the "Closing").

10. Representation and Warranties

10.1 SELLER hereby warrants that, to the best of its knowledge, no legal or administrative actions or proceedings are pending against the Travel Agency or against the SELLER individually in connection with the travel agency's operations, and SELLER shall notify BUYER in writing prior to close of any such action threaten or instituted prior to the close.

10.2 SELLER warrants that to the best of SELLER'S knowledge, the Travel Agency has not knowingly ticketed and will knowingly ticket prior to the close any travel which has resulted or which will result in the issuance of an outstanding (unpaid) debit memo.

10.3 SELLER warrants that SELLER has not and shall not license the name to a third party. SELLER further warrants that, to the best pf its knowledge, BUYER's use of said name will not infringe upon any third parties' right in said name.

10.4 There are no representations, warranties, agreements, covenants, or understandings (whether oral or written) between the parties and /or any other party except as contained herein. In any event this Agreement supersedes any prior or contemporaneous representations, warranties, agreements, covenants or understandings (whether oral or written) between the parties or any agent thereof.

11. Covenant Not to Compete

SELLER agrees that unless seller works for BUYER, SELLER shall not at any time within a three year period immediately following the delivery of the initial deposit by the Buyer to the SELLER directly or indirectly engage in, or have any interest in any person, firm, corporation (whether as an employee, officer director, agent, security holder, creditor, consultant, or otherwise), that engages in any retail travel activity of any kind within a 150 mile radius of the agency location. This convent will remain in full force for a period not to exceed (3) three years from the execution date of this Agreement.

SELLER further agrees not to divulge, communicate, use to the determent of BUYER, its owners, officers, directors, or for the benefit of any other person or persons, or misuse in any way confidential information, trade secrets of the BUYER or its subsidiaries for the length of this covenant. Seller further agrees not to engage in any action which would cause any current or future employee, or current or future customer, supplier, vendor to cease their employment or cease doing with the BUYER or any of its subsidiaries and commercial interests.

12. Contents of Agreement

This agreement contains the entire agreement of the parities and there are no other understandings, in writing or oral, between the parties relating to the subject matter of this Agreement.

13. Modification or Waiver

This Agreement is not to be amended, except after the date hereof by an instrument in writing signed by all of the parties, and no amendments, modifications, termination or waiver shall be binding unless in writing and signed by the party against whom the amendment, modification, termination or waiver is sought to be enforced. No waiver of any provision of this Agreement shall be deemed, or shall constitute a waiver of any other provisions, whether or not similar, nor shall any waiver constitute a continuing waiver.

14. Parties

This Agreement shall be binding on, and shall be inure to the benefit of, the parties to it and their legal representatives, successors and assigns.

15. Non-Assignment

This Agreement may not be assigned by either party without the prior written approval of the non-assigning party.

16. Dispute Resolution

16.1 Mediation. The parties involved in this transaction agree to and shall mediate any dispute or claim between them (and their respective affiliates, shareholders, directors, officers' employees, agents, successors, attorneys, and assigns) arising out of this agreement. All persons and entities specified in the preceding sentence (other than the parties) shall be considered third-party beneficiaries of the rights and obligations by this section. The mediation shall be held prior to arbitration. Should a party attempt an arbitration or a court action before attempting mediation, the prevailing party in the arbitration or court action shall not be entitled to attorney's fees that might otherwise be available to it in a court action or arbitration, and in addition thereto, the party who is determined to have resisted mediation may be sectioned by the arbitrator or judge. The mediation shall be confidential. In the event the parties are not able to agree on a mediator within thirty (30) days of the first party seeking mediator, an acting judge of the Supreme Court in () shall have jurisdiction to appoint a mediator. The following matters are excluded from mediation hereunder: (A) any matter which is within the jurisdiction of a small claims court, or (b) an action for bodily injury and wrongful death or for latent or patent defect to which Code of Civil Procedure applies.

16.2 Arbitration. Any and all controversies, claims and disputes between the parties (and their respective affiliates, shareholders, directors, officers, employees, agents, successors, attorneys and assigns) arising out of or relating to this Agreement or the construction, interpretation, breach termination, enforceability or validity thereof, whether such dispute is based upon statute, tort, contract, common law or otherwise and whether such dispute existed prior to or after the date of this Agreement shall be resolved by binding arbitration administered by the American Arbitration Association or the Center for the Dispute Settlement, under its Commercial Arbitration Rules, and judgment on the award rendered by the arbitration may be entered in any court having jurisdiction thereof. All persons and entities specified in the preceding sentence (other than the parties) shall be considered third-party beneficiaries of the rights and obligation created by this Section. The arbitrator shall not have the authority to award any remedy or relief that court of that state could not order or grant, including without limitation, specific performance of any obligation created

under the Agreement, the issuance of an injunction or the imposition of sanctions for abuse or frustration of the arbitration process. The arbitrator is not empowered to award damages in excess of compensatory damages and each party hereby irrevocably waives any right to recover punitive damages and each party hereby irrevocably waived any right to recover punitive damages with respect to any dispute. The following matters are excluded from arbitration hereunder (a) any matter which is within the jurisdiction of a small claims court or (b) an action tor bodily injury or wrongful death or patent defect to which Code of Civil Procedure applies.

16.3 Except as limbed in Subsection (a), if either party brings any legal action or seeks arbitration regarding any provision of this Agreement, the prevailing party in the ligation or arbitration shall be entitled to recover reasonable attorney's fees from the other party, in addition to any relief that may be granted. This provision applies to the entire agreement. Both parties were each represented by an attorney in the notion and execution of this Agreement.

17. Governing Law

This Agreement shall be construed in accordance with, and governed by, the laws of the State of _____

18. Execution in Parts

This Agreement may be executed in severity counterparts, and all so executed shall constitute one agreement which shall be binding upon all the parties hereto, notwithstanding that all parties' signatures do not appear on the same page.

19. Default

In the event the BUYER is in default in making any monthly payment of the purchase price or any payment of the purchase price or any payment of operating expenses or any other payment required hereunder for the period of thirty (30) days or more after such payment is due, the SELLER may at any time thereafter cancel this Agreement on written notice to the BUYER, in which event the SELLER shall irrevocably retain the initial deposit and any subsequent monthly payments of the purchase price as compensation for the services of the SELLER to the BUYER under this Agreement to the date of the BUYERS which event the Buyer shall continue to be responsible to pay all normal operating expenses up to the date of the cancellation of this agreement.

20. Guaranty

On even date herewith all of the obligations of the BUYER shall be guaranteed by (the "Guarantors") in the form of the Guaranty marked Exhibit G, attached hereto. Also, the Guarantors shall guaranty the obligations of the BUYER to the Landlord under the Lease, if required by the Landlord, to release the SELLER and its guarantor from liability under the Lease.

21. Opinions of Counsel

On even date herewith the attorneys for the BUYER, SELLER and Guarantor shall provide to each of the other party opinions of counsel in the form marked Exhibit H, attached hereto.

22.) Additional compensation

As additional compensation for the sale of the assets and the other terms and covenants contained herein, the BUYER agrees to pay SELLER ten percent (10%) of the gross commission's revenue generated by the buyer's Travel business. Such payments shall be payable quarterly on January 1, April 1, July 1, and October 1 of each year representing 10% of the gross commission revenues for the preceding three (3) months. Such payments shall be payable only for those months when BUYER's Travel business "breaks even" i.e. when the Buyer's commissions generated exceed the normal costs of operating the business (exclusive of officer or directors' salaries or other compensation). Such payment shall commence the month following the actual transfer of travel business to the BUYER (following ARC approval of the transfer). Such payments shall continue as long as the BUYER or any affiliated or related party continue to operate the business.

IN WITNESS WHEREOF, the parties have executed this agreement on the day and in the year set forth below.

BUYER

SELLER

BY _____

PRINT NAME _____

DATE _____

IN WITNESS WHEREOF, the Parties have executed this Master ServAgreement on the day and in the year as set forth b

