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8 **UNITED STATES DISTRICT COURT**
9 **DISTRICT OF NEVADA**

10 UNITED STATES OF AMERICA,

11 Plaintiff,

12 v.

2:06-CR-0186-PMP (PAL)

13 POWER COMPANY, INC., doing business as
THE CRAZY HORSE TOO, and
14 FREDERICK JOHN RIZZOLO,

15 Defendants.

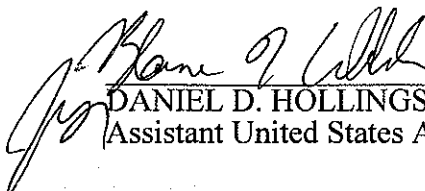
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17 **THE UNITED STATES OF AMERICA'S NOTICE OF LODGING THE CONTRACT TO**
18 **SELL THE CRAZY HORSE TOO**

19 The United States of America ("United States"), by and through Daniel G. Bogden, United
20 States Attorney for the District of Nevada, and Daniel D. Hollingsworth, Assistant United States
21 Attorney, respectfully submits the Contract to sell the Crazy Horse Too to the Court, as ordered by the
22 Court on April 16, 2010.

23 DATED this 21st day of April, 2010.

24 Respectfully submitted,

25 DANIEL G. BOGDEN
United States Attorney

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DANIEL D. HOLLINGSWORTH
Assistant United States Attorney

CONTRACT

ASSET PURCHASE AGREEMENT

BY AND BETWEEN

CC HOLDINGS, LLC
(AS BUYER)

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AND

U.S. MARSHALS SERVICE
(AS SELLER)

DATED AS OF AUGUST 26 2009

ASSET PURCHASE AGREEMENT

This ASSET PURCHASE AGREEMENT (the "Agreement"), dated as of August 22, 2009 (the "Effective Date"), is made by and among CC Holdings, LLC, a Nevada limited liability company ("Buyer") and U.S. Marshals Service, an agency of the United States ("Seller").

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Whereas on June 1, 2006, the Power Company, Inc., ("Power Company") pled guilty to a Criminal Information in the case of United States of America v. Power Company, Inc., No. 2:06-CR-0186-PMP (PAL), charging it with Conspiracy to Participate in a Racketeering Enterprise in violation of 18 U.S.C. § 1962(d) and substitute assets under 18 U.S.C. § 1963(m) (Docket #4) and agreed to a forfeiture money judgment of \$4,250,000.00 under 18 U.S.C. § 1963(a)(1-3), #7.

Whereas on June 1, 2006, Frederick John Rizzolo ("Rizzolo") also pled guilty to a Criminal Information, charging defendant Rizzolo with Conspiracy to Defraud the United States in violation of 18 U.S.C. § 371, #4, #8.

Whereas on June 28, 2006, this Court entered an Order of Forfeiture as to the Power Company, creating a forfeiture personal money judgment of \$4,250,000.00 under Fed. R. Crim. P. 32.2(b)(1), #12.

Whereas on August 21, 2007, this Court entered an Order Granting United States of America's Motion for this Court to Authorize the Substitution, the Forfeiture, and the Sale of the Substitute Assets and the Distribution of the Sale Proceeds,

Whereas on October 15, 2008, the Second Amended Order of Forfeiture forfeited to the United States against all potential petitioners the following property:

- a. 2440-2494 Industrial Road, Las Vegas, Nevada, consisting of approximately 2.65 acres, and the buildings, improvements, and fixtures attached and located on the land and the tenements, hereditaments, and appurtenances to the Land and certain tangible and intangible personal property; and
- b. a business operated on a portion of the Real Property under the name of Crazy Horse Too, and all leasehold improvements, furniture, trade fixtures, equipment, supplies, materials, merchandise, inventory, cash on hand, trade names, trademarks, and other tangible and intangible personal property located at or used on the Real Property in connection with the operation or maintenance of the Crazy Horse Too (collectively, the "Property"). #62.
- c. Legally Described as:

Parcel 1:

THAT PORTION OF SECTION 4, TOWNSHIP 21 SOUTH, RANGE 61 EAST, M.D.M., CITY OF LAS VEGAS, CLARK COUNTY, NEVADA, DESCRIBED AS FOLLOWS:
COMMENCING AT THE SOUTH QUARTER (S 1/4) CORNER OF SAID SECTION 4; THENCE NORTH 87°15'15" WEST

ALONG THE SOUTH LINE THEREOF A DISTANCE OF 61.79 FEET TO A POINT; THENCE NORTH $27^{\circ}56'15''$ EAST A DISTANCE OF 244.20 FEET TO THE TRUE POINT OF BEGINNING; THENCE NORTH $27^{\circ}56'15''$ EAST A DISTANCE OF 200.00 FEET TO A POINT; THENCE NORTH $62^{\circ}03'45''$ WEST A DISTANCE OF 260.00 FEET TO A POINT ON THE EAST LINE OF THE L.A. & S.L. (UNION PACIFIC) RAILROAD RIGHT-OF-WAY, 100 FEET WIDE; THENCE SOUTH $27^{\circ}56'15''$ WEST A DISTANCE OF 200.00 FEET TO A POINT; THENCE SOUTH $62^{\circ}03'45''$ EAST A DISTANCE OF 260.00 FEET TO THE TRUE POINT OF BEGINNING.

TOGETHER WITH THAT PORTION OF SECTION 4, TOWNSHIP 21 SOUTH, RANGE 61 EAST, M.D.M., CITY OF LAS VEGAS, CLARK COUNTY, NEVADA, DESCRIBED AS FOLLOWS:

COMMENCING AT THE SOUTH QUARTER (S 1/4) CORNER OF SAID SECTION 4; THENCE NORTH $87^{\circ}15'15''$ WEST ALONG THE SOUTH LINE THEREOF A DISTANCE OF 61.79 FEET; THENCE NORTH $27^{\circ}56'15''$ EAST, ALONG THE NORTHWESTERLY LINE OF INDUSTRIAL ROAD (80 FEET WIDE), 60.78 FEET TO THE NORTHERLY LINE OF SAHARA AVENUE, AS DESCRIBED BY A DEED RECORDED APRIL 7, 1965 IN BOOK 618 AS DOCUMENT NO. 496831 OF THE OFFICIAL RECORDS, CLARK COUNTY, NEVADA, SAID POINT BEING THE TRUE POINT OF BEGINNING; THENCE CONTINUING NORTH $27^{\circ}56'15''$ EAST, ALONG SAID NORTHWESTERLY LINE, 184.42 FEET; THENCE NORTH $62^{\circ}03'45''$ WEST, 260.00 FEET TO THE SOUTHEASTERLY LINE OF THE L.A. & S.L. (UNION PACIFIC) RAILROAD RIGHT-OF-WAY; THENCE SOUTH $27^{\circ}56'15''$ WEST, ALONG SAID SOUTHEASTERLY LINE, 305.72 FEET; THENCE SOUTH $87^{\circ}15'15''$ EAST, ALONG THE AFOREDESCRIBED NORTHERLY LINE OF SAHARA AVENUE, 287.33 FEET TO THE TRUE POINT OF BEGINNING.

PARCEL II:

BEING A PORTION OF THE SOUTHWEST QUARTER (SW 1/4) OF SECTION 4 AND THE NORTHWEST QUARTER (NW 1/4) OF SECTION 9, ALL IN TOWNSHIP 21 SOUTH, RANGE 61 EAST, M.D.M., AND MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT ON THE RIGHT OR SOUTHERLY RIGHT-OF-WAY LINE OF SR-589 (SAHARA AVENUE) AND THE SOUTHEASTERLY RIGHT-OF-WAY LINE OF THE UNION PACIFIC RAILROAD, 72.77 FEET RIGHT OF AND AT RIGHT ANGLES TO HIGHWAY ENGINEER'S STATION "01" 52+05.66 P.O.T.; SAID POINT OF BEGINNING FURTHER DESCRIBED AS BEARING SOUTH $81^{\circ}43'46''$ WEST, A DISTANCE OF 390.39 FEET FROM THE NORTH QUARTER

CORNER OF SECTION 9, TOWNSHIP 21 SOUTH, RANGE 61 EAST, M.D.M.; THENCE NORTH 27°40'40" EAST, ALONG SAID SOUTHEASTERLY RIGHT-OF-WAY LINE, A DISTANCE OF 141.27 FEET TO A POINT ON THE LEFT OR NORTHERLY RIGHT-OF-WAY LINE OF SAID SR-589; THENCE SOUTH 87°31'01" EAST, ALONG SAID NORTHERLY RIGHT-OF-WAY LINE, WHICH IS COINCIDENT WITH THE RIGHT OR EASTERLY CONTROL OF ACCESS OF IR-15 FREEWAY, A DISTANCE OF 287.49 FEET TO A POINT ON THE FORMER NORTHWESTERLY RIGHT-OF-WAY LINE OF INDUSTRIAL ROAD; THENCE SOUTH 35°52'22" WEST, ALONG SAID FORMER NORTHWESTERLY RIGHT-OF-WAY LINE, A DISTANCE OF 140.32 FEET TO A POINT ON SAID RIGHT OR SOUTHERLY RIGHT-OF-WAY LINE OF SR-589; THENCE NORTH 89°46'32" WEST, ALONG SAID SOUTHERLY RIGHT-OF-WAY LINE, WHICH IS COINCIDENT WITH THE RIGHT OR EASTERLY CONTROL OF ACCESS OF SAID IR-15 FREEWAY, A DISTANCE OF 270.61 FEET TO THE POINT OF BEGINNING. APN: 162-04-407-001; 162-04-407-002; and 162-09-104-001.

WHEREAS, pursuant to the above-described Orders of Forfeiture, which are attached and incorporated herein by reference, Seller is the owner of all right, title and interest in that certain 2440-2494 Industrial Road, Las Vegas, Nevada, consisting of approximately 2.65 acres (the "Land") and the buildings, improvements, and fixtures attached and located on the Land and the tenements, hereditaments, and appurtenances to the Land, (collectively the "Real Property"), as more particularly described on Exhibit "A" attached hereto and made a part hereof; and

WHEREAS, pursuant to the above-described Orders of Forfeiture, Seller is the owner of the certain tangible and intangible personal property and all leasehold improvements, furniture, trade fixtures, equipment, supplies, materials, merchandise, inventory, cash on hand, trade names, trademarks, and other tangible and intangible personal property located at or used on the Real Property in connection with the operation or maintenance of the Crazy Horse Too (the "Club") (collectively, the "Personal Property") located on or in the Real Property; and

WHEREAS, pursuant to the above-described Orders of Forfeiture, Seller is the owner of the Club and the "Business" of the operation of the Club at the Real Property; and

WHEREAS, Seller has agreed to sell, and Purchaser has agreed to purchase the Land, the Real Property, the Personal Property, the Club and the Business (collectively the "Purchased Assets"), all of which are described above and in the attached Orders of Forfeiture, on the terms and conditions hereinafter set forth. In the event of a conflict between the description of any of the Purchased Assets in this Agreement and in the attached Orders of Forfeiture, the description in the attached Orders of Forfeiture prevails.

NOW, THEREFORE, in consideration of the mutual covenants and agreements contained herein, the parties hereto agree as follows:

ARTICLE I

DEFINITIONS AND TERMS

Section 1.1. *Specific Definitions.* As used in this Agreement, the following terms have the meanings assigned to them below:

"*Affiliate*" means (a) any Person or entity directly or indirectly controlling, controlled by, under common control with another Person or entity, or through one or more intermediaries, controls another Person or entity, (b) any director, officer, partner, shareholder, member or employee of a Person or entity, or (c) any father, mother, brother, sister or descendant of a Person. A Person or entity shall be deemed to control another Person or entity if such Person or entity possesses, directly or indirectly, the power to direct or cause the direction of the management and policies of such other Person or entity, whether through ownership of voting securities, by contract, or otherwise.

"*Closing*" means Seller's conveyance, assignment, transfer and delivery of the Purchased Assets to Buyer and Buyer's payment of the Purchase Price to Seller on the Closing Date, subject to the terms and conditions of the Agreement.

"*Confidential Information*" means any information concerning the Club, the Purchased Assets, or the businesses and affairs of either the Seller and its agents or the Buyer and its agents that is not already generally available to the public.

"*Governmental Authority*" means any national, federal, regional, state, provincial, county, municipal or local government or court, arbitrator, tribunal or commission, whether U.S. or foreign, or the government of any political subdivision of any of the foregoing, or any entity authority, agency, ministry or other similar body exercising executive, legislative, judicial, taxing, regulatory or administrative authority or functions of or pertaining to government, including any authority or other quasi-governmental entity established to perform such functions.

"*Governmental Requirement*" means at any time (a) any Law or regulation, or any valid requirement derived therefrom, of any Governmental Authority in effect at that time or (b) any valid obligation included in any certificate, certification, franchise, permit or license issued by any Governmental Authority or resulting from binding arbitration, including any requirement under common law, at that time.

"*Lienholder*" means any Person possessing a lien on any of the Purchased Assets.

"*Material*" means having a logical connection with the consequential facts; being sufficiently significant and/or essential that knowledge of the same would affect a reasonable person's decision-making.

"*Material Adverse Effect*" means (a) a change in the Purchased Assets, operations, financial conditions, liabilities or prospects (whether or not the result thereof would be covered by insurance) of the Purchased Assets that, individually or in the aggregate, is, or could reasonably be expected to be, material and adverse to the Purchased Assets or (b) a change in the value, condition or use of the Purchased Assets that, individually or in the aggregate, is, or could reasonably be expected to be, material and adverse to the Purchased Assets.

"Person" means any individual, corporation (including any nonprofit corporation), general or limited partnership, limited liability partnership, limited liability company, joint venture, estate, trust, association, labor union or other entity or Government Authority.

"Tax Authority" means any branch, office, department, agency, instrumentality, court, tribunal, officer, employee, designee, representative, or other Person that is acting for, on behalf or as a part of any foreign or domestic government (or any political subdivision thereof) that is engaged in or has any power, duty, responsibility or obligation relating to the legislation, promulgation, interpretation, enforcement, regulation, monitoring, supervision or collection of or any other activity relating to any Tax or Tax Return.

"Tax Return" means any return, election, declaration, report, schedule, information return, document, information, opinion, statement, or any amendment to any of the foregoing (including without limitation any consolidated, combined or unitary return) submitted or required to be submitted to any Tax Authority.

"Taxes" means any tax, charge, fee, levy, deficiency or other assessment of whatever kind or nature including, without limitation, any net income, gross income, profits, gross receipts, excise, real or personal property, sales, ad valorem, withholding, social security (or similar), retirement, excise, employment, unemployment, minimum, alternative or add-on minimum, estimated, severance, stamp, property, occupation, environmental, premium, capital stock, disability, windfall profits, use, service, net worth, payroll, franchise, license, gains, customs, transfer, recording, registration and other tax, duty, fee, assessment or charge of any kind whatsoever, imposed by any Tax Authority, including any liability therefore as a transferee (including without limitation under Code Section 6901 or any similar provision of applicable law), as a result of Treas. Reg. §1.1502-6 or any similar provision of applicable law, or as a result of any tax sharing or similar agreement, together with any interest, penalties or additions to tax relating thereto.

ARTICLE II PURCHASE AND SALE

Section 2.1. *Purchase and Sale.* Upon the terms and subject to the conditions of this Agreement, at the Closing, Seller will sell, convey, assign, transfer and deliver to Buyer, and Buyer will purchase, acquire, accept and assume from Seller, all right, title and interest of Seller in and to the Purchased Assets, free and clear of all liens from Lienholders. Upon the terms and subject to the conditions of this Agreement, at the Closing, Buyer will, in consideration of the sale and transfer by Seller of the Purchased Assets, (i) pay to Seller an amount equal to Ten Million Five Hundred Thousand Dollars (\$10,500,000.00), (the "Purchase Price") plus the cost of Seller's zoning and licensing counsel, Kaempfer, Crowell, Renshaw, Gronauer, & Fiorentino ("Zoning and Licensing Counsel") reasonable attorney's fees and application fees related to zoning and licensing and Governmental Requirements, including specifically, a Special Use Zoning Permit, Tavern Liquor License(s), Sexually Oriented Business License, Tobacco License and Retail Sales License (collectively the "Approvals") from the necessary and applicable Governmental Authority required to own and operate the Club, Business, and the Purchased Assets at the Real Property, by wire transfer of immediately available funds (the "Cash") to an account or accounts designated by Seller. The Purchase Price

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shall be reduced by the non-refundable earnest money deposit of Twenty Thousand Dollars (\$20,000) (the "Deposit") which Seller received on March 24, 2009.

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Section 2.1.5. *Approvals.* This Agreement is contingent upon the Buyer's procurement of the Approvals from the City of Las Vegas, Nevada, and any other necessary and applicable Governmental Authority, to operate the Club and the Business at the Real Property. Buyer will, with the assistance of Zoning and Licensing Counsel, submit a fully completed application to the City of Las Vegas for the above-described Approvals in good faith, and make all reasonable efforts to comply with all requirements therefore, as established by the City of Las Vegas. Seller and Zoning and Licensing Counsel shall provide all necessary documentation and support to Buyer to assist Buyer in this process.

Section 2.2. *Allocation of Purchase Price.* The Purchase Price shall be allocated among the Purchased Assets in the manner set forth on Schedule 1.0. Neither the Buyer nor the Seller shall, in connection with any Tax Return, any refund claim, any litigation or investigation or otherwise, take any position with respect to the allocation of the Purchase Price which is inconsistent with the manner of allocation provided in Schedule 1.0.

Section 2.3. *Purchased Assets.* For purposes of this Agreement, the term Purchased Assets shall include the Land, the Real Property, the Personal Property, the Club and the Business, to the extent they are transferable, which have been forfeited to the Government in the above-captioned federal forfeiture action pursuant to the Order of Forfeiture, Substitute Assets, all free and clear of any liens, claims, encumbrances or security interests, from any Lienholders, and to the extent they are transferable, shall also include the following assets, properties and rights of Seller, to the extent acquired pursuant to the Order of Forfeiture, Substitute Assets, related to the Purchased Assets:

(a) the Land and Real Property more particularly described and depicted in the legal description, ALTA survey and site plan attached hereto and made a part hereof as Exhibit "A";

(b) all easements, permits, licenses, existing approved Governmental Requirements, and rights (whether or not of record), tenements, hereditaments, privileges, appurtenances and interests in any way belonging to or appurtenant to the Land or Real Property including, but not limited to, any streets or other public ways adjacent to the Land and Real Property and any water, mineral rights and air rights owned by, or leased to, Seller;

(c) the Real Property including, but not limited to, one (1) commercial industrial building containing the Club, and additional retail units therein ("Building One"). Building One is more particularly described and depicted in the ALTA Survey and site plan attached hereto and made a part hereof as Exhibit "A" and in the building plans, blue prints and specifications of Building One attached hereto and made a part hereof as Exhibit "B".

(d) the Real Property including, but not limited to, one (1) commercial industrial building containing approximately ten (10) industrial units ("Building Two"). Building Two is more particularly described and depicted in the ALTA Survey and site plan attached hereto and made a part hereof as Exhibit "A" and in the building plans, blue prints and specifications of Building Two attached hereto and made a part hereof as Exhibit "C". Building

One and Building Two may collectively be referred to as (the "Real Property" or the "Buildings");

(e) the Real Property including, any other structures, improvements, signage, appurtenances, systems and utilities associated with, utilized by the Club or Business or the Buildings in the ownership or operation of said Buildings or located on the Land and as described and depicted in the ALTA Survey and site plan attached hereto as Exhibit "A" and in the specifications of the signage, utilities and systems and other improvements and appurtenances attached hereto and made a part hereof as Exhibit "D";

(f) the Personal Property, including but not limited to, machinery, inventory and equipment, furniture, fixtures, office equipment and supplies, audio visual equipment, computing and telecommunications equipment, and all other items of tangible personal property and fixed Purchased Assets currently existing on or in the Real Property or in the possession or control of Seller;

(g) the Personal Property owned or controlled by Seller, located on or in the Real Property as of the Effective Date, and used in connection with the operation and maintenance of the Club or Business as described, pictured or otherwise identified and listed on the fixed Purchased Assets inventory list attached hereto and made a part hereof as Exhibit "E";

(h) the Personal Property owned or controlled by Seller, located on or in the Real Property as of the Effective Date, and in the possession or control of Seller and used in connection with the operation and maintenance of the Building One and as described, pictured or otherwise identified and listed on the fixed Purchased Assets inventory list attached hereto and made a part hereof as Exhibit "F";

(i) the Personal Property owned or controlled by Seller, located on or in the Real Property as of the Effective Date, and used in connection with the operation and maintenance of the Building Two and as described, pictured or otherwise identified and listed on the fixed Purchased Assets inventory list attached hereto and made a part hereof as Exhibit "G";

(j) the Club or Business assets or rights of Seller, including all intellectual property, trademarks, trade names, patents, service marks, trade dress, logos, trade secrets, copyrights, computer software, development rights, entitlements and to the extent they are transferable, any existing approved Governmental Requirements, rights, licenses, registrations, approvals and franchises issued by any Governmental Authority or regulatory entity and used in connection with any of the Purchased Assets and interests in effect, valid, existing and transferable on the Effective Date of this Agreement other goodwill or intangible property belonging to the Club or Business (the "Intangible Club Assets") and as described, pictured or otherwise identified and listed on the Intangible Club Assets list attached hereto and made a part hereof as Exhibit "H";

(k) any guaranties and warranties issued to Seller, or any predecessor owner of the Real Property, Personal Property or Club or Business with respect to the Land, Real Property, Personal Property or Club; and any reports, studies, surveys, depictions or examinations or any other comparable analysis or documentation regarding the physical, environmental, zoning, licensing, occupancy or financial status and condition of the Land, Real Property, Personal Property, Club or Business (the "Intangible Purchased Assets") in Seller's

possession or control as described, pictured or otherwise identified and listed on the Intangible Purchased Assets list attached hereto and made a part hereof as Exhibit "I" to the extent they are transferable;

(l) all rights, licenses, options or leases for the parking lot(s) as used in the operation of the Club or Business, as identified, attached, listed or depicted on the intangible Club or Business lease rights assets list and site plan and ALTA Survey attached hereto and made a part hereof as Exhibit "J";

(m) any operating contracts, service contracts, management agreements or other comparable agreements that are in effect on the Effective Date of this Agreement or into which Seller enters prior to Closing pursuant to the terms of this Agreement (collectively the "Contracts") used in connection with the maintenance or operation of the Land, Real Property, Personal Property, Club or Business as described, attached or otherwise identified and listed on the Contracts list attached hereto and made a part hereof as Exhibit "K," to the extent they are transferable;

(n) Seller's right, title and interest in all leases and other agreements to occupy or use in any manner, all or any portion of any or all of the Land, Real Property, Personal Property, Club or Business that are in effect on the Effective Date of this Agreement or into which Seller enters prior to Closing pursuant to the terms of this Agreement (collectively the "Leases") as attached with current estoppel certificates for each tenant or lessee or as otherwise identified and listed on the Leases list attached hereto and made a part hereof as Exhibit "L";

(o) To the extent permitted by applicable law, all sales and business records, Tax Returns, any prior Governmental Requirements, licenses, permits as issued by any Governmental Authority, files and correspondence; maintenance, operating and production records; customer lists; sales and marketing material; marketing or other studies; and all other books and records existing at the Real Property or Club or in the possession or control of Seller (the "Records") as described, attached or otherwise itemized and listed on the Records list attached hereto and made a part hereof as Exhibit "M";

(p) All rights of Seller under any seizure certificate or Order of Forfeiture, Substitute Assets or similar document relating to the seizure, transfer or acquisition of any of the Purchased Assets from any third party, including any and all rights of indemnification and hold harmless agreements as described, attached or otherwise itemized and listed on the Seller's Order of Forfeiture, Substitute Assets, and indemnities list attached hereto and made a part hereof as Exhibit "N," to the extent permitted by law;

(q) to the extent the same are transferable, all rights under all covenants and warranties relating to the Purchased Assets, express or implied (including title warranties and manufacturers', suppliers' and contractors' warranties), that are hereby made to Seller or that have heretofore been made to Seller or Seller's predecessors in title or any third party manufacturers, suppliers and contractors as described, attached or otherwise itemized and listed on the warranties list attached hereto and made a part hereof as Exhibit "O";

Section 2.4. *Non-Assumption of Liabilities.*

Buyer is not assuming and will not assume any liabilities or obligations whatsoever of Seller whether or not relating to the Club or the Purchased Assets. Specifically and without limiting the generality of the foregoing, Buyer is not assuming and will not assume any liabilities or obligations of Seller for Taxes or existing liens to Lienholders, judgments, or current, pending or threatened actions, claims or lawsuits whatsoever with respect to the Purchased Assets or any actions arising out of the conduct of the Club for any period prior to the Closing Date, or for any Taxes imposed on Seller in connection with the transactions contemplated by this Agreement.

Section 2.5. *Time and Place of Closing.* Upon the terms and subject to the conditions of this Agreement, the closing of the transaction contemplated by this Agreement the Closing will take place at the offices of Rosenfeld Roberson, located at 6725 Via Austi Parkway, Suite 200, Las Vegas, Nevada 89119, (or at the Title Insurer's offices) at 9:00 a.m. (local time) on the fifteenth (15th) business day following the date on which all of the conditions to each party's obligations hereunder have been satisfied or waived, or at such other date, place or time as the parties may agree in writing. The date on which the Closing occurs and the transactions contemplated hereby become effective is referred to herein as the "Closing Date." Notwithstanding the foregoing and subject to the terms and conditions of Article X below, the risk of loss of all or any portion of the Purchased Assets shall be borne by Seller up to and including the actual time of the Closing and wire transfer of the Purchase Price to Seller, and thereafter by Buyer.

Section 2.6. *Other Taxes, Utilities Assessments and Commercial (Non-governmental) Fees; Other Allocations.* In the case of the Purchased Assets, any ad valorem, property or similar Taxes, any charges for utilities or similar costs or assessments, local business or other license fees or Taxes and other similar periodic charges shall be prorated on a per diem basis through the Closing Date (based on estimates or the most recent amounts paid), with Seller being responsible for all of such prorated charges attributable to the period up to and ending on the Closing Date and Buyer being responsible for all of such prorated charges attributable to the period after the Closing Date. Promptly upon receipt, Buyer or Seller, as appropriate, shall provide the other with copies of all bills for such items for which the other party is responsible pursuant to this Section 2.6. The resulting amount payable by Buyer or Seller shall be paid promptly upon demand by the party hereto to whom such payment is owed.

Section 2.7. *Use of Names.* Buyer shall acquire the right to the name "Crazy Horse, Too," to the extent the same were acquired by the Seller through the Orders of Forfeiture in the above-captioned federal forfeiture action, at Closing. Seller shall provide Buyer with all documentation and information in its possession and control regarding the trade name and/or trademark "Crazy Horse, Too." However, Seller makes no representations or warranties regarding the status or validity of the trade name, service mark and/or trademark, "Crazy Horse, Too," which Seller acquired through the Orders of Forfeiture in the above-captioned federal forfeiture action.

ARTICLE III

TITLE AND SURVEY MATTERS

Section 3.1 *Conveyance of Title.* At Closing, Seller agrees to deliver to Buyer or Buyer's designee ("CL Land LLC") a Quit Claim Deed (the "Deed"), in recordable

form, conveying the Land and the Real Property to Buyer or Buyer's assignee, free and clear of all liens, claims and encumbrances except for the Permitted Exceptions (as hereinafter defined).

(a) Title Insurance. Not later than fifteen (15) days after execution of this Agreement, Seller shall, cause to be delivered to Buyer (i) a commitment for the Title Policy described in subsection (b) below (the "Title Commitment"), together with all of the underlying documentation described in such Title Commitment and (ii) a current (dated not greater than three (3) months prior to the Effective Date) ALTA, as-built survey of the Land and the Improvements located thereon, certified to Buyer ("Survey"). The Title Commitment is conclusive evidence of good title as therein shown.

(b) Seller, at Buyer's cost payable at Closing, shall cause to be delivered to Buyer at Closing an owner's title insurance policy (the "Title Policy") issued by First American Title Insurance Company, ("Title Insurer"), dated the day of Closing, in the full amount of the Purchase Price, the form of which shall be 2006 American Land Title Association Owner's Extended Coverage Policy (or other form required or promulgated pursuant to applicable state insurance regulations), insuring Buyer (or Buyer's permitted assignee) subject only to the Permitted Exceptions. The Title Policy may contain any endorsements reasonably requested by Buyer at the sole cost and expense of Buyer; provided, that if the Title Insurer is unable or unwilling to provide any of the foregoing endorsements to Buyer's Title Policy, Buyer shall not be obligated to proceed to the Closing of the transactions contemplated by this Agreement.

(c) Not later than ten (10) days following Buyer's receipt of the Title Policy and the Survey from Seller, Buyer shall review title to the Land and Improvements as disclosed by the Title Commitment and the Survey, and provide written objections and endorsement requests to Seller and Title Insurer.

(d) Seller shall have no obligation to remove or cure title objections, except for (1) liens of an ascertainable amount created, or permitted to exist, by Seller or Seller's predecessor in title, which liens Seller shall cause to be released at the Closing or affirmatively insured over by the Title Insurer, (2) any exceptions or encumbrances to title which are created by Seller after the date of this Agreement without Buyer's consent, and (3) non-consensual liens not exceeding \$250,000 in the aggregate (but expressly excluding liens or claims of lien for work or materials performed or supplied by or on behalf of any tenant), which liens Seller shall cause to be released at the Closing or affirmatively insured over by the Title Insurer. With respect to any other objections which Buyer may have (objections which Seller is not required to cure hereunder), Seller shall notify Buyer in writing within five (5) days after receipt of written objections from Buyer as to which of such objections it elects to cure, and endorsements the Title Insurer will provide, if any. Seller's failure to respond shall be deemed to be an election not to cure matters which it is not required to remove hereunder. Seller will provide the Title Insurer with a customary ALTA statement, or owner's affidavit (an "Owner's Affidavit"), in form and substance reasonably acceptable to Seller, which will permit the Title Insurer to remove the standard "mechanics lien" and "GAP" exceptions.

(e) "Permitted Exceptions" shall mean: (1) any exception arising out of an act of Buyer or its representatives, agents, employees or independent contractors; (2) zoning and

subdivision ordinances and regulations of record; (3) the specific exceptions in the Title Commitment that the Seller and Title Insurer have not agreed to insure over or remove from the Title Commitment prior to the Due Diligence Period Expiration Date and that Seller is not required to remove as provided above; (4) items shown on the Survey or any updated survey of the Land and Improvements which have not been removed as of the Due Diligence Period Expiration Date and which Seller is not required to remove as provided above; (5) real estate taxes and assessments not yet due and payable and (6) rights of tenants under the Leases, as tenants only, in accordance with the estoppel certificates provided by Seller.

ARTICLE IV

REPRESENTATIONS AND WARRANTIES OF SELLER

Seller shall deliver the Seller Disclosure Schedules and Exhibits (as hereinafter defined) to Buyer on the Effective Date or thereafter in accordance with the terms and conditions of this Agreement. Additionally, Seller represents and warrants to Buyer as follows:

Section 4.1. *Organization and Good Standing.* Seller is an agency of the United States Government and has the power and authority to own, lease, operate or sell the Purchased Assets, and any other properties and assets now owned, leased or operated by Seller in connection with the Club and the Purchased Assets, pursuant to 28 C.F.R. § 0.111(i).

Section 4.2. *Consents, Authorizations and Binding Effect.* Seller has full power and authority to execute and deliver this Agreement and each other agreement or instrument to be executed and delivered in connection with the transactions contemplated hereby (collectively, the "Transaction Agreements") by Seller, to carry out and perform its undertakings and obligations as provided herein and therein and to consummate the transactions contemplated hereby and thereby. This Agreement has been, and at the Closing the Transaction Agreements will have been, duly executed and delivered by Seller and constitutes or will constitute the legal, valid and binding obligation of Seller enforceable against Seller in accordance with its terms. The execution, delivery and performance of this Agreement and the other Transaction Agreements have been duly and validly authorized by all proper and requisite governmental actions on the part of Seller and will not, to Seller's knowledge: (a) conflict with or breach any provision of any governing documents of Seller; (b) result in a violation or breach of, or constitute (with or without due notice or lapse of time or both) a default (or give rise to any right of termination, cancellation or acceleration) under, or require any consent under, any indenture, mortgage, guaranty, deed of trust, license, contract, lease, agreement or other instrument or obligation to which Seller is a party or by which it or any of its properties or assets are bound; (c) violate any order, writ, injunction, decree, judgment, statute, ordinance, rule or regulation (collectively, "Laws" and, individually, a "Law") applicable to Seller or any of its properties or assets; (d) except for the Approvals require any filing with, or the obtaining of any permit, authorization, consent or approval of, any Governmental Authority; or (e) result in the creation or imposition of any title defect, conflicting claim of ownership right of way, hypothecations, or other legal or equitable encumbrance, limitation, order, decree, judgment, stipulation, settlement, attachment, restriction, right of first refusal, covenant, reservation, lease, lien, pledge, option, charge, claim, security interest, mortgage or any other right of any third party ("Lien") on any of the Purchased Assets (or upon any revenues, income or profits of the Business therefrom).

Section 4.3. *No Defaults.* To Seller's knowledge, no condition or state of facts exists, or, with due notice or lapse of time or both, would exist, which (a) entitles any Person to obtain any Lien upon any of the Purchased Assets (or upon any revenues, income or profits of the business therefrom) or (b) constitutes a violation or breach of, or a default under, any agreement by Seller.

Section 4.4. *No Violation.* The execution, delivery and performance of this Agreement and the other agreements and documents contemplated hereby by Seller and the consummation of the transactions contemplated hereby to Seller's knowledge will not violate any Law of any Governmental Authority by which Seller or any of its properties or assets are bound, or result in a violation or breach of, or constitute a default under any agreement related to the Purchased Assets.

Section 4.5. *Consents.* Except as disclosed in Section 3 of Seller's Disclosure Schedules and Exhibits, no consent, approval or other authorization of any Governmental Authority or under any contract to which Seller is a party or by which its assets are bound is required as a result of or in connection with the execution or delivery of this Agreement and the other agreements and documents to be executed by Seller or the consummation by Seller of the transactions contemplated hereby.

Section 4.6. *Title to and Condition of Assets.*

(a) *Quality of Title.* Seller holds good, valid and marketable title to all property owned and rights held through the Orders of Forfeiture in the Purchased Assets, in each case free and clear of all Liens.

(b) *Condition.* To the best of Seller's knowledge and belief, the Purchased Assets are structurally sound and have no material defects.

Section 4.7. *Transfer of Purchased Assets.* At the Closing, Seller will transfer to Buyer, and the Transaction Agreements will vest in Buyer, good, valid and marketable title to the Purchased Assets, free and clear of all Liens from any Lienholders to the extent they are transferable.

Section 4.8. *Contracts and Commitments.* To Seller's knowledge, there are no defaults by Seller under any contract material to the Club. To Seller's knowledge, the Club and the Purchased Assets were managed and operated by the management, employees and contractors of Seller's predecessor in title, and Seller represents and warrants that the Club and the Purchased Assets are not subject to any contract, agreement, or arrangement, written or oral, that transfers or purports to transfer any right or obligation to manage or operate the Club or the Purchased Assets to any third Person or restricts the management or operations of the Club whatsoever.

Section 4.9. *Insurance.* Schedule 2 of the Seller Disclosure Schedules and Exhibits sets forth a list of all insurance policies, in full force and effect on the Effective Date of this Agreement, as carried by Seller which relate to the Club or the Purchased Assets.

Section 4.10. *Compliance with Law.* To Seller's knowledge, Seller has in all material respects complied with, and is now in all material respects in compliance with, all

Laws applicable to the Club or the Purchased Assets, and has not been charged with, or to its knowledge, threatened with any alleged violation of any Law applicable to the Club or the Purchased Assets. To the knowledge of Seller, no condition or state of facts exists that would provide a valid basis for any such charge or allegation.

Section 4.11. *Material Contracts.* Seller's Disclosure Schedules and Exhibits described in this Agreement and attached hereto, sets forth a complete and accurate list, of all:

(a) Contracts with respect to which Seller has any rights, liabilities or obligations, contingent or otherwise with respect to the Club or Business, including, without limitation the Leases affecting the current tenants;

(b) Contracts with respect to any property of Seller, which is material to the Club or Business or Purchased Assets, including without limitation, licenses relating to Intellectual Property, service contracts and sales and supply contracts;

(c) Contracts to which Seller or Seller's predecessor, as owner of the Club or Business and/or Purchased Assets is a party relating to indebtedness for borrowed money or the guarantee of any indebtedness for borrowing money, including, without limitation, any loan agreements related to the Purchased Assets;

(d) Contracts which place any material limitation on the method of conducting, or scope of, the business at the Club or Business; and

(e) Other Contracts, plans or arrangements of Seller related to the Club or Business or Purchased Assets.

(f) All the foregoing, including all amendments or modifications thereto, are referred to as "Contracts." Seller has furnished to Buyer copies of all Contracts. There are no oral Contracts relating to the Club, business and/or the Purchased Assets. Each Contract (or description) sets forth the entire agreement and understanding between the Seller and the other parties thereto. Each Contract is valid, binding and in full force and effect, and there is no event or condition which has occurred or exists, which constitutes or which, with or without notice, and/or the passage of time, could constitute a default or breach under any such Contract by Seller or any other party thereto, or could cause the acceleration of any obligation of any party thereto or give rise to any right of termination or cancellation thereof. Seller does not have any reason to believe that the parties to any Contract will not fulfill their obligations thereunder in all material respects.

Section 4.12. *Litigation and Related Matters.* Excluding the above-captioned federal forfeiture action, and except as provided in Exhibit "P" of Seller's Disclosure Schedules and Exhibits, there is no suit, claim, action, arbitration or proceeding (an "Action") pending or, to the knowledge of Seller, threatened by or against Seller before any Governmental Authority which relates to the Club, business or the Purchased Assets. Including the above-captioned federal forfeiture action, Seller is not subject to any outstanding order, writ, injunction or decree that would adversely affect the ability of Seller to consummate the transactions contemplated hereby. Seller is not subject to any continuing order, writ, injunction or decree of any Governmental Authority applicable specifically to the Club, business or its operations, assets or employees, nor is Seller in default with respect to any order, writ, injunction or decree of any

Governmental Authority with respect to the Club, business or the Purchased Assets, operations or employees.

Section 4.13. *Intellectual Property.*

Other than the name "Crazy Horse, Too," Seller has no knowledge or information concerning whether any other Intellectual Property exists or whether said Intellectual Property is in compliance with any or all formal legal requirements, and makes no representations or warranties thereto. Exhibit "H" of Seller's Disclosure Schedules and Exhibits lists the Intellectual Property, relating to existing certifications or registrations relating to the name "Crazy Horse, Too" acquired by Seller pursuant to the Orders of Forfeiture ("Intellectual Property").

Section 4.14. *Brokerage or Finders Fees.* To the extent that either Seller or Buyer engaged the services of an agent, broker, person or firm acting on his/their/its behalf as an agent or broker, that party is solely responsible for the payment of any commission or broker's or finder's fees to his/their/its agent, broker, person or firm, with no obligation whatsoever imposed on the other party, from any of the parties hereto, or from any of their respective affiliates in connection with any of the transactions contemplated hereby. Any and all agents, brokers, or persons or firms entitled to a brokerage or finder's fee commission pursuant to this transaction shall be disclosed upon execution of this Agreement.

Section 4.15. *Environmental Laws and Regulations.*

(a) The Seller has no knowledge of any violations of any Environmental Laws or Regulations concerning the Club, Business and/or Purchased Assets. Notwithstanding, the Business and Purchased Assets are being sold "as is," without representations or warranties of any kind, expressed or implied, oral or written, except as otherwise expressly stated in this Agreement, concerning the Club, Business and/or Purchased Assets, or any matter related thereto, including zoning, availability of access or the presence and location of asbestos, PCB transformers, other toxic, hazardous or contaminated substances, or underground storage tanks ("Hazardous Materials") in, on or about the Business and/or Purchased Assets. The Buyer is expected to make an independent inspection of the Business and Purchased Assets through its own experts and at its own expense pursuant to Section 4.15 of this Agreement. The Seller will provide the Buyer and its experts access to all available documentation which is pertinent thereto.

(b) To the knowledge of Seller, (i) there is no pending or threatened litigation or administrative proceeding or investigation (whether civil, criminal or administrative) concerning the Club or the Properties involving any Materials of Environmental Concern or Environmental Requirements; and (iv) there is no material quantity of friable ACM within the Purchased Assets, and there are no above-ground or underground storage tank systems located at the Purchased Assets;

(c) Seller has provided Buyer with the reports set forth on Exhibit "I" of Seller's Disclosure Schedules and Exhibits, which schedule sets forth all reports in the possession of or available to Seller with respect to the compliance status or liability of Seller, its operations and the Purchased Assets under Environmental Requirements.

Section 4.16. *Leases.* Copies of all Leases in effect as of the Effective Date and all amendments thereto and guaranties thereof, if any, have been listed on Exhibit "L" and furnished, along with current fully executed estoppel certificates for each Lease, by Seller to Buyer and the copies so provided are true, correct and complete. The Leases have not been amended, modified or terminated (except for any amendments delivered to Buyer pursuant to the preceding sentence). To Seller's knowledge, (i) the Leases are presently in full force and effect without any material default thereunder by Seller or the applicable tenant and (ii) no tenant has prepaid rent by more than 30 days in advance. Schedule 5 sets forth a true, correct and complete copy of the most recent rent roll for the Leases. There are no options to purchase or extend in favor of any tenant pursuant to any Lease. There are no brokerage or leasing commissions or any other leasing costs or expenses (including, without limitation, tenant improvement allowances, free rent or other incentives) payable, but not paid, with respect to any Leases or which might become payable in the future upon extension, renewal or expansion of current Leases.

Section 4.17. *Full Disclosure.* To Seller's knowledge, all documents and other papers delivered to Buyer by or on behalf of Seller in connection with this Agreement and the transactions contemplated hereby are accurate, complete and copies of authentic originals. Furthermore, to Seller's knowledge, neither the representations and warranties to Buyer in this Agreement nor any written information or statement furnished to Buyer by or on behalf of Seller in connection with this Agreement and the transactions contemplated hereby contains any untrue statements of material fact or omits to state any facts necessary to make the statements made, in the context in which they are made, not materially false or misleading.

Section 4.18 *Copies of Documents.* Seller shall deliver or cause to be delivered to Buyer true and complete copies of all Seller Disclosure Schedules and Exhibits referenced herein in addition to any other contracts and all documentation of Intellectual Property rights or any additional documentation which Seller believes, in good faith, to be material to the acquisition of the Purchased Assets.

ARTICLE V

REPRESENTATIONS AND WARRANTIES OF BUYER

Buyer represents and warrants to Seller that on or prior to the Closing Date the following shall be true and accurate:

Section 5.1. *Organization and Good Standing of Buyer.* Buyer and Buyer's designees are newly formed limited liability companies duly organized, validly existing and in good standing under the laws of the State of Nevada.

Section 5.2. *Consents, Authorizations and Binding Effect.* Buyer has full power and authority to execute and deliver this Agreement and each other Transaction Agreement to which it is a party, to carry out and perform its undertakings and obligations as provided herein and therein and to consummate the transactions contemplated hereby and thereby. This Agreement has been, and at the Closing of each other Transaction Agreement to which Buyer is a party will have been, duly executed and delivered by Buyer and constitutes or

will constitute the legal, valid and binding obligation of Buyer enforceable against Buyer in accordance with its terms. The execution, delivery and performance of this Agreement and the other Transaction Agreements to which it is a party has been duly and validly authorized by all proper and requisite actions on the part of Buyer and will not (a) conflict with or breach any provision of the governing documents of Buyer; (b) result in a violation or breach of, or constitute a default (or give rise to any right of termination, cancellation or acceleration) under, or require any consent under, any agreement or other instrument or obligation to which Buyer is a party or by which it or any of its properties or assets are bound.

Section 5.3. *Litigation; Orders.* There is no Action pending or, to the knowledge of Buyer, threatened against Buyer by or before any Governmental Authority which would adversely affect the ability of Buyer to consummate the transactions contemplated hereby. Buyer is not subject to any outstanding order, writ, injunction or decree that would adversely affect the ability of Buyer to consummate the transactions contemplated hereby.

Section 5.4. *Financial.* Buyer has funds available to consummate the transactions contemplated hereby.

Section 5.5. *Acknowledgement by Buyer.* Buyer acknowledges and agrees that it enters this Agreement with the understanding that it will conduct its own independent review and analysis of the business, assets, condition, operations and prospects of the Purchased Assets, including the Business. Buyer will rely solely upon its own investigations and analysis, the representations and warranties of the Seller as set forth in this Agreement and the Seller's Disclosure Schedules and Exhibits attached hereto.

ARTICLE VI

COVENANTS

Section 6.1. *Access and Cooperation; Due Diligence.*

(a) *Purchased Assets Inspection.* On the Effective Date or thereafter prior to Closing, Seller shall deliver to Buyer all of the agreements, documents, contracts, information, records, reports and other items described in the Seller Disclosure Schedules and Exhibits attached hereto as Exhibits "A" – "P" and Schedules 1-5 (collectively the "Seller Disclosure Schedules and Exhibits"). At all times prior to Closing, including times following the "Due Diligence Period Expiration Date" (which Due Diligence Period Expiration Date is defined as thirty (30) days following the later of (i) the Effective Date of this Agreement or (ii) Seller's delivery of the Seller Disclosure Schedules and Exhibits to Buyer with a written certification of completion), Buyer, its agents and representatives shall be entitled to conduct a "Due Diligence Inspection," which includes the right to: (i) enter upon the Land and Improvements, on reasonable notice to Seller, to perform inspections and tests of the Land, Improvements, Personal Property, Club and environmental studies and investigations of the Land and the Improvements (including, without limitation, a so-called "Phase I" study and, if required in Buyer's reasonable judgment, a so-called "Phase II" study); (ii) make investigations with regard to Governmental

Requirements of any Governmental Authority, zoning, licensing, environmental, building, code and other legal requirements; (iii) make or obtain market studies and real estate tax analyses; and (iv) conduct any other investigations Buyer deems necessary. During the Due Diligence Inspection, Buyer covenants and agrees to maintain as confidential all matters related to this Agreement (including, without limitation, the nature of the contemplated transaction), except for disclosures which shall be permitted to Buyer's attorneys, agents, employees, and financial investors or institutions and except for such matters that (a) are published or become publicly available through no fault of either the Buyer or Seller or (b) are required to be disclosed by law or court order. Buyer shall have the right, upon not less than 48 hour notice to Seller, to contact and/or conduct interviews with tenants of the Buildings; provided that, Seller shall have the right to supervise any such discussions. If, at any time prior to the Due Diligence Period Expiration Date, Buyer, in its sole and absolute discretion, determines that the results of any inspection, test or examination do not meet Buyer's criteria for the purchase, financing or operation of the Purchased Assets in the manner contemplated by Buyer, or if Buyer, in its sole discretion, otherwise determines that the Purchased Assets are unsatisfactory to it, then Buyer may terminate this Agreement by written notice to Seller, given not later than 5:00 P.M. (Pacific time) on the Due Diligence Period Expiration Date, whereupon Buyer agrees that it shall not be entitled to receive any refund of its Deposit previously supplied to Seller. If Buyer does not timely elect to terminate this Agreement, then Buyer shall be deemed to have elected to proceed to the Closing, subject to the terms and conditions of this Agreement, and this Agreement shall continue in full force and effect.

(b) From the Effective Date and until the Closing Date, Seller will cooperate with Buyer in the preparation of any documents or other material that may be required in connection with any Transaction Agreement.

(c) Buyer and Seller will cooperate to assist Buyer in securing, as soon as practicable after the date hereof, and prior to Closing, all necessary Approvals and Governmental Requirements from all applicable Governmental Authorities to allow Buyer on the date of Closing and thereafter to own the Purchased Assets and own and operate the Club and the Business on and in the Real Property as a topless club with full unrestricted liquor privileges and unrestricted hours and days of operation and any other approvals or consents of third Persons as may be necessary to consummate the transactions contemplated hereby, including, without limitation, all licenses and approvals of Clark County and the City of Las Vegas necessary to own and operate the Club as stated herein. The Approvals are listed, described and attached hereto and made part hereof as Schedule 3 (as provided by Zoning and Licensing Counsel). Seller will also use its best efforts to secure prior to Closing, the reinstatement of all contracts necessary to lease the parking lots utilized in the operation of the Club and Business prior to government seizure, and at the previously existing rental rates. The Seller and Buyer acknowledge and agree that in the event Buyer does not obtain the Approvals described herein, for any reason whatsoever, to Buyer's satisfaction, on or before May 1, 2010, or earlier due to a written denial of the Approvals by the applicable Governmental Authority, then neither party shall be required to complete the transaction for the acquisition of the Purchased Assets and the Closing may be cancelled or delayed at Buyer's sole and absolute discretion, and in the event of a cancellation by Buyer, neither party shall have any liability to the other thereafter, except as stated in Article IX of this Agreement.

Section 6.2. *Preservation of the Club and Purchased Assets Pending the Effective Date.* From the Effective Date hereof and until the Closing Date, Seller will:

- (a) Maintain the Purchased Assets in as good working order and condition as at present, ordinary wear and tear excepted;
- (b) Perform all its obligations under agreements relating to or affecting the Club or the Purchased Assets;
- (c) Keep in full force and effect without interruption all its present insurance policies relating to the Club or the Purchased Assets or other comparable insurance coverage; and
- (d) Comply with all applicable Governmental Requirements relating to the Club or any of the Purchased Assets.

Section 6.3. *Prohibited Activities.* From the date hereof and until the Closing Date, without the prior written consent of Buyer or unless as required or expressly permitted by this Agreement, Seller will not:

- (a) Create, assume or permit to be created or imposed any Liens upon any of the Purchased Assets, whether now owned or hereafter acquired;
- (b) Sell, assign, lease or otherwise transfer or dispose of any of the Purchased Assets;
- (c) Enter into, amend or (except through performance) terminate, or commit any material breach of, any Contract or Lease;
- (d) Enter into any other material transaction relating to or affecting the Club or the Purchased Assets without the consent of Buyer, which shall not be unreasonably withheld; and
- (e) take any other action which could have a Material Adverse Effect on the value of the Purchased Assets or the Club or Business.

Section 6.4. *No Shop.* Seller agrees that, in consideration of the payment of the Deposit and execution of this Agreement, from the Effective Date hereof and until the first to occur of the Closing Date or the termination of this Agreement in accordance with Article IX neither Seller, nor any of its agents or other representatives shall, and Seller will direct and use its best efforts to cause each of such Persons not to, initiate, solicit or encourage, directly or indirectly, any inquiries or the making or implementation of any proposal or offer with respect to a transaction involving any of the Purchased Assets, or engage in any activities, discussions or negotiations concerning, or provide any information respecting, the Purchased Assets or Buyer or any of its agents, whatsoever to, or have any discussions with, any Person relating to such an offer or proposal or otherwise facilitate any effort or attempt to make or implement such an offer or proposal. Seller will immediately cease and cause to be terminated any existing activities, discussions or negotiations with any Persons conducted heretofore with

respect to any of the foregoing, and take the steps necessary to inform the Persons referred to in the first sentence of this Section of the obligations undertaken in this Section.

Section 6.5. *Taxes.*

(a) To the extent required by law, Seller shall pay all Taxes arising out of or in connection with the transactions effected pursuant to this Agreement. Seller and Buyer shall cooperate in filing all necessary documentation and returns with respect to such Taxes.

(b) To the extent required by law, Seller shall pay all Taxes with respect to the Club and the Purchased Assets that are payable or become payable after the date hereof with respect to periods ending on or prior to the Closing Date. Buyer shall pay all Taxes with respect to the Business and Purchased Assets that are payable or become payable with respect to periods commencing after the Closing Date.

(c) No new elections with respect to Taxes, or any changes in current elections with respect to Taxes, affecting the Purchased Assets shall be made after the date of this Agreement without the prior written consent of the Buyer.

(d) As a condition precedent to the consummation of the transactions contemplated by this Agreement, the Seller shall provide Buyer with a clearance certificate or similar document(s) that may be required by any state or foreign Taxing Authority in order to relieve Buyer of any obligation to withhold any portion of the Purchase Price.

(e) Seller shall (i) each provide Buyer with such assistance as may reasonably be requested, and permitted by applicable law, in connection with the preparation of any Tax Return, audit or other examination by any Taxing Authority or judicial or administrative proceedings relating to the liability for Taxes, (ii) retain and provide Buyer with any records or other information which may be relevant to such Tax Return, audit or examination, proceeding or determination, and (iii) provide Buyer with any final determination of any such audit or examinations, proceeding or determination that affects any amount required to be shown on any Tax return of the other for any period.

(f) To the extent required by law, Seller will pay any sales, use, transfer and documentary taxes and recording and filing fees applicable to the transfer of the Purchased Assets to Buyer at Closing.

Section 6.6. *Dispute Assistance.* Seller agrees that in the event of any dispute with respect to the Club or the Purchased Assets arising out of or relating to events which occurred at or prior to the Closing Date, it shall cooperate with Buyer, to the extent permitted by law, at no cost to Buyer, in the resolution of such dispute, provided, however, that Seller's agreement so to cooperate shall not be deemed an acceptance by Seller of any liability arising from such dispute, as to which the other provisions of this Agreement shall control.

Section 6.7. *Supplemental Information.* Seller agrees that, with respect to the representations and warranties of Seller contained in this Agreement, Seller will have the continuing obligation until the Closing Date to provide Buyer promptly with such additional

supplemental information (collectively, the "Supplemental Information"), in the form of (a) amendments to the then existing Schedules and Exhibits, (b) amendments to the then existing Seller Disclosure Schedules and Exhibits or (c) additional Seller Disclosure Schedule or Exhibit materials as would be necessary, in the light of the circumstances, conditions, events and states of facts then known to Seller, to make each of those representations and warranties true and correct as of the Closing Date. The Seller Disclosure Schedule as of the Closing Date shall be deemed to be the Seller Disclosure Schedule as of the date hereof as amended or supplemented by the Supplemental Information provided to Buyer prior to the Closing pursuant to this Section provided, however, that if the Supplemental Information so provided discloses the existence of circumstances, conditions, events or states of facts which, in any combination thereof, in the sole judgment of Buyer (which shall be conclusive for purposes of this Section), are having or will have a Material Adverse Effect, Buyer will have the sole option and will be entitled, after providing Seller with written notice and allowing Seller a reasonable opportunity to cure, to terminate this Agreement pursuant to this Article VI.

Section 6.8. *Leasing Activities.* Notwithstanding anything contained herein to the contrary, Seller shall not execute and enter into any new Lease, license or occupancy agreement for all or some portion of the Land and the Improvements, including, without limitation, any amendment, renewal, expansion or modification to, or termination of, any Lease (all of the foregoing, a "New Lease") unless Seller obtains Buyer's advance written consent to such New Lease prior to the Due Diligence Period Expiration Date. Buyer's consent shall not be unreasonably withheld and may be withheld in Buyer's sole discretion after the Due Diligence Period Expiration Date.

Section 6.9. *New Contracts, Litigation.* Seller shall not amend any existing Contract or enter into any new contract with respect to the ownership and operation of the Purchased Assets that will survive the Closing, or that would otherwise affect the use, operation or enjoyment of the Purchased Assets after Closing, without Buyer's prior written consent obtained prior to the Due Diligence Period Expiration Date. Buyer's consent shall not be unreasonably withheld and may be withheld in Buyer's sole discretion after the Due Diligence Period Expiration Date if such Contract is not terminable (at Seller's sole cost) at Closing. Unless otherwise notified by Buyer in writing, Seller shall, at Seller's sole cost, terminate all new or newly amended Contracts, as defined herein, on or prior to Closing. From the date hereof through the Closing, Seller shall promptly notify Buyer of any Actions or investigations which after the date hereof are threatened or commenced against the respective parties, the Club, the Purchased Assets which, (a) challenges the consummation of the transaction contemplated by this Agreement, or (b) if decided adversely, could reasonably be expected to have a Material Adverse Effect upon the Club or the Purchased Assets.

Section 6.10 *Agreement to Provide Information.* In the event any Action or investigation by any Governmental Authority or other Person or other legal or administrative proceeding is commenced that questions the validity or legality of the transactions contemplated hereby or seeks damages in connection therewith, before the Closing Date, Seller agrees, to the extent permitted by applicable law, to provide all necessary information to clarify, resolve or defend against and respond thereto. The parties hereto each severally agree and covenant not to institute, commence, assist or participate in any Action seeking to challenge or restrain the transactions contemplated hereby.

Section 6.11. *Environmental Inspections.* Upon reasonable notice provided by Buyer, Seller shall provide Buyer and its authorized representatives with access to the Purchased Assets for the purposes of performing, at Buyer's discretion and at its sole expense, an environmental assessment of the Purchased Assets. Buyer and its authorized representatives shall treat confidentially any information generated in connection with any such inspection, unless legally compelled to disclose such information, including without limitation all reports prepared for Buyer and its representatives by its consultant or other technical representative, any other reports prepared by the consultant regarding the Purchased Assets and their contents, any analyses, compilations, studies or other documents prepared by Buyer, its affiliates, its consultant or other authorized representative containing or otherwise reflecting the results of such inspection. Seller will permit Buyer and its authorized representatives to conduct further inspections as they may reasonably require (including, without limitation, any air, water, soil, or other environmental testing and monitoring deemed necessary by them).

Section 6.12 *Public Announcements.* Without the prior written consent of Buyer, Seller shall not make any press release or public announcement with respect to the transactions contemplated by this Agreement.

Section 6.13 *Operation of Purchased Assets.* From and after the Effective Date and through and including the Closing Date, Seller shall operate and manage the Purchased Assets, as applicable, in the same manner in which it is being operated as of the Effective Date, maintaining present services, and shall maintain the Purchased Assets in its same repair and working order; shall keep on hand sufficient materials, supplies, equipment and other personal property for the efficient operation and management of the Purchased Assets in the manner in which it is being operated as of the Effective Date; and shall perform, when due, all of Seller's obligations under the Contracts, the Leases, Governmental Requirements and other agreements relating to the Purchased Assets and otherwise in accordance with applicable laws, ordinances, rules and regulations affecting the Purchased Assets. Except as otherwise specifically provided herein, including any Casualty Damage or Eminent Domain as provided in Article X, at Closing, Seller shall deliver the Purchased Assets in substantially the same condition as they exist on the Effective Date, reasonable wear and tear excepted.

Section 6.14 *No Assignment.* After the Effective Date and prior to Closing, Seller shall not assign, alienate, lien, encumber or otherwise transfer all or any part of the Purchased Assets or any interest therein. Nor shall Buyer assign this Agreement without prior written consent of Seller. Without limitation of the foregoing, Seller shall not grant any easement, right of way, restriction, covenant or other comparable right affecting the Purchased Assets without obtaining Buyer's prior written consent, which consent may be withheld in Buyer's sole discretion. Seller shall not entertain, consider, solicit or enter into any agreement, arrangement or understanding, formal or informal, for the sale, assignment or transfer of the Purchased Assets, whether conditional or otherwise.

Section 6.15 *Change in Conditions.* Seller shall, to the extent Seller obtains knowledge thereof, promptly notify Buyer of any change in any condition with respect to the Purchased Assets, or of the occurrence of any event or circumstance, that makes any representation or warranty of Seller to Buyer under this Agreement untrue or misleading, or any covenant of Seller under this Agreement incapable of being, performed, or any Condition Precedent incapable of being, satisfied. Seller has a duty to supplement and update on a timely

basis any information it was obligated to disclose as part of the Seller Disclosure Schedules and Exhibits.

Section 6.16 Property Management. Prior to Closing, Seller shall terminate, at no cost, expense or liability to Buyer, any property management or leasing agreement currently affecting the Purchased Assets.

Section 6.17 Best Efforts. Upon the terms and subject to the conditions set forth in this Agreement, the parties hereto shall use their respective best efforts to take, or cause to be taken, all actions, and to do, or cause to be done, and to assist and cooperate with the other party in doing, all things necessary, proper or advisable to consummate and make effective, as soon as practicable, the transactions contemplated by this Agreement.

ARTICLE VII

CONFIDENTIALITY

To the extent allowed by applicable law, from and after the Closing Date, each party will treat and hold as such all of the Confidential Information, refrain from using any of the Confidential Information except in connection with this Agreement, and deliver promptly to the other party, at the request of such party, or destroy, at the request of such party, all tangible embodiments (and all copies) of the Confidential Information which are in his or its possession. In the event that any party is requested or required (by oral question or request for information or documents in any legal proceeding, interrogatory, subpoena, civil investigative demand, or similar process) to disclose any Confidential Information, that party will notify each other party promptly of the request or requirement so that each such other party may seek an appropriate protective order or waive compliance with the provisions of this Article. If, in the absence of a protective order or the receipt of a waiver hereunder, any party is, on the advice of its counsel, compelled to disclose any Confidential Information to any governmental authorities or else stand liable for contempt, that party may disclose the Confidential Information to the governmental authorities; *provided, however*, that the disclosing party shall use his or its best efforts to obtain, at the request of any other party, an order or other assurance that confidential treatment will be accorded to such portion of the Confidential Information required to be disclosed as any other party shall designate. The foregoing provisions shall not apply to any Confidential Information which is generally available to the public immediately prior to the time of disclosure.

ARTICLE VIII

CONDITIONS TO CONSUMMATION OF THE PURCHASE

Section 8.1. Conditions to Each Party's Obligations to Consummate the Purchase. The respective obligations of each party to consummate the transactions contemplated hereby are subject to the satisfaction at or prior to the Closing Date of the following conditions:

(a) No statute, rule, regulation, executive order, decree or injunction shall have been enacted, entered, promulgated or enforced by any Governmental Authority that prohibits the consummation of the transactions contemplated hereby; and

(b) There shall not be any Action, investigation, inquiry or other proceeding instituted, pending or threatened by or before any Governmental Authority that seeks to enjoin or otherwise prevent consummation of the transactions contemplated hereby or to obtain substantial damages in respect of this Agreement or the consummation of the transactions contemplated hereby.

Section 8.2. *Further Conditions to Seller's Obligations.* The obligations of Seller to consummate the transactions contemplated hereby are further subject to satisfaction or waiver of the following conditions:

(a) The representations and warranties of Buyer stated in Article V shall be true and correct as of the Closing Date;

(b) Buyer shall have performed and complied with all its delivery obligations pursuant to Section 8.5;

Section 8.3. *Further Conditions to Buyer's Obligations.* The obligations of Buyer to consummate the transactions contemplated hereby are further subject to Buyer's satisfaction, not unreasonably withheld, or waiver at or prior to the Closing Date of the following conditions:

(a) The representations and warranties of Seller contained in Article IV shall be true and correct as of the Effective Date;

The obligations of Buyer to consummate the transactions contemplated hereby are further subject to Buyer's satisfaction, not unreasonably withheld, or waiver at or prior to the Closing Date of the following condition:

(b) Seller shall have performed and complied in all material respects with all covenants and agreements required by this Agreement to be performed or complied with by it on or prior to the Closing;

(c) There shall not have occurred a Material Adverse Effect with respect to the Club or Business or the Purchased Assets between the time of execution of this Agreement and the Closing Date, which Seller, after written notice and reasonable opportunity was unable or unwilling to cure;

(d) Seller shall have provided Buyer with evidence of receipt of the Approvals and consent to the reinstatement of the parking lot leases.

Section 8.4 *Deliveries by Seller.* At the Closing, Seller shall deliver, or cause to be delivered to Buyer, the following in a form and substance permissible under applicable law:

(a) Deed. The Quit Claim Deed for the Land and Real Property, executed by Seller, in recordable form conveying the Land and the Improvements to Buyer or Buyer's designee ("CL Land LLC").

(b) Bill of Sale. A Bill of Sale, executed by Seller, assigning and conveying to Buyer or Buyer's designee ("CL Ventures LLC"), title to the Personal Property.

(c) Assignment of Intangible Club Assets. An Assignment, executed by Seller, to Buyer or Buyer's designee ("CL Ventures LLC") of those Intangible Club Assets that Buyer may elect, in its sole discretion, in writing to assume on or prior to the Closing.

(d) Assignment of Intangible Purchased Assets. An Assignment, executed by Seller, to Buyer or Buyer's designee ("CL Land LLC"), of those Intangible Purchased Assets that Buyer may elect, in its sole discretion, in writing to assume on or prior to the Closing.

(e) Assignment of Parking Lot Leases to which Seller is a Tenant. An Assignment, executed by Seller, to Buyer or Buyer's designee ("CL Land LLC"), of those parking lot leases that Buyer may elect, in its sole discretion, in writing to assume on or prior to the Closing.

(f) Assignment of Contracts. An Assignment, executed by Seller, to Buyer or Buyer's designee ("CL Land LLC"), of those of the Contracts that Buyer may elect, in its sole discretion, in writing to assume on or prior to the Closing.

(g) Assignment of Leases; Tenant Estoppels. An Assignment and Assumption of Leases, to Buyer, or Buyer's designee ("CL Land LLC"), together with (i) Tenant estoppels and (ii) Tenant SNDAs as required by Buyer.

(h) Notices to Tenants. Notices to each of the tenants under the Leases, notifying them of the sale of the Land and Improvements and directing them to pay all future rent as Buyer or Buyer's designee ("CL Land LLC"), may direct.

(i) Additional transfer documents or assignments in accordance with the terms and conditions of this Agreement as requested by Buyer.

(j) Keys. Keys, or combinations as applicable, to all locks located on the Land and Improvements, to the extent in Seller's possession or control.

(k) Approvals. Certificates of the applicable Governmental Authorities of the Approvals as defined herein to Buyer or Buyer's designee ("CL Ventures LLC") dated not more than fifteen (15) business days prior to the Closing Date.

(l) Closing Statement. A closing statement conforming to the proration and other relevant provisions of this Agreement.

(m) Bulk Sales. A release letter or certificate from the Department of Revenue ("DOR") stating that no assessed but unpaid tax penalties or interest are due under the applicable Tax Act or any similar statute of the State of Nevada (said statute is hereinafter called the "Bulk Sales Provisions").

(n) Rent Roll. An updated Rent Roll, dated not more than five (5) days prior to the date of Closing, certified by Seller to be true, correct and complete.

(o) Utilities Payment Certificate. A "full payment certificate" from the City of Nevada or Clark County and other applicable utilities or services providers for the Land and Real Property, as applicable.

(p) Title Policy. The Title Policy in accordance with the terms of this Agreement.

(q) Bring-down Certificate. A certificate from Seller that all representations and warranties described in this Agreement are true and correct, in all material respects, as of the Closing.

(r) Transfer Tax Declarations. Original copies of any required real estate transfer tax or documentary stamp tax declarations executed by Seller or any other similar documentation required to evidence the payment of any tax imposed by the state, county and city on the transaction contemplated hereby.

(s) Property Management and Leasing. If applicable, evidence that any property management or leasing agreement at the Land and Improvements has been legally terminated by Seller.

(t) Other. Such other documents and instruments as may reasonably be required by Buyer or the Title Insurer and that may be reasonably necessary or appropriate to consummate this transaction and to otherwise effect the agreements of the parties hereto.

Section 8.5 *Deliveries by Buyer*. The obligations of Seller to consummate the transactions contemplated hereby are subject to Seller's satisfaction, not unreasonably withheld, or waiver at or prior to the Closing Date of the following conditions:

(a) Purchase Price. The Purchase Price, plus or minus prorations, shall be delivered to the Title Insurer in escrow for disbursement to Seller in cash, certified or cashier's check, or wire transfer.

(b) Assignment of Leases. Assignment of Leases executed in counterpart by Buyer.

(c) Contract Assignment. If applicable, Contract Assignments executed in counterpart by Buyer.

(d) Transfer Tax Declarations. Original copies of any required real estate transfer tax or documentary stamp tax declarations executed by Buyer, as applicable, or any other similar documentation required to evidence the payment of any tax imposed by the state, county and city on the transaction contemplated hereby.

(e) Other. Such other documents and instruments as may reasonably be required by Seller or the Title Insurer and that may be reasonably necessary or appropriate to consummate this transaction and to otherwise effect the agreements of the parties hereto.

(f) A certificate from Buyer that all representations and warranties described in this Agreement are true and correct, in all material respects, as of the Closing.

Section 8.6 *Prorations and Adjustments*. The following shall be prorated and adjusted between Seller and Buyer as of the Closing Date, except as otherwise specified:

(a) Security Deposits. The amount of all cash security and any other cash tenant deposits pursuant to the Leases and held by Seller shall be credited to Buyer. If applicable, any letters of credit or other non-cash security deposits shall be legally assigned to Buyer.

(b) Utilities and Operating Expenses. Water, electricity, sewer, gas, telephone and other utility charges based, to the extent practicable, on final meter readings and final invoices. Any operating expenses that are not paid by the tenants pursuant to the Leases, or otherwise shall be prorated between Buyer and Seller, with Seller receiving a credit for any operating expenses paid by Seller and related to the period from and after Closing.

(c) Contracts. Amounts paid or payable under the Contracts assumed by Buyer, as applicable, shall be prorated.

(d) Assessments. All assessments, general or special, shall be prorated as of the Closing Date, with Seller being responsible for any installments of assessments that are due and payable prior to the Closing Date and Buyer being responsible for any installments of assessments that are due and payable on or after the Closing Date.

(e) Rent. Buyer will receive a credit at Closing for the prorated amount of all base or fixed rent payable pursuant to the Leases and all additional rents (collectively, "Rent" previously paid to, or collected by, Seller and attributable to any period following the Closing Date. In addition, Buyer shall receive a credit at Closing for any additional rent collected by Seller from tenants, but not yet applied by Seller to the payment of operating expenses, insurance costs, common area maintenance at the Land and Improvements as applicable.

(f) Taxes. All ad valorem real estate and personal property taxes with respect to the Land, Real Property and the Improvements shall be prorated as of the Closing Date, based on the most currently available final tax information on an accrual basis for the calendar year in which the Closing occurs, such that Seller shall pay all such taxes, to the extent required by law, attributable to the period prior to the Closing Date regardless of when due and payable and Buyer shall be responsible for all such taxes attributable to the period from and after the Closing Date.

(g) Other. Such other items as are customarily prorated in transactions of this nature shall be ratably prorated.

Section 8.7 *Closing Expenses*. Buyer shall pay the entire cost of the basic premium for the Title Policy (with extended coverage) the cost of the Endorsements, one half the costs of any escrows hereunder, the cost of recording the Deed, and the cost of the Survey at Closing. Seller shall pay all state, county and municipal transfer taxes, to the extent required by law, and one-half of the cost of any escrows hereunder.

ARTICLE IX TERMINATION AND ABANDONMENT

Section 9.1. *Termination*. This Agreement may be terminated, and the transactions contemplated hereby may be abandoned, at any time prior to the Closing Date:

- (a) By mutual written consent of Seller and Buyer;
- (b) By Buyer if a Material Adverse Effect with respect to the Club, Business or Purchased Assets has occurred after execution of this Agreement and prior to the Closing Date;
- (c) By Buyer or Seller if Buyer has not obtained the Approvals on or before May 1, 2010; or
- (d) By Buyer if, at any time prior to the Due Diligence Period Expiration Date, Buyer, in its sole and absolute discretion, determines that the results of any inspection, test or examination do not meet Buyer's criteria for the purchase, financing or operation of the Purchased Assets in the manner contemplated by Buyer.

Section 9.2. *Procedure for and Effect of Termination; Survival Provisions*. In the event of termination of this Agreement and abandonment of the transactions contemplated hereby by Buyer, written notice thereof shall be given by Buyer to Seller, and this Agreement shall forthwith terminate and shall become null and void and of no further effect, and the transactions contemplated hereby shall be abandoned without further action by Seller or Buyer, except as provided below:

- (a) Each party shall redeliver all documents, work papers and other materials and all copies and reproductions thereof, of the other party relating to the transactions contemplated hereby, whether so obtained before or after the execution hereof, to the party furnishing the same, and all confidential information received by any party hereto with respect to the other party shall remain confidential;
- (b) All provisions under Article VII (entitled "Confidentiality") of this Agreement shall remain in force;
- (c) All filings, applications and other submissions, if any, made pursuant hereto shall, at the option of Buyer and to the extent practicable, be withdrawn from the agency or other person to which made;
- (d) The Buyer will forfeit its non-refundable Twenty Thousand Dollar (\$20,000) Deposit referenced in Section 2.1 of this Agreement to the Seller;

(e) Buyer will pay to Seller the reasonable cost of Seller's attorney fees for Seller's zoning and licensing counsel for the legal services, as described in section 2.1 of this Agreement, which shall be reduced by the Deposit; and

(f) The obligations set forth in (a) through (e) above shall survive termination of this Agreement; excluding these obligations, neither party will have any further liability to the other thereafter whatsoever.

ARTICLE X MISCELLANEOUS PROVISIONS

Section 10.1. *Amendment and Modification.* This Agreement may be amended, modified or supplemented at any time by the parties hereto pursuant to an instrument in writing signed by all parties.

Section 10.2. *Entire Agreement; Assignment; Binding Effect.* This Agreement (including the Seller Disclosure Schedules and Exhibits) and the other Transaction Agreements (a) constitute the entire agreement between the parties hereto with respect to the subject matter hereof and thereof and supersede other prior agreements and understandings, both written and oral, between the parties hereto with respect to the subject matter hereof and (b) shall not be assigned, by operation of law or otherwise, by a party hereto, except as stated herein, without the prior written consent of the other party. Subject to the preceding sentence, this Agreement shall be binding upon and shall inure to the benefit of the parties hereto and their respective successors and assigns.

Section 10.3. *Severability.* Any term or provision of this Agreement which is invalid or unenforceable in any jurisdiction shall, as to that jurisdiction, be ineffective to the extent of such invalidity or unenforceability without rendering invalid or unenforceable the remaining terms and provisions of this Agreement or affecting the validity or enforceability of any of the terms or provisions of this Agreement in any other jurisdiction. If any provision of this Agreement is so broad as to be unenforceable, the provision shall be interpreted to be only as broad as is enforceable.

Section 10.4. *Notices.* Any notice required to be given hereunder shall be sufficient if in writing, and sent by facsimile transmission (with confirmation of receipt) or by courier service (with proof of service), hand delivery or certified or registered mail (return receipt requested and first-class postage prepaid), addressed as follows:

(a) if to Buyer:

CC Holdings, LLC
c/o CSC Services of Nevada, Inc.
502 East John Street
Carson City, Nevada 89706

Deleted: L

With a copy to:
Rosenfeld Roberson
6725 Via Austi Parkway, Suite 200
Las Vegas, NV 89119
Attn: Peter M. Rinato, Esq.
Facsimile: 702-385-3025

With a copy to:
CC Management, LLC

2 Prudential Plaza
180 North Stetson, Suite 3525
Chicago, IL 60601

With a copy to:
Bronson & Kahn, LLC
150 North Wacker Drive
Suite 1400
Chicago, IL 60606
Attn: Harlan Kahn, Esq.
Facsimile: 312-553-1733

(b) if to Seller:

U.S. Marshals Service
Leonard Briskman
Asset Forfeiture Division
United States Marshals Service Headquarters
CS-3, Suite 402
Washington, D.C. 20530-1000
Facsimile: 202-307-5020

or to such other address as any party shall specify by written notice so given, and such notice shall be deemed to have been delivered as of the date so telecommunicated, personally delivered or mailed.

Section 10.5. *Dispute Resolution.* All disputes arising directly under this Agreement, including whether any payments may be due under this Agreement, shall be resolved as set forth in this Section 10.5. The parties shall meet to attempt to resolve any such dispute. If

the dispute cannot be resolved by the parties, either party may pursue its legal remedies at law in any federal court of competent jurisdiction under applicable federal law.

Section 10.6. *Governing Law and Venue*. The enforcement, interpretation, and construction of this Agreement, and all matters relating hereto, shall be governed by federal law, and in the event that federal law is silent or inapplicable, the laws of the State of Nevada applicable to agreements executed and to be performed solely within such State, shall apply, without giving effect to the conflict of laws principles thereof.

Section 10.7. *Descriptive Headings*. The descriptive headings herein are inserted for convenience of reference only and shall in no way be construed to define, limit, describe, explain, modify, amplify, or add to the interpretation, construction or meaning of any provision of, or scope or intent of, this Agreement nor in any way affect this Agreement.

Section 10.8. *Counterparts*. This Agreement may be executed in counterparts, each of which shall be deemed an original, but both of which together shall constitute one and the same instrument.

Section 10.9. *Fees and Expenses*. Whether or not this Agreement and the transactions contemplated hereby are consummated, and except as otherwise expressly set forth herein, all costs and expenses (including legal and financial advisory fees and expenses) incurred in connection with, or in anticipation of, this Agreement and the transactions contemplated hereby shall be paid by the party incurring such expenses.

Section 10.10. *Interpretation*. In the event an ambiguity or question of intent or interpretation arises, this Agreement shall be construed as if drafted jointly by the parties and no presumption or burden of proof shall arise favoring or disfavoring any party by virtue of the authorship of any provisions of this Agreement.

Section 10.11. *No Third Party Beneficiaries*. This Agreement is solely for the benefit of Seller and its successors and permitted assigns, with respect to the obligations of Buyer under this Agreement, and for the benefit of Buyer, and its successors and permitted assigns, with respect to the obligations of Seller. This Agreement shall not be deemed to confer upon or give to any other third party any remedy, claim of liability or reimbursement, cause of action or other right.

Section 10.12. *Waivers*. Each party hereto may, to the extent legally allowed: (a) extend the time for the performance of any of the obligations or other acts of the other party hereto; (b) waive any inaccuracies in the representations and warranties of the other party contained herein or in any document delivered pursuant hereto; and (c) waive compliance with any of the agreements or conditions of the other party contained herein. Any agreement on the part of a party hereto to any such extension or waiver shall be valid only if set forth in a written instrument signed on behalf of such party. Except as otherwise expressly provided herein, no failure to exercise, delay in exercising, or single or partial exercise of any right, power or remedy by any party, and no course of dealing between the parties, shall constitute a waiver of any such right, power or remedy. No waiver by a party of any default, misrepresentation, or breach of warranty or covenant hereunder, whether intentional or not, shall be deemed to extend to any prior or subsequent default, misrepresentation, or breach of warranty or covenant hereunder or affect in any way any rights arising by virtue of any prior or subsequent such occurrence.

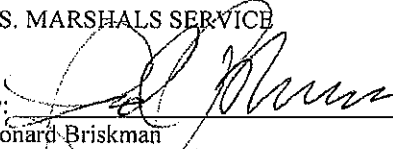
Section 10.13. *Incorporation of Exhibits.* The Seller Disclosure Schedules and Exhibits attached hereto and referred to herein are hereby incorporated herein and made a part hereof for all purposes as if fully set forth herein.

Section 10.14 *Signatures.* Upon the concurrence in principle by the parties of the terms of the Agreement, and the execution and delivery of the same by one party or its/their authorized representative, the non-executing party shall have two (2) business days after receipt of the unilaterally executed Agreement to execute and return the fully executed Agreement with no alterations or amendments to the other party. Failure of the non-executing party to do so, unless waived, shall relieve the parties of any and all existing obligations, oral or written, arising from this Agreement and any other written or oral promise or representation related thereto.

IN WITNESS WHEREOF, each of the undersigned has caused this Agreement to be duly signed as of the Effective Date first written above.

SELLER:

U.S. MARSHALS SERVICE

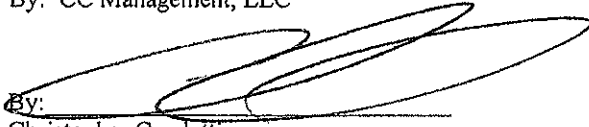
By: 
Leonard Briskman
Program Manager, Business Operations
Asset Forfeiture Division
U.S. Marshals Service

BUYER:

CC HOLDINGS, LLC

Deleted: L

By: CC Management, LLC

By: 
Christopher Condotti
Manager

SELLER'S DISCLOSURE SCHEDULES AND EXHIBITS

Exhibits:

- A-1: Land Legal Description
- A-2: ALTA Survey of Land and Improvements
- A-3: Site Plan of Land and Improvements
- B: Building One Plans and Specifications
- C: Building Two Plans and Specifications
- D: Signage, Utilities, Systems on Land Descriptions
- E: Personal Property Inventory for Fixed Purchased Assets Located in or Used for Operation of Club or Business
- F: Personal Property Inventory for Fixed Purchased Assets Located in or Used for Operation of Building One
- G: Personal Property Inventory for Fixed Purchased Assets Located in or Used for Operation of Building Two
- H: Intangible Club or Business Assets List
- I: Intangible Purchased Assets List
- J: Intangible Club or Business Lease Rights Assets List
- K: Contracts List
- L: Leases List
- M: Records List
- N: Seller's Orders of Forfeiture
- O: Warranties List
- P: Actions and Judgments List

Schedules:

- 1: Allocation of Purchase Price
- 2: Insurance
- 3: Approvals
- 4: Survey
- 5: Leases Rent Roll
- 6: Commissions

EXTENSION

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US MARSHALS

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Section 8.7 *Closing Expenses*. Buyer shall pay the entire cost of the basic premium for the Title Policy (with extended coverage) the cost of the Endorsements, one half the costs of any escrows hereunder, the cost of recording the Deed, and the cost of the Survey at Closing. Seller shall pay all state, county and municipal transfer taxes, to the extent required by law, and one-half of the cost of any escrows hereunder.

ARTICLE IX TERMINATION AND ABANDONMENT

Section 9.1. *Termination*. This Agreement may be terminated, and the transactions contemplated hereby may be abandoned, at any time prior to the Closing Date:

(a) By mutual written consent of Seller and Buyer;

(b) By Buyer if a Material Adverse Effect with respect to the Club, Business or Purchased Assets has occurred after execution of this Agreement and prior to the Closing Date;

(c) By Buyer or Seller if Buyer has not obtained the Approvals on or before November 30, 2010; or

(d) By Buyer if, at any time prior to the Due Diligence Period Expiration Date, Buyer, in its sole and absolute discretion, determines that the results of any inspection, test or examination do not meet Buyer's criteria for the purchase, financing or operation of the Purchased Assets in the manner contemplated by Buyer.

Section 9.2. *Procedure for and Effect of Termination; Survival Provisions*. In the event of termination of this Agreement and abandonment of the transactions contemplated hereby by Buyer, written notice thereof shall be given by Buyer to Seller, and this Agreement shall forthwith terminate and shall become null and void and of no further effect, and the transactions contemplated hereby shall be abandoned without further action by Seller or Buyer, except as provided below:

(a) Each party shall redeliver all documents, work papers and other materials and all copies and reproductions thereof, of the other party relating to the transactions contemplated hereby, whether so obtained before or after the execution hereof, to the party furnishing the same, and all confidential information received by any party hereto with respect to the other party shall remain confidential;

(b) All provisions under Article VII (entitled "Confidentiality") of this Agreement shall remain in force;

(c) All filings, applications and other submissions, if any, made pursuant hereto shall, at the option of Buyer and to the extent practicable, be withdrawn from the agency or other person to which made;

(d) The Buyer will forfeit its non-refundable Twenty Thousand Dollar (\$20,000) Deposit referenced in Section 2.1 of this Agreement to the Seller;