

set forth shall not exercise its option to continue operating that specific restaurant, upon the return of physical possession to SOUTHERN, all names, trademarks, ground leases and equipment leases hereby transferred relating to such location shall revert to SOUTHERN, free and clear of any claim by PFI or any third party, to include the right by SOUTHERN to redecorate and renovate each such restaurant in accordance with its present scheme or any such other scheme as SOUTHERN shall at that time desire to use.

12. During the time that PFI shall be in possession of each of the restaurants and operating same as hereinabove stated, PFI, its successors, assigns and assignees, shall indemnify and hold harmless SOUTHERN from and against any and every claim, debt, demand, cause of action, judgment or decree of any type arising from the day-to-day operation of these restaurants by PFI, and from any claims, debts, demands, causes of action, judgments or decrees relating to loss of person or property arising in or by virtue of PFI's occupancy and operation of these restaurants.

13. SOUTHERN further warrants that all utility bills are paid in all locations aforesaid and if any utility service cannot be obtained because of any indebtedness by SOUTHERN, PFI shall have the right to pay for same and offset such amounts paid against rents on equipment lease payments due or to become due.

14. With regard to the Burlington and High Point locations SOUTHERN warrants these units to be under warranty from Wilke Construction Company for a period of one year from the time of construction and agrees to assist PFI with any matters relating to repairs or adjustments needed from Wilke, including the payment of all monies due Wilke Construction Company by SOUTHERN.

15. SOUTHERN hereby acknowledges that the Burlington and High Point locations specifically have serious existing paving problems and warrants that such paving problems shall be corrected by Wilke Construction Company at no expense to PFI. In the event necessary repairs shall not be made within forty five days of the take over by PFI, PFI shall have the right to contract for the necessary repairs and off set any amount paid therefor against rent and equipment payments due or to become due.

16. PFI specifically assumes no liability for corporate debts or leases or contracts of SOUTHERN other than those expressly set forth in this agreement.

17. All past business records for all of the aforesaid locations shall be made available to PFI after the execution of this agreement.

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