

(f.) Palmetto has good and merchantable title in fee to all the real property and good and merchantable title to all other property and assets included in such balance sheet dated January 31, 1961, or which have been or hereafter shall be acquired since January 31, 1961, subject to no liens or encumbrances or title retention devices, except liens for taxes not delinquent, liens reflected in such balance sheet dated January 31, 1961, and minor liens and encumbrances not material in relation to the value of such assets. Palmetto enjoys peaceable and undisturbed possession under all of the leases under which it is operating, none of which contains any unusual or burdensome provision which will materially affect or impair the operations of Palmetto, and all such leases are valid and subsisting and in full force and effect.

(g.) Palmetto is not a party to nor is it bound by any unusual or burdensome agreement, deed, or other instrument, or subject to any charter, by-law, or other corporate restrictions, adversely affecting in any material manner, its business or its condition, financial or otherwise.

(h.) As of January 31, 1961, Palmetto does not have any outstanding options or agreements for the issue or sale of its stock.

(i.) Palmetto shall not engage in any activity or transaction after January 31, 1961, other than in the ordinary course of its business, without first having obtained the written approval of Professional.

(j.) Palmetto, after January 31, 1961, shall not issue or sell, or issue rights to subscribe to, any shares of its capital stock, nor shall Palmetto declare or pay any dividends on any share of its capital stock.

(k.) Palmetto shall carry on its business after January 31, 1961, in substantially the same manner as theretofore and shall not, except in the usual and ordinary course of its business, enter into any contract for advertising or for the purchase of any property of any kind whatsoever, without the written approval of Professional.

(l.) The assets, property, and rights owned by Palmetto on January 31, 1961, shall be preserved and maintained so far as practicable in the ordinary and customary conduct of its business to the same extent and in the same condition as such assets, property, and rights were on January 31, 1961.

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