



### Alaska Alcoholic Beverage Control Board

## Form AB-01: Transfer License Application

#### What is this form?

This transfer license application form is required for all individuals or entities seeking to apply for the transfer of ownership and/or location of an existing liquor license. Applicants should review **Title 04 of Alaska Statutes** and **Chapter 304 of the Alaska Administrative Code**. All fields of this form must be completed, per AS 04.11.260, AS 04.11.280, AS 04.11.290, and 3 AAC 304.105.

This form must be completed and submitted to AMCO's main office, along with all other required forms and documents, before any license application will be considered complete.

### Section 1 - Transferor Information

Enter information for the **current** licensee and licensed establishment.

Licensee:	Mandakakis Inc		License #:	822	
License Type:	Beverage Dispensary		Statutory Reference:	04.11.090	
Doing Business As:	Christo's Palace				
Premises Address:	133 4 <sup>th</sup> Avenue				
City:	Seward	State:	Alaska	ZIP:	99664
Local Governing Body:	Kenai Peninsula Borough				

#### Transfer Type:

- Regular transfer
- Transfer with security interest
- Involuntary retransfer



#### OFFICE USE ONLY

Complete Date:	9/7/16	Transaction #:	14077
Board Meeting Date:	10/20/16	License Years:	2015-16
Issue Date:		BRE:	625



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### Section 2 – Transferee Information

Enter information for the **new** applicant and/or location seeking to be licensed.

Licensee:	Klondike Pizzeria II LLC				
Doing Business As:	Christo's Palace				
Premises Address:	133 4 <sup>th</sup> Avenue				
City:	Seward	State:	Alaska	ZIP:	99664
Community Council:					

Mailing Address:	1120 E Huffman 24 PMB 416				
City:	Anchorage	State:	Alaska	ZIP:	99515

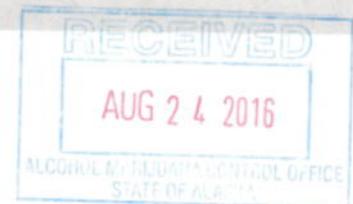
Designated Licensee:	Toni Straws			
Contact Phone:	907 575 5354	Business Phone:		
Contact Email:	chattermark@yahoo.com			

Seasonal License?    Yes     No     If "Yes", write your six-month operating period: \_\_\_\_\_

### Section 3 – Premises Information

Premises to be licensed is:

- an existing facility     a new building     a proposed building



The next two questions must be completed by beverage dispensary (including tourism) and package store applicants only:

What is the distance of the shortest pedestrian route from the public entrance of the building of your proposed premises to the outer boundaries of the nearest school grounds? Include the unit of measurement in your answer.

Nearest school grounds is Seward Elementary School, 2.4 miles away

What is the distance of the shortest pedestrian route from the public entrance of the building of your proposed premises to the public entrance of the nearest church building? Include the unit of measurement in your answer.

Nearest church is Resurrection Bay Baptist, 351 ft away



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**Section 4 – Sole Proprietor Ownership Information**

This section must be completed by any sole proprietor who is applying for a license. Entities should skip to Section 5. If more space is needed, please attach a separate sheet with the required information. The following information must be completed for each licensee and each affiliate (spouse).

This individual is an:  applicant  affiliate

Name:					
Address:					
City:		State:		ZIP:	

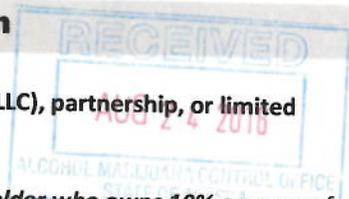
This individual is an:  applicant  affiliate

Name:					
Address:					
City:		State:		ZIP:	

**Section 5 – Entity Ownership Information**

This section must be completed by any entity, including a corporation, limited liability company (LLC), partnership, or limited partnership, that is applying for a license. Sole proprietors should skip to Section 6. If more space is needed, please attach a separate sheet with the required information.

- If the applicant is a corporation, the following information must be completed for each *stockholder who owns 10% or more* of the stock in the corporation, and for each *president, vice-president, secretary, and managing officer*.
- If the applicant is a limited liability organization, the following information must be completed for each *member with an ownership interest of 10% or more*, and for each *manager*.
- If the applicant is a partnership, including a limited partnership, the following information must be completed for each *partner with an interest of 10% or more*, and for each *general partner*.



Entity Official:	ZPA LLC				
Title(s):	Member	Phone:	907 250 2541	% Owned:	100
Address:	1120 E Huffman 24 PMB 416				
City:	Anchorage	State:	AK	ZIP:	99515



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Entity Official:	Toni Strauss				
Title(s):	manager	Phone:	907 575 5354	% Owned:	0
Address:	1120 E Huffman 24 PMB 416				
City:	Anchorage	State:	Alaska	ZIP:	99515

Entity Official:	Charles E Jackson Jr				
Title(s):	manager	Phone:	907 250 2541	% Owned:	0
Address:	1120 E Huffman 24 PMB 416				
City:	Anchorage	State:	Alaska	ZIP:	99515

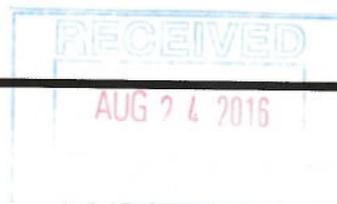
Entity Official:					
Title(s):		Phone:		% Owned:	
Address:					
City:		State:		ZIP:	

This subsection must be completed by any applicant that is a corporation or LLC. Corporations and LLCs are required to be in good standing with the Alaska Division of Corporations (DOC) and have a registered agent who is an individual resident of the state of Alaska.

DOC Entity #:	10038727	AK Formed Date:	5/24/2016	Home State:	Alaska
Registered Agent:	Toni Strauss	Agent's Phone:	907 575 5354		
Agent's Mailing Address:	1120 E Huffman 24 PMB 416				
City:	Anchorage	State:	Alaska	ZIP:	99515

Residency of Agent: Yes No

Is your corporation or LLC's registered agent an individual resident of the state of Alaska?





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**Section 6 – Other Licenses**

Ownership and financial interest in other alcoholic beverage businesses:

Yes No

Does any representative or owner named as a transferee in this application have any direct or indirect financial interest in any other alcoholic beverage business that does business in or is licensed in Alaska?



If "Yes", disclose which individual(s) has the financial interest, what the type of business is, and if licensed in Alaska, which license number(s) and license type(s):

Charles E Jackson Sr & Toni Strauss have financial interest in 3 restaurants in Seward, Alaska that each have Restaurant/Eating Place - Public Convenience licenses:  
Chattermark: 5040, Railway Cantina: 4040, Alaska Seafood Grill: 3021

**Section 7 – Authorization**

Communication with AMCO staff:

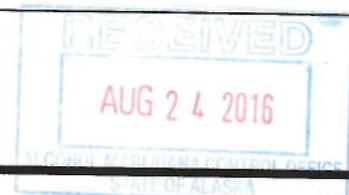
Yes No

Does any person other than a licensee named in this application have authority to discuss this license with AMCO staff?



If "Yes", disclose the name of the individual and the reason for this authorization:

[Empty box for disclosure]





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**Section 8 – Transferor Certifications**

Additional copies of this page may be attached, as needed, for the controlling interest of the current licensee to be represented.

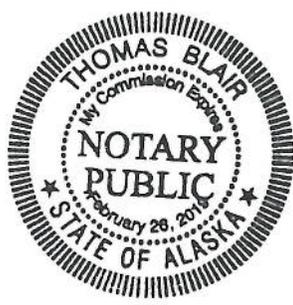
I declare under penalty of unsworn falsification that the undersigned represents a **controlling interest** of the current licensee. I additionally certify that I, as the current licensee (either the sole proprietor or the controlling interest of the currently licensed entity) have examined this application, approve of the transfer of this license, and to the best of my knowledge and belief find the information on this application to be true, correct, and complete.

  
\_\_\_\_\_  
Signature of transferor

IOANNIS MANOLALAKIS  
Printed name of transferor

Subscribed and sworn to before me this 29 day of July, 20 16.

  
\_\_\_\_\_  
Signature of Notary Public



Notary Public in and for the State of Alaska

My commission expires: 2-26-19

\_\_\_\_\_  
Signature of transferor

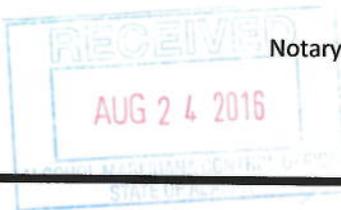
\_\_\_\_\_  
Printed name of transferor

Subscribed and sworn to before me this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_.

\_\_\_\_\_  
Signature of Notary Public

Notary Public in and for the State of \_\_\_\_\_

My commission expires: \_\_\_\_\_





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### Section 9 – Transferee Certifications

Read each line below, and then sign your initials in the box to the right of each statement:

Initials

I certify that all proposed licensees (as defined in AS 04.11.260) and affiliates have been listed on this application.

TS

I certify that all proposed licensees have been listed with the Division of Corporations.

TS

I certify that I understand that providing a false statement on this form or any other form provided by AMCO is grounds for rejection or denial of this application or revocation of any license issued.

TS

I certify that all licensees, agents, and employees who sell or serve alcoholic beverages or check the identification of a patron will complete an approved alcohol server education course, if required by AS 04.21.025, and, while selling or serving alcoholic beverages, will carry or have available to show a current course card or a photocopy of the card certifying completion of approved alcohol server education course, if required by 3 AAC 304.465.

TS

I agree to provide all information required by the Alcoholic Beverage Control Board in support of this application.

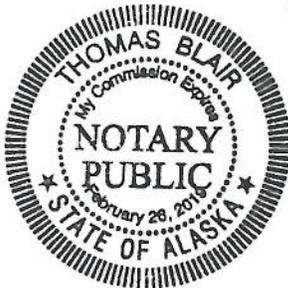
TS

As an applicant for a liquor license, I declare under penalty of unsworn falsification that I have read and am familiar with AS 04 and 3 AAC 304, and that I have examined this application, including all accompanying schedules and statements, and to the best of my knowledge and belief find them to be true, correct, and complete.

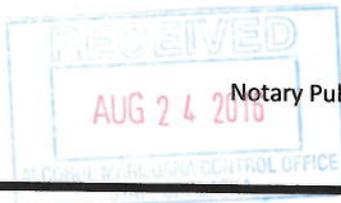
Toni L. Strauss  
Signature of transferee

Toni L Strauss  
Printed name

Subscribed and sworn to before me this 29 day of July, 2016.



[Signature]  
Signature of Notary Public



Notary Public in and for the State of Alaska

My commission expires: 2-26-19

# AFFIDAVIT OF PUBLICATION

Newspaper Company: Seward Journal

State of Alaska, City of Seward

Bb Sbf personally appeared before me and says that he/she is an authorized agent of the above named newspaper company, an Alaska business in the City of Seward, doing business in said City under the trade name listed above, a newspaper published in said City; That he/she is authorized to make such affidavits of publication on behalf of said newspaper business. The said newspaper is of general circulation in the said City and in the area adjacent thereto; That he/she has reviewed the regular additions of said newspapers published on (list dates) \_\_\_\_\_

Aug. 3, 10, 17 2016  
and finds that the attached advertisement appeared in each of said editions, to with:

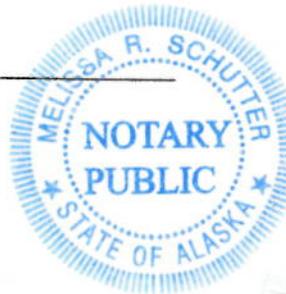
(deponent) Serd Jurl

State of Alaska Third Judicial District. Subscribed and sworn to (or affirmed) before me at Seward this 2 day of August, 2016

Melissa R. Schutter

Notary Public's Signature

My Commission Expires: 6/15/19



Manolakakis Inc, DBA Christo's Palace, located at 133 4th Ave, Seward, Alaska, is applying for a transfer of a Beverage Dispensary AS 04.11.090 liquor license to Klondike Pizzeria II LLC. The transferor/lessor retains a security interest in the liquor license which is the subject of this conveyance under the terms of AS 04.11.360 (4)(B); AS 04.11.670 and 3 AAC 304.107 and may, as a result, be able to obtain a retransfer of the license without satisfaction of other creditors. Interested persons should submit written comment to their local governing body, the applicant and to the Alcoholic Beverage Control Board at 550 West 7th Ave Suite 1600 Anchorage, AK 99501.

**PURCHASE OF BUSINESS AGREEMENT**

**THIS PURCHASE OF BUSINESS AGREEMENT** (the "Agreement") made and entered into this 4th day of May, 2016 (the "Execution Date"),

**BETWEEN:**

Manolakakis Inc. d/b/a Christo's Palace P.O. Box 830 Seward, Alaska 99664  
(the "Seller")

OF THE FIRST PART

and

Klondike Pizzeria II LLC of 1120 E Huffman 24 PMB 416, Anchorage, Alaska 99515  
(the "Purchaser")

OF THE SECOND PART

**BACKGROUND**

- A. The Seller is the owner of Christo's Palace of 133 Fourth Avenue, Seward, Alaska 99664 (the "Business"), which carries on the business of Restaurant under the operating name Christo's Palace in the State of Alaska.
- B. The Seller owns the assets of the Business and desires to sell certain assets (the "Assets"), to the Purchaser, subject to any exclusions set out in this Agreement and the Purchaser desires to buy the Assets.

**IN CONSIDERATION** of the provisions contained in this Agreement and for other good and valuable consideration, the receipt and sufficiency of which consideration is acknowledged, the Parties agree as follows:

**Definitions**

- 1. The following definitions apply in the Agreement:

AUG 31 '16 PM 4:45

a. The "Assets" consists of the following:

- i. Real Estate located at 133 Fourth Avenue, Seward, AK 99664, Parcel ID 14907005.
- ii. Alaska Beverage Dispensary License No. 822.
- iii. All equipment used in carrying on the Business.
- ii. All inventory and packaging.
- iii. All books, records and files, relevant to carrying on the Business.
- iv. The goodwill of the Business including the business name within the State of Alaska.

and does not include any Excluded Assets.

b. "Closing" means the completion of the purchase and sale of the Assets as described in this Agreement by the payment of agreed consideration, and the transfer of title to the Assets.

c. "Excluded Assets" means assets that are owned by the Seller but do not form any part of the Assets for the purpose of this transaction. Excluded Assets will include the following:

- i. Cash items held by the Seller including, but not limited to, cash bank balances, and term deposits.
- ii. Securities held by the Seller including, but not limited to, shares notes, bonds, and debentures.
- iii. Records in the possession of the Seller relating to the excluded assets and corporate and financial records which are not related to carrying on the activities of the Business.

iv. Personal items located at property not related to the business.

d. "Parties" means both the Seller and the Purchaser and "Party" means any one of them.

**Sale**

2. Subject to the terms and conditions of this Agreement, and in reliance on the representations, warranties, and conditions set out in this Agreement, the Seller agrees to sell the Assets to the Purchaser and the Purchaser agrees to purchase the Assets from the Seller.

**Purchase Price**

3. The Parties agree that the Purchase Price for the Assets will be allocated among the Assets as follows subject to required adjustments based upon appraisal that are agreed upon by the Parties:

Real Estate		\$850,000.00
Liquor Dispensary License		\$10,000.00
Business Equipment		\$100,000.00
Inventory and packaging		\$75,000.00
Books, records and files		\$25,000.00
Goodwill		\$90,000.00
	<b>Sub-Total</b>	<b>\$1,150,000.00</b>
State Sales Tax 0% (Reg. #: _____)		\$0.00
	<b>Purchase Price</b>	<b>\$1,150,000.00</b>

The agreed upon purchase price will be <sup>46 74</sup> ~~no greater than~~ \$1,150,000 and the buyer shall deposit \$5,000 earnest money with First American Title no later than 5 days of signing agreement, that shall be credited towards the purchase price. If the transaction fails to come to fruition because of any fault of seller the earnest money will be refunded.

Also if the Seller is not cashed out in this acquisition then a Security Agreement covering the Assets such as but not limited to the alcohol liquor dispensary license will be executed by the Purchaser who shall also sign individually as a guarantor on said Security Agreement.

9. The Purchaser is responsible for paying all applicable taxes, including federal sales tax, state sales tax, duties, and any other taxes or charges payable that are necessary to give effect to the transfer of the Assets from the Seller to the Purchaser.

#### **Seller's Representations and Warranties**

10. The Seller represents and warrants to the Purchaser that:
  - a. The Seller has full legal authority to enter into and exercise its obligations under this Agreement.
  - b. The Seller is the absolute beneficial owner of the Assets, with good and marketable title, free and clear of any liens, charges, encumbrances or rights of others. The Seller is exclusively entitled to possess and dispose of the Assets.
  - c. To the best knowledge of the Seller there is no pending or anticipated claim against the Assets or against the Seller's ownership or title in the Assets or against the Seller's right to dispose of the Assets.
  - d. No third party contract is outstanding that could result in a claim against or affecting the Assets in whole or in part either now or in the future.
  - e. The Business does not have any outstanding contracts, agreements, or commitments of any kind, written or oral, with any third party regarding the Assets, except for the material contracts described in, and attached to this Agreement. The seller represents and warrants that no default or breach exists with regard to any presently outstanding material contract.
  - f. Execution of this Agreement will not hinder or unfairly disadvantage any pre-existing creditor.

- g. There has been no act or omission by the Seller that would give rise to any valid claim relating to a brokerage commission, finder's fee, or other similar payment.
- h. The Seller is a resident of the United States for the purposes of the *Internal Revenue Code*.
- i. The Business has withheld all amounts required to be withheld under income tax legislation and has paid all amounts owing to the proper authorities.
- j. The Business is not bound by any written or oral pension plan or collective bargaining agreement or obligated to make any contributions under any retirement income plan, deferred profit sharing plan or similar plan.
- k. The Business will not hire any new permanent-year around employees, or substantially change the role or title of any existing employees, provide unscheduled or irregular increases in salary or benefits to employees, or institute any significant changes to the terms of any employees' employment, after signing this Agreement, unless the Purchaser provides written consent.
- l. There are no claims threatened or pending against the Business by any current or past employee relating to any matter arising from or relating to the employment of the employee.
- m. The Assets, while owned by the Seller, have been maintained at all times in accordance with standard industry practice. The Seller further warrants that all tangible assets are in good working order.
- n. The Business is operating in accordance with all applicable laws, rules, and regulations of the jurisdictions in which it is carried on. In compliance with such laws, the Seller has duly licensed, registered, or qualified the Business with the appropriate public authorities.
- o. The Business maintains insurance policies on the Assets, of full force and effect, and of adequate value as would be reasonable in its industry. The Business has neither defaulted under these insurance policies, as a result of failure to pay

premiums or due to any other cause, nor has the Business failed to give notice or make a claim under these insurance policies in a timely manner.

- p. The Business owns or is licensed to use all necessary software and it can continue to use any and all computerized records, files and programs into the foreseeable future in the same manner as before the Closing Date.
  - q. The Business has filed all tax reports and returns required in the operation of the Business and has paid all taxes owed to all taxing authorities, including foreign taxing authorities, except amounts that are being properly contested by the Seller, the details of this contest having been provided to the Purchaser.
  - r. This Agreement has been duly executed and delivered by the Seller and constitutes a legal and binding obligation of the Seller, enforceable in accordance with its terms, except as enforcement may be limited by bankruptcy and insolvency, by other laws affecting the rights of creditors generally, and by equitable remedies granted by a court of competent jurisdiction.
  - s. Training will be provided to facilitate a smooth transition. Seller will be available in person for 2-4 weeks and via phone call for up to 1 year to answer questions related to business operations.
11. The representations and warranties given in this Agreement are the only representations and warranties. No other representation or warranty, either expressed or implied, has been given by the Seller to the Purchaser, including, without limitation, any representations or warranties regarding the merchantability of the Assets or their fitness for a particular purpose. Said Assets are sold as is where is and with all faults without warranty.
12. The Seller warrants to the Purchaser that each of the representations and warranties made by it is accurate and not misleading at the Closing Date. The Seller acknowledges that the Purchaser is entering into this Agreement in reliance on each warranty and representation.
13. Where the Purchaser has a claim against the Seller relating to one or more representations or warranties made by the Seller, the Seller will have no liability to the Purchaser unless

the Purchaser provides notice in writing to the Seller containing full details of the claim on or before the third anniversary of the Closing Date.

14. Where the Purchaser has a claim against the Seller relating to one or more representations or warranties made by the Seller, and the Purchaser is entitled to recover damages from a third party then the amount of the claim against the Seller will be reduced by the recovered or recoverable amount less all reasonable costs incurred by the Purchaser in recovering the amount from the third party.

**Purchaser's Representations and Warranties**

15. The Purchaser represents and warrants to the Seller the following:
- a. The Purchaser has full legal authority to enter into and exercise its obligations under this Agreement.
  - b. The corporate Purchaser has all necessary corporate power, authority and capacity to enter into this Agreement and to carry out its obligations under this Agreement. The execution and delivery of this Agreement, and this transaction has been duly authorized by all necessary corporate action on the part of the corporate Purchaser.
  - c. The Purchaser has funds available to pay the full Purchase Price and any expenses accumulated by the Purchaser in connection with this Agreement and the Purchaser has not incurred any obligation, commitment, restriction, or liability of any kind, absolute or contingent, present or future, which would adversely affect its ability to perform its obligations under this Agreement.
  - d. The Purchaser has not committed any act or omission that would give rise to any valid claim relating to a brokerage commission, finder's fee, or other similar payment.
  - e. The Purchaser is a resident of the United States for the purposes of the *Internal Revenue Code*.

- f. This Agreement has been duly executed by the Purchaser and constitutes a legal and binding obligation of the Purchaser, enforceable in accordance with its terms, except as enforcement may be limited by bankruptcy and insolvency, by other laws affecting the rights of creditors generally, and by equitable remedies granted by a court of competent jurisdiction.
  - g. The Purchaser has no knowledge that any representation or warranty given by the Seller in this Agreement is inaccurate or false.
  - h. Purchaser will allow a phased move out of seller residence and personal belongings located at 133 Fourth Avenue, Seward, AK after closing as negotiated between parties.
16. The representations and warranties given in this Agreement are the only representations and warranties. The Purchaser has given no other representation or warranty, either expressed or implied, to the Seller.
17. The Purchaser warrants to the Seller that each of the representations and warranties made by it is accurate and not misleading at the date of Closing. The Purchaser acknowledges that the Seller is entering into this Agreement in reliance on each warranty and representation.

**Conditions Precedent to be Performed by the Purchaser**

20. The obligation of the Seller to complete the sale of the Assets under this Agreement is subject to the satisfaction of the following conditions precedent by the Purchaser, on or before the Closing Date, each of which is acknowledged to be for the exclusive benefit of the Seller and may be waived by the Seller entirely or in part:
- a. All of the representations and warranties made by the Purchaser in this Agreement will be true and accurate in all material respects on the Closing Date.
  - b. The Purchaser will obtain or complete all forms, documents, consents, approvals, registrations, declarations, orders, and authorizations from any person or any governmental or public body, required of the Purchaser in connection with the execution of this Agreement.

**Conditions Precedent to be Performed by the Seller**

21. The obligation of the Purchaser to complete the purchase of the Assets under this Agreement is subject to the satisfaction of the following conditions precedent by the Seller, on or before the Closing Date, each of which is acknowledged to be for the exclusive benefit of the Purchaser and may be waived by the Purchaser entirely or in part:
- a. All of the representations and warranties made by the Seller in this Agreement will be true and accurate in all material respects on the Closing Date.
  - b. The Seller will obtain and complete any and all forms, documents, consents, approvals, registrations, declarations, orders, and authorizations from any person or governmental or public body that are required of the Seller for the proper execution of this Agreement and transfer of the Assets to the Purchaser.
  - c. No substantial damage to or alteration of the Assets that would adversely affect their value will occur between the date this Agreement is signed and the Closing Date.
  - d. The Seller will have obtained any necessary consents for assigning any leases to the Purchaser as well as providing estoppel certificates from such owners or landlords that there are no arrears of rent, no breaches under such leases and the amount of the security deposits held by such third parties.
  - e. The Seller will execute and deliver bills of sale for the Assets in favor of the Purchaser.
  - f. The Seller will provide the Purchaser with complete information concerning the operation of the Business, in order to put the Purchaser in a position to carry on in the place of the Seller.
  - g. Immediately following the Closing, the Seller will discontinue use of the name Christo's Palace except in connection with the collection of the accounts receivable of the Business and the disposing of any inventory that were not part of the Assets sold to the Purchaser.

### Disclosure

22. Upon the reasonable request (with a minimum of 24 hours' notice) of the Purchaser, the Seller will, from time to time, allow the Purchaser and its agents, counsel, accountant, employees, or other representatives to have unrestricted access to the premises. As to the business, the Seller has made no express and/or implied warranty or guarantee as to the profitability of the business being sold. Both the seller and Purchaser are experienced business persons and shall use their best business judgment by entering into this transaction.

### Conditions Precedent Not Satisfied

23. If either Party fails to satisfy any condition precedent as set out in this Agreement on or before the Closing Date and the opposite Party does not waive that condition precedent, then this Agreement will be null and void and there will be no further liability as between the Parties.

### Employees

24. The Purchaser agrees to hire selected employees of the Business (the "Transferred Employees"), effective as of the Close of this Agreement. At least 30 days prior to the Closing Date, the Purchaser will provide written offers of employment to all Transferred Employees. The offers of employment will be subject to execution of this Agreement. Prior to the Closing Date the Purchaser will make itself available to discuss with each Transferred Employee the terms of the individual employment offers.
25. The Purchaser will not offer employment to any employee of the Business who is receiving disability benefits under a disability plan of the Seller as of the Closing Date. Those employees receiving disability benefits will not be considered a Transferred Employee and will remain the full responsibility of the Seller.
26. The Seller will deliver to the Purchaser prior to the Closing Date, such resignations or terminations of each officer or employee of the Business that is not a Transferred Employee, each such resignation or termination will be effective as of the Closing Date. The Seller will pay all employee compensation incurred by it up to and including the Closing Date and including all salaries, benefits, bonuses and any other compensation of

any kind owing to all employees up to and including the Closing Date. The Seller will be responsible for all severance benefits, vacation days, sick days, personal days and other compensated time off accrued by all employees up to and including the Closing Date.

27. The Seller is in compliance with all applicable foreign and domestic statutory rules and regulations respecting employment and employment practices and has withheld and reported all amounts required by law with respect to wages and salaries and the Seller is not liable for any accrued taxes or penalties and is not liable or in arrears to any government or private pension, social security or unemployment insurance authority. The Seller indemnifies the Purchaser for any future liabilities relating to employment and employment practices where the subject of the liability occurred prior to or on the Closing Date.
28. To the best knowledge of the Seller no labor dispute is currently in progress, pending or threatened involving the Transferred Employees of the Business that would interfere with the normal productivity or production schedules of the Business.
29. After the Closing Date, the Purchaser will adopt, assume, and become solely responsible for all Transferred Employee benefit plans including, but not limited to, all health and disability plans and pension plans currently administered by the Seller. The Purchaser will collect and pay over to the Seller any contributions of the Seller's employees that relate to periods prior to and including the Closing Date. The Purchaser agrees to waive all waiting or qualification periods and pre-existing conditions and limitations of such plans for the Transferred Employees.

**Non-Solicitation**

30. The Seller agrees that any attempt to encourage or induce employees, directors, agents or contractors to leave their jobs with the Business would be harmful and damaging to the Purchaser. The Seller further agrees that any attempt on the part of the Seller to interfere with the Purchaser's relationship with employees, directors, agents, contractors, vendors or service providers of the Business would be harmful and damaging to the Purchaser.
31. The Seller agrees that during the term of this Agreement and for a period of one year after the Closing Date of this Agreement, the Seller will not in any way directly or indirectly:

- a. Induce or attempt to induce any employee, director, agent, contractor or other service provider of the Purchaser to quit employment or retainer with the Purchaser;
- b. Otherwise interfere with or disrupt the Purchaser's relationship with its employees, directors, agents, contractors or other service providers;
- c. Discuss employment opportunities or provide information about competitive employment to any of the Purchaser's employees, directors, agents, contractors or other service providers; or
- d. Solicit, entice, or hire away any employee, director, agent, contractor or other service provider of the Purchaser.

**Non-Assumption of Liabilities**

32. It is understood and agreed between the Parties that the Purchaser is not assuming and will not be liable for any of the liabilities, debts or obligations of the Seller arising out of the ownership or operation of the Business prior to and including the Closing Date, save and except for the following assumed liabilities:  
Any other debt incurred by seller for the business will be the responsibility of the seller.

33. The Seller will indemnify and save harmless the Purchaser, its officers, directors, employees, and agents from and against all costs, expenses, losses, claims, and liabilities, including reasonable legal fees and disbursements, or demands for income, sales, excise or other taxes, suffered or incurred by the Purchaser or any of the above mentioned persons arising out of the ownership or operation of the Business prior to and including the Closing Date, save and except for the assumed liabilities identified above.

**Transfer of Third Party Contracts**

34. This Agreement should not be construed as an assignment of any third party contract from the Seller to the Purchaser if the assignment would be a breach of the third party contract.

35. The Purchaser will be solely responsible for acquiring new contracts with third parties where the existing contracts are not legally assignable from the Seller to the Purchaser.

36. Notwithstanding any other provision in this Agreement to the contrary, the Seller will not be liable for any losses, costs or damages of any kind including loss of revenue or decrease in value of the Business resulting from the failure of the Purchaser to acquire any third party contracts.

#### Notices

37. Any notices or deliveries required in the performance of this Agreement will be deemed completed when hand-delivered, delivered by agent, or seven (7) days after being placed in the post, postage prepaid, to the Parties at the addresses contained in this Agreement or as the Parties may later designate in writing.

#### Expenses/Costs

38. The Parties agree to pay all their own costs and expenses in connection with this Agreement.

#### Confidentiality

39. The Seller and the Purchaser will hold confidential all information (the "Confidential Information") pertaining to this Agreement including, but not limited to, the terms of this Agreement, the Purchase Price, the Parties to this Agreement, and the subject matter of this Agreement as well as any written or oral information obtained about the respective Parties that is not currently in the public domain. Confidential Information will not include the following:

- a. Information generally known in the respective industries of the Purchaser and the Seller.
- b. Information that enters the public domain through no fault of the Purchaser or the Seller.

- c. Information that is independently created by the Purchaser or the Seller respectively without direct or indirect use of information obtained during the course of negotiations for this Agreement.
  - d. Information that is rightfully obtained by the Purchaser or the Seller from a third party who has the right to transfer or disclose the information.
40. The Seller and the Purchaser may disclose any Confidential Information relating to this Agreement to any of its employees, agents and advisors where there is a need to know in relation to this Agreement and where the personnel agree to be legally bound by the same burdens of confidentiality.

**Severability**

44. The Parties acknowledge that this Agreement is reasonable, valid, and enforceable; however, if any part of this Agreement is held by a court of competent jurisdiction to be invalid, it is the intent of the Parties that such provision be reduced in scope only to the extent deemed necessary to render the provision reasonable and enforceable and the remainder of the provisions of this Agreement will in no way be affected or invalidated as a result.

**Governing Law**

46. This Agreement will be governed by and construed in accordance with the laws of the State of Alaska.

**Jurisdiction**

47. The courts of the State of Alaska are to have jurisdiction to settle any dispute arising out of or in connection with this Agreement.

**General Provisions**

48. This Agreement contains all terms and conditions agreed to by the Parties. Statements or representations which may have been made by any Party to this Agreement in the negotiation stages of this Agreement may in some way be inconsistent with this final

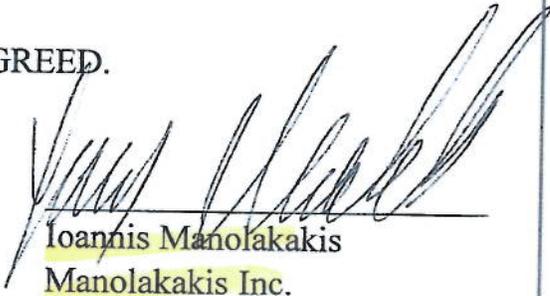
written Agreement. All such statements are declared to be of no value to either Party. Only the written terms of this Agreement will bind the Parties.

49. This Agreement may only be amended or modified by a written instrument executed by all of the Parties.
50. A waiver by one Party of any right or benefit provided in this Agreement does not infer or permit a further waiver of that right or benefit, nor does it infer or permit a waiver of any other right or benefit provided in this Agreement.
51. This Agreement will not be assigned either in whole or in part by any Party without the written consent of the other Party.
52. This Agreement will pass to the benefit of and be binding upon the Parties' respective heirs, executors, administrators, successors, and permitted assigns.
53. The clauses, paragraphs, and subparagraphs contained in this Agreement are intended to be read and construed independently of each other. If any part of this Agreement is held to be invalid, this invalidity will not affect the operation of any other part of this Agreement.
54. All of the rights, remedies and benefits provided in this Agreement will be cumulative and will not be exclusive of any other such rights, remedies and benefits allowed by law or equity.
55. Time is of the essence in this Agreement.
56. This Agreement may be executed in counterparts.
57. Headings are inserted for the convenience of the Parties only and are not to be considered when interpreting this Agreement. Words in the singular mean and include the plural and vice versa. Words in the masculine gender include the feminine gender and vice versa. Words in the neuter gender include the masculine gender and the feminine gender and vice versa.

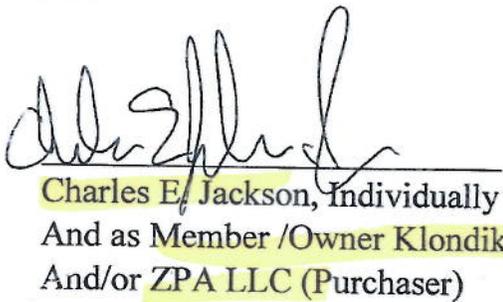
**ADDENDUM TO THE PURCHASE AGREEMENT**  
**CONCERNING THE SALE OF CHRISTO'S PALACE**

Manolakakis Inc., d/b/a Christo's Palace the Seller and the Purchaser Charles E. Jackson of Klondike Pizzeria II LLC do hereby agree that the current market value for the Alcohol Beverage Dispensary License No. 882 is \$250,000.00 for purposes of this transaction and/or enforcement of the terms of this Agreement.

AGREED.

  
Ioannis Manolakakis  
Manolakakis Inc.

Date: 5-16-16

  
Charles E. Jackson, Individually  
And as Member /Owner Klondike Pizzeria LLC  
And/or ZPA LLC (Purchaser)

Date: 5/16/2016



5/16/2016