

Agreement of Assumption and Release

THIS AGREEMENT is effective as of the _____ day of _____, 20____, by and among:

_____, a New York corporation (the “Assuming Party”);

_____, a New York corporation (the “Debtor”); and

_____, a New York corporation (the “Creditor”).

WHEREAS, the Debtor is indebted to the Creditor under various promissory notes and other liabilities in the aggregate principal sum of \$_____, plus interest, all as more particularly identified in attached Exhibit A (collectively referred to as the “Liabilities”);

WHEREAS, there are no other obligations or liabilities of the Debtor to the Creditor; and

WHEREAS, the Creditor wishes to assign and delegate its obligations under these Liabilities to the Assuming Party and the Assuming Party wishes to assume the obligations under the Liabilities pursuant to the terms of an assets purchase agreement between the Assuming Party and the Debtor, dated _____, 20__.

NOW THEREFORE, in consideration of the mutual covenants hereinafter provided and other valuable consideration, the receipt and sufficiency of which are acknowledged, the parties agree:

1. *Assignment of the Liabilities.* The Debtor assigns its rights and delegates the performance of all of its duties, liabilities and obligations under the Liabilities to the Assuming Party.

2. *Assumption of the Liabilities.* The Assuming Party assumes and agrees with the Debtor and the Creditor to fully and faithfully discharge and perform all duties, liabilities and obligations of the Debtor under the Liabilities.

3. *Approval of Assignment and Assumption.* The Creditor approves, consents to, and accepts the assignment and delegation by the Debtor and to the assumption by the Assuming Party of duties, liabilities and obligations of the Debtor under the Liabilities.

4. *Release of the Debtor.* In consideration of the assumption of the Debtor’s Liabilities, the Creditor (a) agrees to look solely to the Assuming Party for the payment and the performance of the Liabilities; and (b) forever releases and discharges the Debtor from the Liabilities.

IN WITNESS WHEREOF, the parties hereto have set their hands.

By: _____

By: _____

By: _____

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