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LICENSE ADDENDUM AGREEMENT

This Agreement is entered in to this 12th day of Aug, 2005 by and between Karma Entertainment, LLC, DBA: Karma, (the "Applicant") and the City of Minneapolis (the "City").

WHEREAS, the Applicant has applied to the City for a Class A Liquor License for a restaurant and liquor operation located at 315 1st Ave N Mpls MN 55401 approved licensed premises and

WHEREAS, the City Council has expressed concern with regard to permitting so-called adult entertainment on the licensed premises; and

WHEREAS, the Applicant desires to provide acceptable forms of entertainment which require a Class A Liquor License; and

WHEREAS, with the additional restrictions and obligations on the Applicant's part recited below, the City Council will look more favorably upon the application of Applicant; and

WHEREAS, the Applicant agrees to operate under and fully perform the obligations set out hereunder;

NOW, THEREFORE, in consideration of the City granting the Applicant a Class A Liquor License for the premises at the Applicant agrees as follows:

1. The Applicant will not allow any activities to occur on its premises which include or involve nude or semi-nude dancing, revealing or inappropriate employee attire, mud wrestling, wet T-shirt contests, employee wrestling with customers or sexually suggestive touching, and other similar types of activities.
2. Violation of the terms of paragraph 1 above shall provide a basis for revocation of Applicant's Class A Liquor License.
3. All parties hereto agree that this Agreement is specifically enforceable and that in any litigation involving this Agreement, no defense will be raised as to its enforceability.

By (signature) _____ 8/12/05
Date

(print or type) Michael Whitelaw
Applicant Representative

Notary Public
~~City Of Minneapolis~~: Witnessed By Annette B. Johnson

ANNETTE B. JOHNSON
Notary Public-Minnesota
My Commission Expires Jan 31, 2010