

SURRENDER AGREEMENT

DATE: July __, 2007

PARTIES: **Claude Simon, Landlord; and Apple DesignSource, Inc., Tenant**

PREMISES: **Entire Sixth (6th) Floor, 160 Madison Avenue, New York, New York**

1. The tenant hereby agrees it will surrender the subject premises, the entire sixth (6th) floor of 160 Madison Avenue, New York, New York, as of July 31, 2007 to the landlord.

2. The tenant acknowledges that \$22,870.70 is due to the landlord as rent due as of July 1, 2007. The payment of \$22,870.70 will be made by .

3. The landlord may commence an action or proceeding against the tenant and in such proceeding the tenant consents to the entry of a judgment of \$22,870.70 as rent due as of July 1, 2007. Further, if the tenant has not surrendered possession of the premises as of July 31, 2007, the landlord may further obtain a possessory judgment against the tenant with the warrant to issue and execute forthwith. In such proceeding or action, tenant consents to personal jurisdiction by service by regular and certified mail to the Tenant at 160 Madison Avenue, 6th Floor, New York, New York as well as leaving a copy of the papers at 160 Madison Avenue, 6th Floor, New York, New York with any person at the premises, or if no person is available after one attempt then upon a second attempt leaving the papers under or on the door of the premises.

4. In the event of any breach of this agreement, the landlord will be entitled to legal fees and expenses incurred as a result of any breach.

CLAUDE SIMON, LANDLORD

APPLE DESIGNSOURCE, INC.
by: