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June 14, 1993

Clerk
Secretary of State
Corporations Division
100 North Main Street
Providence, R.I. 02903

RE: Blue Sands, Inc.; The Sea Shanty, Inc.;
Misquamicut Resorts, Inc.; and The Wreck
Bar, Inc.

Dear Clerk:

Enclosed please find letter of resignation of James F. Caulfield resigning from all offices and positions held by him in the four above named corporations effective December, 1990 pursuant to paragraph (3) of the attached Order.

Mr. Caulfield wishes to have his resignation letter recorded in the Secretary of State's Office. Please record same.

Thank you for your cooperation in advance.

Very truly yours,

OSTER & GROFF

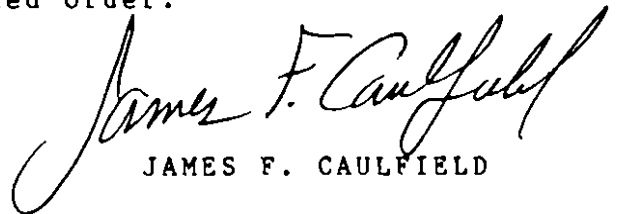
JONATHAN F. OSTER

JFO:mlp
Enclosure

June 3, 1993

To Whom It May Concern:

I, James F. Caulfield hereby resign all offices and positions held by me in the coporations of Blue Sands, Inc., The Sea Shanty, Inc., Misquamicut Resorts, Inc., and The Wreck Bar, Inc. effective December, 1990 pursuant to paragraph three (3) of the attached Order.

A handwritten signature in cursive script, reading "James F. Caulfield".

JAMES F. CAULFIELD

STATE OF RHODE ISLAND
WASHINGTON, SC.

SUPERIOR COURT

JAMES CAULFIELD

VS.

C.A. NO: WC89-796

BLUE SANDS, INC.

JAMES CAULFIELD

VS.

C.A. NO: WC89-797

THE SEA SHANTY, INC.

JAMES CAULFIELD

VS.

C.A. NO: WC89-798

MISQUAMICUT RESORTS, INC.

JAMES CAULFIELD

VS.

C.A. NO: WC89-799

THE WRECK BAR, INC.

O R D E R

This matter came on for trial on the 23rd day of March, 1993 by agreement of the parties, it is hereby:

ORDERED

1. This matter is settled pursuant to the following terms and conditions:

1. Plaintiff shall be paid certain amounts as follows:

- a. Defendant shall immediately turnover to the Plaintiff of all funds held in escrow in this matter, including all ownership interest in the funds held by or debentures issued by DEPCO or its successors or designees representing the funds originally placed in escrow in this action in 1990.

b. In addition to (a) above Plaintiff shall also be paid by receiving payments from the Defendant as follows:

(i) On or before Friday, April 23, 1993
TWENTY FIVE THOUSAND (\$25,000.00)
DOLLARS;

(ii) On or before Wednesday, July 7,
1993 FIFTEEN THOUSAND (\$15,000.00)
DOLLARS and;

(iii) On or before Friday, September 10,
1993 TEN THOUSAND (\$10,000.00)
DOLLARS.

All payments shall be made payable to the Plaintiff and delivered to OSTER & GROFF, 936 Smithfield Avenue, Lincoln, Rhode Island 02865 on or before the due date.

2. Defendants and James Armenakes shall hold the Plaintiff harmless and indemnify the Plaintiff against any and all claims of the Norwich Savings Society, Salvatore and Frances Cherezia and Katherine Evanuk relative to any notes or mortgages or claims they may have relative to interest in or claims arising out of ownership in the four Defendant corporations.

3. If the Defendants fail to make payments pursuant to paragraph one (1)b above Defendants and James Armenakes shall waive any and all objections they might have to Plaintiff's Petition For Receivership of the four Defendant corporations.

4. The Civil Action entitled James Armenakes v. James Caulfield, C.A. No. WC 90-416 shall be dismissed with prejudice, no costs upon the Plaintiff's executing a quitclaim deed of his interest in the real estate named in

that action and the Defendants in WC 8796, WC 89-797, WC 89-798 and WC 89-799 and James Armenakes shall hold the Plaintiff harmless and indemnify the Plaintiff against any and all claims of the Norwich Savings Society relative to this property and the notes and mortgages thereon. Plaintiff in that action James Armenakes shall produce the deed for the Plaintiff in this action James Caulfield to sign.

5. Defendant corporations shall meet and ratify the actions contained in the agreement which compromises this Court Order.

6. Plaintiff shall not be liable for any claims against the corporations after December, 1990.

7. Plaintiff shall resign any and all offices and any and all interest he shall have in the Defendant corporations which resignation shall be accepted by the Defendants and effective December 1990.

8. Defendant corporations shall cease utilizing the name of the Plaintiff in any way related to the corporate filings with the Secretary of State.

ENTER:

ORDER:

JUSTICE

CLERK