**BUSINESS SEPARATION AGREEMENT**

**Featured Consulting Services Agreements**

THIS AGREEMENT is dated this 28th day of April, 1999, and is entered

into by and between USA SPORTS GROUP, INC. ("USAS") and ERUDITE CONSULTING

(sometimes referred to herein as the "Lipschutz Entities"), and SD STUDIOS

("SDS") (sometimes referred to herein as the "Dymszo Entity"). PAUL LIPSCHUTZ

and STEPHEN DYMSZO, have joined in executing this Agreement for the limited

purposes specifically stated herein.

 NOW, THEREFORE, in consideration of their mutual covenants, and for

other good and valuable consideration, the adequacy of which is hereby

acknowledged and agreed, and intending to be legally bound hereby, the parties

hereto hereby agree as follows:

 1. At or prior to the signing of this Agreement, Dymszo will tender

to USAS Steve Dymszo's shares ("Dymszo") in USAS. Simultaneously, Dymszo will

resign from any and all positions he may have as director, officer or employee

of USAS. Simultaneously, Dymszo's wife, Linda Dymszo, will tender any shares, or

interest in shares, she may have in USAS, and will resign from any and all

positions she may have as a director, officer or employee of USAS.

 2. At or prior to the signing of this Agreement, Lipschutz will

tender to Dymszo all of Lipschutz's shares in SD Studios (SDS). At the same

time, Lipschutz will resign from all positions he may have as director, officer

or employee of SDS.

 3. Subject to paragraph 31 Dymszo will agree to complete the

manufacture of approximately forty five (45) briefcases at a location to be

chosen by Dymszo and promptly communicated to Lipschutz. Dymszo will do so on

the following terms and conditions. Dymszo will complete approximately eight (8)

briefcases per business week. At the end of each day, he will fax Lipschutz

certification of the number of briefcases finished and ready to be shipped. USAS

will then provide, in immediately available funds, payment in full for said

briefcases by the morning of the next business day. One Hundred Dollars

($100.00) per each completed case. Upon receipt of payment in cash or cash

equivalency, Dymszo will cause the shipment of the briefcases to take place.

USAS will be entitled to any profit realized with respect to the sale of said

briefcases. USAS will be responsible for any and all expenses for packaging and

shipping the cases.

 4. In addition to the briefcases referenced above, there are

approximately sixty (60) additional attaches which may be available for sale,

pending the acquisition of purchasers for the same. Dymszo agrees to endeavor to

market to sell said attaches in accordance with paragraph #7. With respect to

each additional attache sold out of the proceeds of said sale, One Hundred

Dollars ($100.00) will be paid to USAS, and Twenty Five Dollars ($25.00) will be

paid to USAS's lender, Michael Bachurski.

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 5. USAS shall generate a payment summary, showing all vendors

amounts paid and balances due as of the date of this Agreement. With respect to

the various vendors for whom there is an outstanding balance owed by USAS or SDS

with respect to products manufactured by SDS, and where said product or the

inventory for the same is to be retained by Dymszo and removed from the USAS

corporate offices, Dymszo will take the following action. He will contact all

the vendors in question (the four identified on Exhibit "A" attached hereto) and

will make arrangements with them, such that SDS will assume its prorated portion

of the outstanding balance, and USAS assume its prorated portion of the

outstanding balance, and Dymszo will obtain written assurances from said vendors

that they will hold Lipschutz and USAS harmless from any portion of the balance

assumed by SDS, with respect to said products. Once satisfactory agreements have

been entered into with the applicable vendors generally in accordance with the

terms of this paragraph, Dymszo shall be entitled to remove from the premises

all inventory related to said products, and shall thereafter be entitled to

attempt to obtain any necessary license(s) to market said products and business

capital so as to be in a position to fabricate, market and sell said products.

In the event that SDS shall not have received a commitment for the issuance of

the relevant licenses, or in the event that marketing shall not have commenced

by Dymszo, SDS, or any other affiliate of Dymszo, within six (6) months from the

date of the execution of this Agreement, USAS shall be entitled to reclaim all

said inventory, and shall thereafter be entitled to seek to obtain a license for

James Bond merchandise, and Dymszo, SDS and all Dymszo affiliates shall

cooperate with USAS in returning said inventory, and USAS shall thereafter be

entitled to attempt to market and sell said inventory or completed products with

respect thereto.

 6. On all future sales to the existing client base generated by the

marketing efforts of Lipschutz Entities, including USAS, Dymszo, SDS and all

Dymszo affiliates jointly and severally agree to pay a five percent (5%) royalty

to USAS on the first One Hundred Thousand Dollars ($100,000.00) of sales,

whereupon the royalty shall increase to six percent (6%) on the next One Hundred

Fifty Thousand Dollars ($150,000.00) of sales, whereupon the royalty shall

decrease again to five percent (5%) on sales above Two Hundred Fifty Thousand

Dollars ($250,000.00), which such royalty obligation to expire five (5) years

from the date of this Agreement.

 7. (A) Dymszo, SDS and/or Dymszo's affiliates shall be solely liable

and responsible for all debts, obligations, undertakings, liabilities,

commitments or claims of or against (collectively referred to herein as

"Obligations") SDS which accrued or became due prior to January 1, 1998, or

after the date of execution of this Agreement, and SDS and its successors and

assigns shall indemnify, and hold harmless, USAS, Erudite, Lipschutz and any

Lipschutz affiliates from and against any claims arising out of said

Obligations. Neither Dymszo, SDS nor any other Dymszo affiliate shall be

responsible for any other Obligations of SDS occurring during the period January

1, 1998 through the effective date of this Agreement, nor for any Obligations of

USAS or Erudite or any other Lipschutz affiliates.

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 (B) USAS shall be solely liable for all Obligations which

occurred, arose or accrued during the period January 1, 1998 through the date of

the execution of this Agreement, and USAS and Erudite and their successors and

assigns, hereby indemnify, and hold harmless, Dymszo, SDS, and all other Dymszo

affiliates, from and against any and all claims which may at any time arise out

of, or in connection with, said Obligations. Neither Lipschutz, USAS, Erudite,

or any other Lipschutz Entities shall be responsible for any Obligations of SDS

which occurred, arose or accrued prior to January 1, 1998, or after the

execution of this Agreement, nor for any other debts, obligations, commitments,

undertakings or liabilities of Dymszo, SDS, or any other Dymszo affiliates.

 (C) Except as specifically set forth in this Agreement, Dymszo,

SDS and all Dymszo affiliates, on behalf of themselves, their heirs, executors,

administrators, successors and assigns, do hereby remise, release, acquit and

forever discharge Lipschutz, USAS, Erudite, and all other Lipschutz entities,

their insurance carriers, predecessors, successors and assigns, officers,

directors, owners, employees and agents, from and against any and every claim,

demand, right or cause of action, on account of or in any way arising out of the

business relationship between and/or among any two or more of the parties

hereto, whether known or unknown, including but not limited to all claims

arising out of or related to any agreements entered into by, between or among

the parties prior to the date hereof, any stock or other equity interest of any

party held in any other party hereof, any employment relationship, or other

consulting or similar arrangement at any time entered into by and between the

parties, it being the intention of the parties that this release shall be a

complete release, in full, of all claims identified herein which may be

released, except as expressly set forth in this Agreement.

 (D) Except as specifically set forth in this Agreement,

Lipschutz, USAS, Erudite, and all other Lipschutz entities, on behalf of

themselves, their heirs, executors, administrators, successors and assigns, do

hereby remise, release, acquit and forever discharge Dymszo, SDS and all Dymszo

affiliates, their insurance carriers, predecessors, successors and assigns,

officers, directors, owners, employees and agents, from and against any and

every claim, demand, right or cause of action, on account of or in any way

growing out of or arising out of the business relationship between and/or among

any two or more of the parties hereto, whether known or unknown, including but

not limited to all claims arising out of or related to any agreements entered

into by, between or among the parties prior to the date hereof, any stock or

other equity interest of any party held in any other party hereof, any

employment relationship, or other consulting or similar arrangment at any time

entered into by and between the parties, it being the intention of the parties

that this release shall be a complete release, in full, of all claims identified

herein which may be released, except as expressly set forth in this Agreement.

 8. Before the date of this Agreement, USAS will remove Dymszo's

and/or SDS's name from the Sprint cellular phone bill and provide written

documentation of same.

 9. USAS will provide written evidence to Dymszo that Dymszo's

friends (listed on Exhibit "B") who invested in the company were issued USAS

stock.

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 10. USAS will deliver to Dymszo at the date of this Agreement all

product slides obtained from the USAS ad agency.

 11. USAS will deliver to Dymszo at the date of this Agreement all

still photographs, instruction manuals, "top secret" stamper dossier materials,

customer order forms, and miscellaneous SDS files brought to the office by SDS.

 12. All dossiers in the office which match up to briefcases will be

issued to Dymszo for completion of said briefcases. All prototype dossiers will

also be returned to Dymszo at the date of this Agreement.

 13. At the date of this Agreement, all "originals," prototypes and

mockups for any Bond or Star Trek product which are needed will be delivered to

Dymszo.

 14. At the date of this Agreement, Dymszo will be given the schedule

boards on the wall.

 15. At the date of this Agreement, Dymszo will be entitled to take

with him the Thomas Registers.

 16. At the date of this Agreement, the checkbook and debit card for

SD Studios will be changed so as to remove Lipschutz from the account. A

corporate resolution will be signed by Marilyn Lonker removing her as a

signatory on the First Union SDS Checking account.

 17. The parties have agreed to the following arrangements such that

Ed Maggiani will be repaid the One Thousand Six Hundred Dollar ($1,600.00) loan,

which was paid to USAS in order to finance a business trip to California. Dymszo

shall build (3) additional briefcases in addition to the forty-five (45)

briefcases referenced in paragraph 3. He will complete said briefcases at the

rate of approximately one(1) every three (3) weeks, and the net proceeds from

the sale of said briefcases will be utilized by USAS to reduce the obligation to

Maggiani. In this way, USAS will repay the One Thousand Six Hundred Dollar

($1,600.00) loan from Ed Maggiani within three (3) months from the date of this

Agreement.

 18. Effective as of the date of this Agreement, Dymszo shall cancel

all liability insurance, car insurance and property insurance from Erie

Insurance Group, covering all of USAS interests.

 19. Effective as of the date of this Agreement, the LP53 air gun and

frame will be given to Dymszo.

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 20. The "James Bond" website will be deleted from the Internet, and

no further promotional activities will be engaged in by USAS with respect to any

James Bond, Star Trek electronic prop replicas, or Star Wars prop replicas

marketing, subject to the provisions of paragraph 5 hereof.

 21. Effective as of the date of this Agreement, the photocopier

leased from Copelco Capital in the name of SD Studios will be turned over to

Dymszo and/or SDS. Dymszo and/or SDS will assume the lease, but USAS shall pay

all outstanding invoices up to the date of this Agreement with respect to said

lease; to bring it current, and shall provide written documentation of this

payment.

 22. USAS will assume all liability for any and all Heritage Business

Systems' bills related to the copier incurred prior to this Agreement.

 23. USAS shall assume and be responsible for any refund and any

subsequent claims asserted by Neil Trickel in relation to Six Hundred Dollars

($600.00) collected for product that cannot be delivered. Mr. Trickel has

requested a refund of the above amount.

 24. Effective as of the date of this Agreement, Dymszo and/or SDS

will take the Polaroid spectra cameras on consignment. USAS will get paid first

Three Hundred Dollars ($300.00), then Ed will receive additional funds until he

is paid in full. If there is any remaining monies or profit after said payments,

Dymszo, SDS, or the relevant Dymszo affiliate shall be entitled to same.

 25. Effective as of the date of this Agreement, Dymszo, SDS or the

relevant Dymszo affiliate shall be entitled to take with him and remove from the

premises and thereafter be solely entitled to all equipment and related tangible

personal property which he brought with him to the merged entity, including his

computer, drill press, hand tools and related items, all of which are detailed

on Exhibit "C" attached hereto and incorporated herein by reference.

 26. Except as provided herein, all equipment or other tangible

personal property purchased by USAS after the merger shall be retained by USAS.

 27. USAS shall be responsible for the approximately Fourteen Hundred

Dollars ($1,400.00) in medical bills incurred by Dymszo and his family as a

result of his health insurance lapsing due to nonpayment of premium. Payment

with respect to the approximately Seven Hundred Twenty Two Dollars ($722.00) of

dental bills shall be made at the rate of One Hundred Dollars ($100.00) per

month following the date of this Agreement.

 28. The parties shall enter into a confidentiality, nondisclosure

and limited noncomplete agreement with one another. In particular, in connection

therewith, Dymszo shall agree not to compete with Lipschutz on the Austin Powers

Line, and Lipschutz shall agree with Dymszo not to compete on the Star Trek,

Star Wars or James Bond lines (except for the products referenced in paragraph

20), and further subject to the provisions of paragraph 5. Further, Lipschutz

shall agree not to market any competitive product to any direct customers (as

opposed to wholesalers) on the mailing list attached hereto as Exhibit "D".

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 29. Except as specifically referenced herein, this Agreement shall

contain all the essential terms and conditions, covenants and undertakings of

the parties with respect to the transactions contemplated hereby. This Agreement

shall be governed by, and construed in accordance with, the laws of the

Commonwealth of Pennsylvania. In the event that either party has any claim or

cause of action or arising out of the terms of this Agreement or the

transactions contemplated hereby, the parties agree to submit such claim, cause

of action or controversy to binding arbitration to be held either in Montgomery

County or Bucks County Pennsylvania and to be conducted in accordance with the

rules and procedures of the American Arbitration Association.

 30. Upon the execution of this Agreement, and the transfer of stock

as contemplated hereby, USAS and SD Studios shall thereafter be two, separate

and legally distinct entities, with no equity ownership in common, and that the

two entities shall thereafter operate independently and autonomously.

 31. USAS shall pay for any additional expenses incurred by Dymszo to

complete the forty five (45) attache cases. These expenses will cover the

purchase of miscellaneous hardware, magnets, brass number plates, etc. required

to complete the cases. This shall also include payments to the leather company

for the above cases.

 32. USAS will be responsible for any and all cancellations and/or

chargebacks of attache orders except where such cancellations or chargebacks are

due to the failure of Dymszo to construct the attaches in a workman like manner,

and within a reasonable time period. USAS will refund in full, any customers who

have prepaid for the attaches and wish to be refunded due to the delivery delay.

Dymszo's responsibility will be limited to completing the approximately forty

(40) outstanding orders in a reasonable time frame pursuant to paragraph 7

above.

 33. USAS will incur the cost of fulfilling any and all JB

Collectors' Society CLub packages for which USAS collected dues up to the date

of this termination. USAS will provide written documentation to Dymszo as to the

names and address of all Club Members who have received these fulfillments along

with the date of shipment (listed on Exhibit "E").

 34. This Agreement shall constitute a legally binding agreement of

the parties. It shall be binding upon the parties, their heirs, successors,

assigns and all entities of which they are now, or may hereafter be, principals.

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 IN WITNESS WHEREOF, the parties hereto by their duly appointed

officers thereunto duly appointed, have executed, or have caused this Agreement

to be executed, on the date set forth below.

Dated:\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Attest: USAS SPORTS GROUP, INC.

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ By: /s/ Paul S. Lipschutz

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 Name: Paul S. Lipschutz

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 Title: Pres.

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Attest: ERUDITE CONSULTING

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ By: /s/ Paul S. Lipschutz

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 Name: Paul S. Lipschutz

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 Title: Mtg. Dir.

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Attest: SD STUDIOS

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ By: /s/ Stephen Dymszo

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 Name: Stephen Dymzo

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 Title: Pres.

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Witness:

/s/ Jay Lipschutz /s/ Stephen Dymszo

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 STEPHEN DYMSZO

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Witness:

/s/ Jay Lipschutz /s/ Linda Dymszo

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 LINDA DYMSZO

 (Linda Dymszo executing this

 Agreement solely with respect with

 her undertakings set forth in

 paragraph 1 of this Agreement)

Witness:

/s/ Jay Lipschutz /s/ Paul Lipschutz

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 PAUL LIPSCHUTZ, Pr.

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 EXHIBIT "A"

 VENDORS TO BE CONTACTED TO CONFIRM

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 NEW PAYMENT ARRANGEMENTS

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John R. Bromley (Machine Shop) (215) 822-7723

Contact: Jason Bromley

105 S. Bristol Road

Chalfont, PA 18914

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Montco Manufacturing (215) 997-9708

Contact: Saju Thomas

1610 Bethlehem Pike

Hatfield, PA 19440

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Precision Finishing (215) 257-6862

Contact: Jeff Bell

708 Lawn Avenue

Sellersville, PA 18960

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The Leather Company (215) 243-2433

Contact: Steve Frank

5301 Tacony Street, Box 238

Philadelphia, PA 19137

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Also need status of payments for Nadeau Co., Erie Insurance, Laser Creations,

Coincraft, West Coast Video royalty.

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 EXHIBIT "B"

 LIST OF DYMSZO'S FRIENDS WHO HAVE ALSO INVESTED

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 IN THE COMPANY

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Denise Marie Taylor 2,000 shares/$500.00

210 Howland Street A

Redwood City, CA 94063

(650) 866-4727

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Gary Barth 8,000 shares/$2,000.00

210 Howland Street A

Redwood City, CA 94063

(650) 866-8028

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Tom Gillen

1349 Park Drive, #5

Mountain View, CA 94040

(650) 655-8147

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Grace I. Apgar 8,000 shares/$2,000.00

62 N. Main Street

Marlboro, NJ 07746

(908) 462-4088

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Michael & Donna Creager 4,000 shares/$1,000.00

451 Westfield Road

Baltimore, MD 21222

(410) 282-3976

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John C. Pisa-Relli \_\_\_\_\_\_\_\_\_\_shares/$2,000.00

6018 Stoddard Court, Apr. 302

Alexandria, VA 22315

(703) 719-9418

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Alan R. Cross (moved) 2,000 shares/$500.00

1224 Geneva Street

Glendale, CA 91207

(818) 956-5811

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Frank Cerney 4,000 shares/$1,000.00

847 East 8th Street

Tuscon, AZ 85719

(520) 621-1281

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William Krewson \_\_\_\_\_\_\_\_\_\_\_shares/$5,000.00

342 Haines Drive

North Wales, PA 19454

(215) 699-5323

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 EXHIBIT "C"

 LIST OF EQUIPMENT AND TANGIBLE PERSONAL PROPERTY

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 TO BE TAKEN BY DYMSZO

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1 Compac computer with laser printer and miscellaneous hardware

1 Drill press and drill bits

1 Grinder with related materials

1 Hard drill with changer

1 Dremel tool with miscellaneous parts

1 Belt Sander

2 Boxes of miscellaneous spray paint

Various hand tools, files, sandpaper and adhesives

1 Cut-off saw

3 Chains

2 Trash cans

1 Desk

1 Filing cabinet

3 Telephones

1 Copier

Casting rubber and resin

2 Card tables

1 Push broom

1 Filing cabinet and related files

3 Wall planners

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 EXHIBIT "D"

 MAILING LIST OF SDS CUSTOMERS

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 EXHIBIT "E"

 NAMES AND ADDRESS OF ALL CLUB MEMBERS WHO HAVE RECEIVED

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 FULFILLMENTS ALONG WITH THE DATE OF SHIPMENT