

U.S. SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM SB-2
REGISTRATION STATEMENT
UNDER
THE SECURITIES ACT OF 1933

MIRAGE HOLDINGS, INC.
(NAME OF SMALL BUSINESS ISSUER IN ITS CHARTER)

<TABLE>		
<S>	<C>	<C>
NEVADA	2335	95-4627685
(STATE OR OTHER JURISDICTION OF INCORPORATION OR ORGANIZATION)	(PRIMARY STANDARD INDUSTRIAL CLASSIFICATION CODE NUMBER)	(I.R.S. EMPLOYER IDENTIFICATION NO.)
</TABLE>		

<TABLE>		
<S>	<C>	<C>
225 SANTA MONICA BOULEVARD, SUITE 410 SANTA MONICA, CA 90401 (310) 395-3155 (ADDRESS AND TELEPHONE NUMBER OF PRINCIPAL EXECUTIVE OFFICE)		225 SANTA MONICA BOULEVARD, SUITE 410 SANTA MONICA, CA 90401 (310) 395-3155 (ADDRESS OF PRINCIPAL PLACE OF BUSINESS)
</TABLE>		

PARACORP, INCORPORATED
318 NORTH CARSON STREET, SUITE 208, CARSON CITY, NV 89701, (888) 972-7273
(NAME, ADDRESS AND TELEPHONE NUMBER OF AGENT FOR SERVICE)

COPIES TO:

LAWRENCE W. HORWITZ, ESQ.
HORWITZ & BEAM
TWO VENTURE PLAZA, SUITE 350, IRVINE, CA 92618, (714) 453-0300

APPROXIMATE DATE OF PROPOSED SALE TO THE PUBLIC. As soon as practicable after
this Registration Statement becomes effective.

If this Form is filed to register additional securities for an offering
pursuant to Rule 462(b) under the Securities Act of 1933 (the "Securities
Act"), please check the following box and list the Securities Act registration
number of the earlier effective registration statement for the same
offering.

If this Form is a post-effective amendment filed pursuant to Rule 462(c)
under the Securities Act, check the following box and list the Securities Act
registration statement number of the earlier effective registration statement
for the same offering.

If delivery of the Prospectus is expected to be made pursuant to Rule 343,
please check the following box.

CALCULATION OF REGISTRATION FEE

<TABLE>				
<CAPTION>				
TITLE OF EACH CLASS OF SECURITIES TO BE REGISTERED	NUMBER OF SHARES TO BE REGISTERED	PROPOSED MAXIMUM OFFERING PRICE PER UNIT(1)	PROPOSED MAXIMUM AGGREGATE OFFERING PRICE(1) (2)	AMOUNT OF REGISTRATION FEE
<S>	<C>	<C>	<C>	<C>

Common Stock, no par value.....	342,857	\$5.15	\$1,765,714	\$ 535.06
Representative Warrants(3).....	342,857	--	--	--
Common Stock, no par value, underlying Representative Warrants(4).....	342,857	\$6.30	\$2,159,999	\$ 654.55
Common Stock, no par value, underlying warrants(3).....	342,857	\$0.10	\$ 34,286	\$ 10.39
Common Stock, no par value, issued in connection with bridge financing(6).....	500,000	\$3.50	\$1,750,000	\$ 530.30
Common Stock, no par value, underlying warrants issued in connection with bridge financing(8).....	500,000	\$0.75	\$ 375,000	\$ 113.64
Common Stock, no par value, underlying options issued pursuant to Employee Stock Option Plan(8).....	500,000	\$0.01	\$ 5,000	\$ 1.52
Total.....	2,538,571		\$6,089,999	\$1,845.46

</TABLE>

- (1) Estimated solely for the purpose of computing the registration fee pursuant to Rule 457.
- (2) The Registrant hereby amends this Registration Statement on such date or dates as may be necessary to delay its effective date until the Registrant shall file a further amendment which specifically states that this Registration Statement shall thereafter become effective in accordance with Section 8(a) of the Securities Act of 1933 or until the Registration Statement shall become effective on such date as the Commission, acting pursuant to said Section 8(a), may determine.
- (3) Represents Common Stock Purchase Warrants issuable to Veera Capital, Inc. as representative of the several underwriters ("Representative Warrants").
- (4) Represents Common Stock issuable upon exercise of the Representative Warrants pursuant to Rule 416 promulgated under the Securities Act of 1933, this Registration Statement also covers any additional Common Shares which may become issuable by reason of the antidilution provisions of the Representative Warrants.
- (5) Represents Common Stock issuable upon exercise of Warrants (the "Unit Warrants") issued in connection with this Offering. Pursuant to Rule 416 promulgated under the Securities Act, this Registration Statement also covers any additional common shares which may become issuable by reason of the anti-dilution provisions of the Unit Warrants. Registration fee calculated pursuant to Rule 457(g).
- (6) Represents Common Stock issued in connection with bridge loan financing to the Company.
- (7) Represents Common Stock issuable upon exercise of Warrants (the "Bridge Warrants") issued in connection with bridge loan financing to the Company. Pursuant to Rule 416 of the Securities Act, this Registration Statement also covers any additional common shares which may become issuable by reason of the antidilution provisions of the Bridge Warrants. Registration fee calculated to Rule 457(g) (1).
- (8) Registration fee calculated pursuant to Rule 457(h) (1).

MIRAGE HOLDINGS, INC.

CROSS REFERENCE SHEET

PURSUANT TO ITEM 501(B) OF REGULATIONS S-B SHOWING LOCATION IN
THE PROSPECTUS OF INFORMATION REQUIRED BY ITEMS OF FORM SB-2

<TABLE>

<CAPTION>

FORM SB-2 ITEM NUMBER AND CAPTION	PROSPECTUS
<C> <C>	<S>
1. Forepart of Registration Statement and Outside Front Cover Page of Prospectus.....	Forepart of Registration Statement and Outside Front Cover Page of Prospectus
2. Inside Front and Outside Back Cover Pages of Prospectus.....	Available Information; Incorporation of Certain

	Documents by Reference; Table of Contents
3. Summary Information; Risk Factors.....	Prospectus Summary; Risk Factors
4. Use of Proceeds.....	Prospectus Summary; Business of the Company; Use of Proceeds
5. Determination of Offering Price.....	Risk Factors; Underwriting
6. Dilution.....	Dilution
7. Selling Security Holders.....	Not Applicable
8. Plan of Distribution.....	Underwriting
9. Legal Proceedings.....	Not Applicable
10. Directors, Executive Officers, Promoters and Control Persons.....	Management and Principal Shareholders
11. Security Ownership of Certain Beneficial Owners and Management.....	Management and Principal Shareholders
12. Description of Securities to be Registered.....	Description of Securities
13. Interests of Named Experts and Counsel.....	Not Applicable
14. Disclosure of Commission Position on Indemnification for Securities Act Liabilities.....	Indemnification of Directors and Officers
15. Organization Within Last Five Years...	Business of the Company
16. Description of Business.....	Business of the Company
17. Management's Discussion and Analysis of Plan of Operation.....	Management's Discussion and Analysis of Financial Condition and Results of Operations
18. Description of Property.....	Business of the Company (Properties)
19. Certain Relationships and Related Transaction.....	Certain Transactions
20. Market for Common Equity and Related Stockholder Matters.....	Risk Factors; Underwriting
21. Executive Compensation.....	Total Executive Compensation
22. Consolidated Financial Statements.....	Consolidated Financial Statements
23. Change In and Disagreements With Accountants on Accounting and Financial Disclosure.....	Not Applicable

</TABLE>

+-----+
 +INFORMATION CONTAINED HEREIN IS SUBJECT TO COMPLETION OR AMENDMENT. A +
 +REGISTRATION STATEMENT RELATING TO THESE SECURITIES HAS BEEN FILED WITH THE +
 +SECURITIES AND EXCHANGE COMMISSION. THESE SECURITIES MAY NOT BE SOLD NOR MAY +
 +OFFERS TO BUY BE ACCEPTED PRIOR TO THE TIME THE REGISTRATION STATEMENT +
 +BECOMES EFFECTIVE. THIS PROSPECTUS SHALL NOT CONSTITUTE AN OFFER TO SELL OR +
 +THE SOLICITATION OF AN OFFER TO BUY NOR SHALL THERE BE ANY SALE OF THESE +
 +SECURITIES IN ANY STATE IN WHICH SUCH OFFER, SOLICITATION OR SALE WOULD BE +
 +UNLAWFUL PRIOR TO REGISTRATION OR QUALIFICATION UNDER THE SECURITIES LAWS OF +
 +ANY SUCH STATE. +
 +-----+
 SUBJECT TO COMPLETION, DATED JUNE 9, 1997

PROSPECTUS

MIRAGE HOLDINGS, INC.

342,857 UNITS

EACH UNIT CONSISTING OF
ONE SHARE OF COMMON STOCK AND ONE WARRANT

Mirage Holdings, Inc., a Nevada corporation ("the Company"), is offering a maximum of 342,857 Units and a minimum of 240,000 Units (the "Units") for \$5.25 per Unit (the "Offering"). Each Unit consists of one share of the Company's common stock (the "Common Stock") and one warrant to purchase one share of the Company's Common Stock at an exercise price of \$4.50 for a term of five years (the "Warrants") (collectively, the "Securities"). The Warrants are detachable from the Units at the discretion of the Company. See "Description of Securities--Units," "--Common Stock," and "--Warrants."

No public securities market existed for the Company's Common Stock prior to this Offering. Although the Company intends to apply to have the Common Stock and the Common Stock underlying the Warrants included on the Over-the-Counter Bulletin Board ("OTC/BB"), there can be no assurance that an active public trading market for such securities will be developed or sustained. The Company has applied for listing on the OTC/BB under the proposed symbol: "IDEA."

THE SECURITIES OFFERED HEREBY INVOLVE A HIGH DEGREE OF RISK.
SEE "RISK FACTORS" COMMENCING ON PAGE 4.

THESE SECURITIES HAVE NOT BEEN APPROVED OR DISAPPROVED BY THE SECURITIES AND EXCHANGE COMMISSION OR ANY STATE SECURITIES COMMISSION NOR HAS THE SECURITIES AND EXCHANGE COMMISSION OR ANY STATE SECURITIES COMMISSION PASSED UPON THE ACCURACY OR ADEQUACY OF THIS PROSPECTUS. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

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	PRICE TO PUBLIC	UNDERWRITING COMMISSIONS (1)	PROCEEDS TO ISSUER OR OTHER PERSONS (2)
<S>	<C>	<C>	<C>
Per Unit.....	\$5.25	\$0.525	\$4.725
Total (3).....	\$1,800,000.00	\$180,000.00	\$1,620,000

</TABLE>

- (1) Does not include additional compensation to Veera Capital, Inc. the form of a non-accountable expense allowance equal to 3% of the gross proceeds of the offering. See "Underwriting."
(2) Before deduction of estimated expenses of \$82,500 payable by the Company, not including the 3% non-accountable expense allowance. See "Underwriting."

The Units are being sold by the Company and offered by the Underwriters on a "best efforts, minimum/maximum" basis, subject to prior sale, when, as and if accepted by the Underwriters, and subject to certain conditions. The Underwriters reserve the right to withdraw, cancel or modify such offer and to reject orders in whole or in part. It is expected that the certificates representing the shares of Common Stock will be ready for delivery at the offices of Veera Capital, Inc., 19 Rector Street, Suite 2301, New York, NY, 10006, within 10 business days after the date the Registration Statement is declared effective by the SEC.

VEERA CAPITAL, INC.

The Date of this Prospectus is , 1997

[PHOTOS]

IN CONNECTION WITH THIS OFFERING, THE UNDERWRITERS MAY OVER-ALLOT OR EFFECT TRANSACTIONS WHICH STABILIZE OR MAINTAIN THE MARKET PRICE OF THE SHARES AT A LEVEL ABOVE THAT WHICH MIGHT OTHERWISE PREVAIL IN THE OPEN MARKET. SUCH STABILIZING, IF COMMENCED, MAY BE DISCONTINUED AT ANY TIME.

PROSPECTUS SUMMARY

The following summary is qualified in its entirety by reference to, and should be read in conjunction with, the more detailed information and the Consolidated Financial Statements (including the notes thereto) appearing elsewhere in this Prospectus. Unless otherwise specifically referenced, all references to dollar amounts refer to United States dollars.

THE COMPANY

Mirage Holdings, Inc. (the "Company") is a development stage company. The Company was formed for the purpose of marketing unique fashions. The Company specializes in the marketing of fashions targeted toward the segment where discriminating customers are always looking for unique and innovative products. The origin of these designs is mainly from India and Pakistan but not limited to these countries. Management of the Company is continuously in search of new ideas, regardless of the ethnic background.

Management of the Company believed they could fill a niche in the apparel market by importing these fashions. The economic feasibility of this idea was studied by conducting a market research over a period of one year. The results

were very encouraging. The study identified two main areas of profitability: the existing affluent market segments of Indian and Pakistani people living in the United States and Canada who are always thirsty for new fashions from their countries, as well as the growing demand in the mainstream American market of designs that are different than the usual.

To explore the potential presented by these opportunities, the Company was formed with the goal to be the dominant supplier of fashionwear in these specialty market segments in the United States and Canada.

In the future, the Company may also pursue other business opportunities in the United States and Canada which arise out of its relationships with the Indian and Pakistan communities. See "Business of the Company--General."

As of May 31, 1997, the Company had 1,750,000 Common shares issued and outstanding and 500,000 warrants to purchase one share of Common Stock for \$0.75 outstanding. The Company will have 1,990,000 shares of Common Stock outstanding after the Offering if the minimum amount is sold hereunder and 2,092,857 Common shares outstanding if the maximum amount is sold hereunder, without giving effect to the exercise of any warrants. Assuming exercise of all warrants, including the Unit Warrants, the Company will have 2,730,000 shares of Common Stock outstanding after the Offering if the minimum amount is sold hereunder and 2,935,714 shares of Common Stock if the maximum amount is sold hereunder. The Company also has 500,000 common shares reserved for issuance under its stock option plan, of which 120,000 options have been issued.

From July 1, 1995 through December 31, 1996, the Company had aggregate revenues of \$300,190 from the sale of its products. The Company's cumulative loss from operations for the respective period was \$141,496. Successful development of the Company's products and successful implementation of the Company's marketing plan are necessary for the Company to commence generating substantial operating revenues or to achieve profitability.

Mirage Holdings, Inc. was incorporated under the laws of the State of Nevada on March 18, 1997. Mirage Collection, Inc., a wholly-owned subsidiary of Mirage Holdings, Inc., began business as a partnership July 1, 1995, and was reorganized into a corporation in the State of Nevada pursuant to Internal Revenue Code Section 351 on April 1, 1997. The address of the Company's principal executive offices is: 225 Santa Monica Boulevard, Suite 410, Santa Monica, CA, 90401. The Company's telephone number is (310) 395-3155.

Unless otherwise noted, the "Company" as used in this Prospectus, will refer to the consolidated entities described above.

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THE OFFERING

Securities Offered.....

A maximum of 342,857 Units and a minimum of 240,000 Units. Each Unit consists of one share of Common Stock and one Warrant to purchase one share of the Company's Common Stock at an exercise price of \$4.50 for a term of five years. See "Description of Securities--Units, --Common Stock, and --Warrants."

Offering Price..... \$5.25 per Unit.

Common Stock..... Outstanding 1,750,000 shares as of May 31, 1997; 1,990,000 shares if the minimum amount is raised hereunder; 2,092,857 shares if the maximum amount is raised hereunder. In addition, the Company has 500,000 warrants outstanding as of May 31, 1997, and will have an additional 240,000 warrants outstanding if the minimum amount is raised hereunder and an additional 342,857 warrants outstanding if the maximum amount is raised hereunder. See "Description of Securities." The Company has 500,000 common shares reserved for issuance under its stock option plan, of which 120,000 options have been issued to date. See "Management--Employment and Related Agreements."

Proposed OTC/BB Symbol.....

Common Stock: IDEA.

Use of Proceeds..... The Company intends to apply the net proceeds of this Offering primarily to expand its sales force and advertising activities; increase inventory; establish distribution channels; enter the software industry of India/Pakistan; perform market research into the entertainment industry of India/Pakistan; and working capital. See "Use of Proceeds."

Risk Factors..... The securities offered hereby involve a high degree of risk and immediate substantial dilution. See "Risk Factors."

SELECTED CONSOLIDATED FINANCIAL DATA

The following table presents selected historical financial data for the Company derived from the Company's Consolidated Financial Statements. The historical financial data are qualified in their entirety by reference to, and should be read in conjunction with, the Consolidated Financial Statements and notes thereto of the Company, which are incorporated by reference into this Prospectus. The following data should be read in conjunction with "Management's Discussion and Analysis of Financial Condition and Results of Operations" and the Consolidated Financial Statements of the Company and the notes thereto included elsewhere in this Prospectus.

<TABLE>
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	PERIOD	
	JULY 1, 1995 TO JUNE 30, 1996	NINE MONTHS ENDED MARCH 31, 1997
	-----	-----
<S>	<C>	<C>
STATEMENT OF OPERATIONS DATA:		
Revenue.....	\$199,230	\$158,144
Net loss.....	\$(62,295)	\$(95,666)
<CAPTION>		
	JUNE 30, 1996	MARCH 31, 1997
	-----	-----
<S>	<C>	<C>
BALANCE SHEET DATA:		
Current assets.....	\$ 70,749	\$174,795
Total property and equipment, net.....	\$ 39,629	\$ 42,521
Total assets.....	\$114,108	\$221,046
Total current liabilities.....	\$104,842	\$188,316
Partner's equity.....	\$ 9,266	\$ 1,472
Total liabilities and partner's equity.....	\$114,108	\$221,046

</TABLE>

RISK FACTORS

An investment in the Securities offered in this Prospectus involves a high degree of risk and should only be made by persons who can afford the loss of their entire investment. Accordingly, prospective investors should consider carefully the following factors, in addition to the other information concerning the Company and its business contained in this Prospectus, before purchasing the Securities offered hereby.

Limited Operating History. The Company began operations on April 17, 1995, and first sold its product in April 1995. While the Company is generating some revenues, it has not generated net income since its inception. (See Operating Losses and Negative Working Capital Position.) The Company's success is dependent upon the successful development and marketing of its products, as to which there is no assurance. Unanticipated problems, expenses, and delays are frequently encountered in establishing a new business and marketing and developing products. These include, but are not limited to, competition, the need to develop customer support capabilities and market expertise, setbacks in product development, market acceptance, sales, and marketing. The failure of the Company to meet any of these conditions would have a materially adverse

effect upon the Company and may force the Company to reduce or curtail operations. No assurance can be given that the Company can or will ever operate profitably. See "Management's Discussion and Analysis of Financial Condition and Results of Operations," "The Company--Marketing" and "--Competition."

Dependence on Few Products. The Company currently derives all of its sales revenue from the sale of its products. The Company expects that sales of such products will continue to represent a substantial portion of its sales revenue unless and until the Company fully develops and markets additional products. See "Business of the Company--Research and Development." In the event the Company's introduction of new products is delayed or is eventually unsuccessful, the Company will be forced to rely upon revenues generated by the products. In the event revenues generated by any one of these products decline, the Company's financial condition could be adversely and materially effected. See "Business of the Company--Products."

Operating Losses and Negative Working Capital Position. The Company has not been profitable since its inception. For the period beginning April 17, 1995 (date of inception) to June 30, 1995 and the period beginning July 1, 1995 to June 30, 1996, the Company incurred net operating losses of \$6,305 (unaudited) and \$62,295 (audited), respectively. For the six months ended December 31, 1996, the Company incurred a net loss of \$79,201. At December 31, 1996, the Company had ending partners' capital of \$17,936. In addition, the Company had current liabilities in excess of current assets of \$28,647 at December 31, 1996. The Company expects to continue to incur losses at least through fiscal 1997, and there can be no assurance that the Company will achieve or maintain profitability or that its revenue growth can be sustained in the future. See Financial Statements.

Future Capital Needs Could Result in Dilution to Investors; Additional Financing Could be Unavailable or Have Unfavorable Terms. The Company's future capital requirements will depend on many factors, including cash flow from operations, progress in its research and development, competing market developments, and the Company's ability to market its proposed products successfully. Although the Company currently has no specific plans or arrangements for financing other than this Offering and no commitments for future financing, to the extent that the funds generated by this Offering are insufficient to fund the Company's activities, it may be necessary to raise additional funds through equity or debt financings. Any equity financings could result in dilution to the Company's then-existing stockholders. Sources of debt financing may result in higher interest expense. Any financing, if available, may be on terms unfavorable to the Company. If adequate funds are not obtained, the Company may be required to reduce or curtail operations. The Company anticipates that its existing capital resources, together with the net proceeds of this Offering, will be adequate to satisfy its operating expenses and capital requirements for at least 12 months after the Offering. However, such estimates may prove to be inaccurate. See "Management's Discussion and Analysis of Financial Condition and Results of Operations," "Business of the Company" and Financial Statements.

Economic Conditions and Consumer Spending. As with other retail businesses, the Company's results may be adversely affected by unfavorable local, regional or national economic conditions affecting disposable

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consumer income. There can be no assurance that consumer spending will not decline in response to economic conditions, thereby adversely affecting the Company's growth, net sales, and profitability.

Unpredictable Product Acceptance; Lack of Distribution Agreements. There can be no assurance that the Company's marketing and/or sales strategies will be effective and that consumers will buy the Company's products. The failure of the Company to penetrate its markets would have a material adverse effect upon the Company's operations and prospects. Market acceptance of the Company's products will depend in part upon the ability of the Company to demonstrate the advantages of its products over competing products. In addition, the Company's sales strategy for its products contemplates sales to markets yet to be established. Also, the Company currently has no distribution agreements for any of its products in place. See "Business of the Company--Marketing" and "--Competition."

Competition. The retail apparel business is highly competitive and is expected to remain so despite consolidation in the industry. The Company competes primarily with other specialty retailers and to a lesser degree with department stores and other retailers and catalogers engaged in the retail sale of apparel. Most of these competitors have significantly greater financial, marketing and other resources than the Company. The Company believes that its emphasis on unique, ethnic fashions and its marketing focus

on ethnic markets makes it less vulnerable to changes in fashion trends than many general apparel retailers; however, the Company's sales and profitability depend upon the continued demand for its unique styles. See "Business of the Company-- Competition" and "--Marketing."

Difficulty of Planned Expansion; Management of Growth. The Company has expanded its operations rapidly, and it plans to continue to further expand its level of operations in all areas following the Offering. The Company's operating results will be adversely affected if net sales do not increase sufficiently to compensate for the increase in operating expenses caused by this expansion. In addition, the Company's planned expansion of operations may cause significant strain on the Company's management, technical, financial, and other resources. To manage its growth effectively, the Company must continue to improve and expand its existing resources and management information systems and must attract, train, and motivate qualified managers and employees. There can be no assurance, however, that the Company will successfully be able to achieve these goals. If the Company is unable to manage growth effectively, its operating results will be adversely affected.

Dependence Upon Key Personnel. The Company's success depends, to a significant extent, upon a number of key employees. The loss of services of one or more of these employees could have a material adverse effect on the business of the Company. The Company believes that its future success will also depend in part upon its ability to attract, retain, and motivate qualified personnel, and consequently has entered into employment agreements with certain key officers. Competition for such personnel is intense. There can be no assurance that the Company will be successful in attracting and retaining such personnel. The Company does not have "key person" life insurance on any of its key employees. See "Management."

One Outside Director. The Company's Board of Directors presently consists of three (3) directors: Najeeb U. Ghauri, President; Irfan Mustafa; and Gill Champion, Vice President. Therefore, the Company's Board of Directors has only one outside director (Mr. Mustafa) and, as they constitute a majority of the directors, insiders may be able to control certain policies, actions, and decisions of the Company. While the Company has agreed that, upon completion of the Offering, the Board of Directors will increase its size to five, of which a majority shall be outside directors, there can be no assurance that the Company will be able to retain qualified outside directors. See "Management--Directors and Executive Officers."

Reliance on Independent Subcontractors for Design and Manufacture of the Company's Product Line. The Company does not maintain its own production facilities to design and manufacture the product line and does not intend to do so in the foreseeable future. The Company's products are designed and produced by independent companies. In the event the Company were to have difficulties with its present suppliers, the Company could experience delays in supplying products to its customers and potentially be forced to discontinue a product line. Any negative change in the Company's relationship with its suppliers could have a material adverse impact on

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the Company's business, financial condition and results of operations unless the Company could quickly find a replacement supplier. See "Business of the Company--Manufacturing--Biodegradable Absorbent Products."

Potential Conflicts of Interest Between the Company and its Officers, Directors, and Shareholders. Any of these relationships could result in a conflict of interest for the Company. See "Certain Transactions," and "Principal Shareholders."

Lack of Dividends. The Company has never paid any cash dividends on its Common Stock and does not anticipate paying any cash dividends in the future. The Company currently intends to retain future earnings, if any, to fund the development and growth of its business. See "Dividend Policy."

Dilution. Purchasers of shares of Common Stock in the Offering will experience immediate dilution of \$4.73 per share (90%) if the minimum amount is sold or \$4.53 per share (86%) if the maximum amount is sold (based on the initial public offering price of \$5.25 per share) in the net tangible book value of the shares from the initial public offering price. The shares sold by the Company in the Offering represent a 12.1% of the total shares of Common Stock outstanding following the Offering if the minimum amount is sold or 16.4% of the total shares of Common Stock outstanding following the Offering if the maximum amount is sold hereunder and represent a cash contribution of 88.38% of the aggregate book value or cash contributions to the Company if the minimum amount is sold or a cash contribution of 91.57% of the aggregate book value or cash contributions to the Company if the maximum amount is sold. See "Dilution."

Control by Existing Shareholders. Upon completion of this Offering, the Company's existing shareholders will beneficially own approximately 87.9% of the outstanding Common Stock if the minimum amount is sold or approximately 83.6% of the outstanding Common Stock if the maximum amount is sold. Of these shares, the Company's officers and directors, together with shareholders who beneficially own more than five percent of the outstanding stock of the Company, will beneficially own approximately 80% of the outstanding Common Stock if the minimum amount is sold or approximately 76% of the outstanding Common Stock if the maximum amount is sold hereunder. Investors purchasing shares pursuant to this Offering will beneficially own approximately 12.1% of the outstanding Common Stock if the minimum amount is sold or approximately 16.4% of the outstanding Common Stock if the maximum amount is sold. As a result, all or certain combinations of the Company's existing shareholders, acting in concert, will have the ability to control the Board of Directors and policies of the Company. See "Principal Stockholders" and "Certain Transactions."

No Prior Public Market; Possible Volatility of Share Price. No public securities market existed prior to this Offering for the Company's Common Stock. Although the Company has applied to have the Common Stock included on the OTC/BB System, there can be no assurance that an active public trading market for such securities will be developed or sustained. Accordingly, purchasers of the Common Stock may experience substantial difficulty selling such securities. The offering price of the shares of Common Stock has been determined by negotiations between the Company and the Representative and are not necessarily related to the Company's existing market price, asset value, net worth, or other established criteria of value. See "Underwriting."

Shares Eligible for Future Sale. Upon the closing of this Offering, 1,250,000 of the total of 1,750,000 shares of Common Stock outstanding prior to this Offering will be "restricted securities" within the meaning of Rule 144 under the Securities Act of 1933 (the "Act"). All directors, officers, and holders of 5% or more of the existing shares of Common Stock (whether restricted or otherwise) have agreed not to sell any of their shares of Common Stock for a period of 12 months after the date of this Prospectus without the prior written consent of the Representative. At the end of that period, these shares will be eligible for sale, subject in the case of restricted securities to the holding period, volume limitations, and other conditions imposed by Rule 144. Ordinarily, under Rule 144, a person holding restricted securities for a period of two years may, every three months, sell in ordinary brokerage transactions or in transactions directly with a market maker an amount equal to the greater of one percent of the Company's then-outstanding Common Stock or the average weekly trading volume during the four calendar weeks prior to such sale. Future sales of such shares could have an adverse effect on the market price of the Common Stock. See "Description of Securities" and "Underwriting."

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Risks Relating to Low-Price Stocks. The Company has applied for inclusion of the Common Stock on the Over-the-Counter Bulletin Board ("OTC/BB") upon the completion of this Offering. As a result, an investor could find it more difficult to dispose of, or to obtain accurate quotations as to the market value of, the Company's securities. In addition, trading in the Common Stock would be covered by Rules 15g-1 through 15g-100 promulgated under the Securities Exchange Act of 1934 for non-Nasdaq and non-exchange listed securities. Under this rule, broker-dealers who recommend such securities must satisfy burdensome sales practice requirements. The Securities Enforcement and Penny Stock Reform Act of 1990 (the "Reform Act") also requires additional disclosure in connection with any trades involving a stock defined as a "penny stock" (generally, according to recent regulations adopted by the Commission, any equity security that has a market price of less than \$5.00 per share, subject to certain exceptions), including the delivery, prior to any penny stock transaction, of a disclosure schedule explaining the penny stock market and the risks associated therewith. The regulations governing low-priced or penny stocks could limit the ability of broker-dealers to sell the Company's securities and thus the ability of the purchasers of this Offering to sell their securities in the secondary market.

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DILUTION

Dilution is the difference between the public offering price of \$5.25 per share for the Common Stock offered herein, and the net tangible book value per share of the Common Stock immediately after its purchase. The Company's net tangible book value per share is calculated by subtracting the Company's total liabilities from its total assets less any intangible assets, and then dividing by the number of shares then outstanding.

The net tangible book value of the Company prior to this Offering, based on December 31, 1996 financial statements, was \$17,936. Prior to selling any shares in this Offering, the Company has 1,750,000 shares of Common Stock outstanding.

If the maximum Shares offered herein are sold, the Company will have 2,092,857 shares outstanding upon completion of the Offering. The post offering pro forma net tangible book value of the Company, which gives effect to receipt of the net proceeds from the Offering and issuance of additional Shares of Common Stock in the Offering, but does not take into consideration the Unit Warrants sold in the Offering nor any other changes in the net tangible book value of the Company after December 31, 1996, will be \$1,501,436 or \$0.72 per share, approximately. This would result in dilution to investors in this Offering of \$4.53 per share or 86% from the public offering price of \$5.25 per Share. Net tangible book value per share would increase to the benefit of present shareholders from \$0.01 prior to the Offering to \$0.72 after the Offering, or an increase of \$0.71 per share attributable to the purchase of the Shares by investors in this Offering.

If only the minimum number of Shares is sold, the Company will have 1,990,000 shares outstanding upon completion of the Offering. The post offering pro forma net tangible book value of the Company will be \$1,031,636 or \$0.52 per share, approximately. This would result in dilution to investors in this Offering of \$4.73 per share or 90% from the public offering price of \$5.25 per Share. Net tangible book value per share would increase to the benefit of present shareholders from \$0.01 prior to the Offering to \$0.52 after the Offering, or an increase of \$0.51 per share attributable to the purchase of the Shares by investors in this Offering.

The following table sets forth the estimated net tangible book value per share after the Offering and the dilution to persons purchasing Shares based on the foregoing minimum and maximum offering assumptions

<TABLE>
<CAPTION>

	MINIMUM(1)	MAXIMUM(2)
	-----	-----
<S>	<C>	<C>
Initial public offering price (per share).....	\$5.25	\$5.25
Net tangible book value per share before the Offering.....	\$0.01	\$0.01
Increase per share attributable to payments by new investors.....	\$0.51	\$0.71
Pro forma net tangible book value per share after the Offering.....	\$0.52	\$0.72
Dilution per share to new investors.....	\$4.73 (90%)	\$4.53 (86%)

</TABLE>

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COMPARATIVE DATA

The following charts illustrate the pro forma proportionate ownership in the Company, upon completion of the Offering under alternative minimum and maximum offering assumptions, of present shareholders and of investors in this Offering, compared to the relative amounts paid and contributed to capital of the Company by present shareholders and by investors in this Offering, assuming no changes in net tangible book value other than those resulting from the Offering.

MINIMUM OFFERING

<TABLE>
<CAPTION>

	SHARES PURCHASED		TOTAL CONSIDERATION		AVERAGE PRICE PER SHARE
	NUMBER	PERCENT	AMOUNT	PERCENT	SHARE
	-----	-----	-----	-----	-----
<S>	<C>	<C>	<C>	<C>	<C>
Existing shareholders.....	1,750,000	88%	\$ 165,738 (3)	11.62%	\$0.09
New investors.....	240,000	12%	1,260,000 (4)	88.38%	\$5.25
Total.....	1,990,000	100%	\$1,425,738	100.0%	
	=====	===	=====	=====	

</TABLE>

MAXIMUM OFFERING

<TABLE>
<CAPTION>

	SHARES PURCHASED		TOTAL CONSIDERATION		AVERAGE
	NUMBER	PERCENT	AMOUNT	PERCENT	PRICE PER SHARE
<S>	<C>	<C>	<C>	<C>	<C>
Existing shareholders.....	1,750,000	84%	\$ 165,738 (3)	8.43%	\$0.09
New investors.....	342,857	16%	1,800,000 (5)	91.57%	\$5.25
Total.....	2,092,857	100%	\$1,965,738	100.0%	

</TABLE>

- (1) Assumes \$1,013,700 net proceeds from sale of 240,000 Units.
(2) Assumes \$1,483,500 net proceeds from sale of 342,857 Units.
(3) Based on capital contributions from inception to December 31, 1996.
(4) Assumes gross proceeds from offering of 240,000 Units.
(5) Assumes gross proceeds from offering of 342,857 Units.

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USE OF PROCEEDS

The net proceeds to the Company (at an initial public offering price of \$5.25 per Unit) from the sale of the Units offered hereby (less commissions of 10%, the Representative's non-accountable expense allowance of 3% and expenses of this Offering (estimated at \$82,500)) are estimated to be approximately \$1,013,700 if the minimum amount is raised hereunder and \$1,483,500 if the maximum amount is raised, excluding any proceeds from the exercise of the Unit Warrants.

USE OF PROCEEDS

<TABLE>
<CAPTION>

	MINIMUM	PERCENT	MAXIMUM	PERCENT
<S>	<C>	<C>	<C>	<C>
Expansion of the Company's sales force and establishment of advertising and promotion activities.....	\$ 104,567	10.3%	\$ 152,801	10.3%
Increasing the variety of product by adding new designers and increasing the level of inventory or products.....	\$ 104,567	10.3%	\$ 152,801	10.3%
Establish import/export distribution channels.....	\$ 104,567	10.3%	\$ 152,801	10.3%
Acquisition of 10% of NetSol International, Inc.....	\$ 183,333	18.1%	\$ 268,513	18.1%
Market research to determine viability of entering entertainment industry....	\$ 183,333	18.1%	\$ 268,513	18.1%
Market research to determine viability of increasing participation in software industry.....	\$ 104,567	18.1%	\$ 268,513	18.1%
Working capital.....	\$ 150,000	14.8%	\$ 219,558	14.8%
TOTALS.....	\$1,013,700	100%	\$1,483,500	100%

</TABLE>

The allocation of net proceeds set forth above represents the Company's current estimates based upon its current plans and upon certain assumptions regarding the progress of development of its products, technological advances and changing competitive conditions, the ongoing evaluation and determination of the commercial potential of the Company's products and the Company's ability to enter into agreements. If any of these factors change, the Company may reallocate some of the net proceeds within or between the above-described categories. The Company believes that the funds generated by this Offering, together with current resources, will be sufficient to fund working capital and capital requirements for at least 12 months from the date of this Prospectus.

DIVIDEND POLICY

The Company has never paid any cash dividends on its Common Stock and does

not anticipate paying any cash dividends in the future. The Company currently intends to retain future earnings, if any, to fund the development and growth of its business.

CAPITALIZATION

The following table sets forth the capitalization of the Company as of December 31, 1996 and as adjusted to give effect to the sale by the Company of a minimum of 240,000 Units at an offering price of \$5.25 per Unit and the application of the net proceeds of \$1,013,700 therefrom and as adjusted to give effect to the sale by the Company of a maximum of 342,857 Units at an offering price of \$5.25 per Unit and the application of the net proceeds of \$1,483,500 therefrom.

<TABLE>

<CAPTION>

	DECEMBER 31, 1996 (1)	MINIMUM AS ADJUSTED	MAXIMUM AS ADJUSTED
<S>	<C>	<C>	<C>
Short-term debt:			
Accounts payable.....	\$ 8,304	\$ 8,304	\$ 8,304
Notes payable.....	86,514	86,514	86,514
Interest payable.....	4,907	4,907	4,907
Accrued expenses.....	9,778	9,778	9,778
	-----	-----	-----
Total short-term debt.....	\$ 109,503	\$ 109,503	\$ 109,503
	=====	=====	=====
Stockholders' equity:			
Common Stock, no par value			
shares authorized.....	25,000,000	25,000,000	25,000,000
issued and outstanding.....	1,750,000	1,990,000	2,092,857
Additional paid-in capital.....	\$ 165,738	\$1,425,738	\$1,965,738
Accumulated deficit.....	(147,802)	(147,802)	(147,802)
	-----	-----	-----
Total stockholders' equity (deficit)...	\$ 17,936	\$1,277,936	\$1,817,936
	=====	=====	=====

</TABLE>

(1) Please note all calculations are based upon Company as a corporation as of December 31, 1996 for purposes of calculating these charts even though the Company was a partnership until April 1, 1997.

SELECTED FINANCIAL DATA

The following selected financial data are qualified by reference to, and should be read in conjunction with, the Financial Statements, related Notes to Financial Statements and Report of Independent Public Accountants, and Management's Discussion and Analysis of Financial Condition and Results of Operations contained elsewhere herein. The following tables summarize certain selected financial data of the Company for the period from July 1, 1995 to June 30, 1996 (audited), and the nine months ended March 31, 1997 (unaudited). The data has been derived from Financial Statements included elsewhere in this Prospectus that were audited by Hoffski & Pisano, P.C., except for the financial statements for March 31, 1997 which were reviewed by Stonefield Josephson, Inc. No dividends have been paid for any of the periods presented.

<TABLE>

<CAPTION>

	PERIOD	
	JULY 1, 1995 TO JUNE 30, 1996	NINE MONTHS ENDED MARCH 31, 1997
<S>	<C>	<C>
STATEMENT OF OPERATIONS DATA:		
Revenue.....	\$199,230	\$158,144
Net loss.....	(62,295)	(95,666)
	-----	-----
	JUNE 30, 1996	MARCH 31, 1997
	-----	-----
<S>	<C>	<C>
BALANCE SHEET DATA:		
Current assets.....	\$ 70,749	\$174,795

Total property and equipment, net	39,629	42,521
	-----	-----
Total assets	\$114,108	\$221,046
	=====	=====
Total current liabilities	\$104,842	\$188,316
Partner's equity	9,266	1,472
	-----	-----
Total liabilities and partner's equity.....	\$114,108	\$221,046
	=====	=====

</TABLE>

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MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION
AND RESULTS OF OPERATIONS

GENERAL

The Company was formed in April 1995 and incorporated on March 18, 1997 for the purpose of marketing and selling unique fashions. The Company has generated nominal revenues to date. It has accumulated losses from operations of \$147,801 since its initial inception in April 1995 through December 31, 1996. Such losses are expected to continue through fiscal 1997.

Mirage Holdings, Inc. was incorporated under the laws of the State of Nevada on March 18, 1997. Mirage Collection, Inc., a wholly-owned subsidiary of Mirage Holdings, Inc., formally began business as a partnership July 1, 1995, and was reorganized into a corporation in the State of Nevada pursuant to Internal Revenue Code Section 351 on April 1, 1997. The Company was a partnership during the periods presented herein. Therefore, this discussion and analysis and the financial statements included herein are based on a partnership entity.

RESULTS OF OPERATIONS

<TABLE>

<CAPTION>

	YEAR ENDED JUNE 30, 1996	NINE MONTHS ENDED MARCH 31, 1997
	-----	-----
<S>	<C>	<C>
Net sales.....	199,230	158,144
Cost of goods sold.....	160,350	116,313
Gross profit.....	38,880	41,831
Selling, general and administrative expenses	97,192	137,497
Net (Loss).....	(62,295)	(95,666)

</TABLE>

NINE MONTHS ENDED MARCH 31, 1997 COMPARED TO FISCAL YEAR ENDED JUNE 30, 1996

Revenues:

The Company's sales for the nine months ended March 31, 1997 were \$158,144 (average of \$17,572 per month) as compared to \$199,230 for the fiscal year ended June 30, 1996 (average of \$16,603 per month). This increase is largely due to increased advertising and marketing efforts. The Company is also targeting a broader market by selling lower to middle end merchandise as well.

Cost of goods sold and gross profit:

The Company's gross profit was approximately 26.5% for the nine months ended March 31, 1997 as compared to 19.5% for the fiscal year ended June 30, 1996. The gross profit percentage has increased largely because the Company is able to purchase at a lower cost and sell its merchandise for a higher gross profit.

Selling, general and administrative expenses:

Selling, general, and administrative expenses for the nine months ended March 31, 1997 were \$137,496 (average of \$15,277 per month) as compared to \$97,192 for the fiscal year ended June 30, 1996 (average of \$8,099 per month). The increase is, in part, due to opening of a new store in Diamond Bar.

LIQUIDITY AND CAPITAL RESOURCES

Since its inception, the Company has funded its capital requirements through partners' contributions of cash in the cumulative amount of \$165,738 since April 17, 1995 (inception) to December 31, 1996.

On February 26, 1997, the Company issued an unsecured note to Manhattan West, Inc. in exchange for loans in the principal amount of \$46,997. The note is due quarterly starting on May 26, 1997 and bears interest at the rate of 10% per annum. The note contains a conversion feature whereby Manhattan West, Inc. may, at any

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time, convert the balance due and owing to it into share of Common Stock of the Company at the rate of \$0.45 per share. As of the date of this Prospectus, the balance due on the note is \$46,997 plus accrued interest.

On April 10, 1997, the Company commenced a private placement (the "Private Placement") of 500,000 shares of the Company's common stock at a purchase price of \$0.50 per share (the "Private Placement Stock") and 500,000 warrants, each warrant to purchase one share of the Company's common stock at an exercise price of \$0.75 for a term of five years at a purchase price of \$0.10 per warrant (the "Private Placement Warrants"). The Private Placement was exempt from the registration provisions of the Act by virtue of Section 4(2) of the Act, as transactions by an issuer not involving any public offering. The securities issued pursuant to the Private Placement were restricted securities as defined in Rule 144. The Private Placement Stock and the Common Stock underlying the Private Placement Warrants are being registered herein. The offering generated net proceeds of approximately \$300,000.

At December 31, 1996, the Company had outstanding current liabilities of \$109,503. The Company anticipates satisfying its current liabilities in the ordinary course of business from revenues and notes receivable.

Capital expenditures during the period from inception through December 31, 1996 were \$54,516. Over the next 12 months, the Company plans to upgrade its management information system, telecommunications system, and office equipment to accommodate anticipated growth plans. The Company anticipates these upgrades and acquisitions may require estimated expenditures in excess of \$100,000 over the next 12 months.

The Company does not believe that inflation has had a significant impact on its operations since inception of the Company.

SEASONALITY

Like most retailers, the Company's business is subject to seasonable fluctuations, with an increase in sales and revenues occurring during the fourth quarter of each year, mostly due to holiday purchasing. Because of the seasonality of the Company's business, results for any quarter are not necessarily indicative of the results that may be achieved for the full year.

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BUSINESS OF THE COMPANY

GENERAL

The Company specializes in the marketing of fashions targeted towards the segment where discriminating customers are always looking for unique and innovative products. The origin of these designs is mainly from India and Pakistan but not limited to these countries. The management of the Company is continuously in search of new ideas regardless of the ethnic background.

The idea was to fill this niche in the apparel market by importing these fashions. The economic feasibility of this idea was studied by conducting a market research over a period of one year. The results were very encouraging. The study identified two main areas of profitability: the existing affluent market segment of Indian and Pakistani people who are always thirsty for new fashions from their countries, as well as the growing demand in the mainstream American market of designs that are different than the usual.

To explore the potential presented by these opportunities, Mirage Collection was formed with the goal to be the dominant supplier of fashionwear in these specialty market segments in the United States and Canada.

In the future, the Company may also pursue other business opportunities in the United States and Canada which arise out of its relationships with the Indian and Pakistan communities. India ranks as one of the ten largest emerging markets in the world, according to the U.S. Department of Commerce. India has been called the "Silicon Valley of the East" and houses many high-tech corporations, including Motorola and Hewlett Packard. (National Geographic, May 1997.) The Company anticipates that such opportunities may arise in the software and entertainment industries.

The Company has entered into a letter of intent to acquire a 10% ownership interest in NetSol International, Inc., a software development firm in Lahore, Pakistan. Through its 10% ownership interest in NetSol International, Inc. ("NetSol"), the Company can assist NetSol in marketing its software development services to North American and European clients. However, there can be no assurance that this acquisition will ever be completed and this potential acquisition should not be relied upon in making an investment decision.

The Company has also identified a niche market existing in the entertainment industry in that, currently, there are no significant entertainment venues catering to the Indian/Pakistani communities in the United States. Management of the Company believes that a significant opportunity exists in the development of theme parks, virtual reality games, theme restaurants, and other entertainment venues to serve this market. However, the Company has yet to perform significant market research into this sector, no formal agreements have been reached, and there can be no assurance as to the terms of any such potential agreements nor that any agreements will ever be reached nor that the Company will ever enter into this market.

Mirage Holdings, Inc. was incorporated under the laws of the State of Nevada on March 18, 1997. Mirage Collection, Inc., a wholly-owned subsidiary of Mirage Holdings, Inc. which actively conducts the retail clothing business of the Company, began business as a partnership in July 1995, and was reorganized into a corporation in the State of Nevada pursuant to Internal Revenue Code Section 351 on April 1, 1997.

OVERVIEW OF THE COMPANY'S MARKETS

The United States is India's largest single trading partner. Between 1987 and 1993, United States exports rose 11% annually, slightly faster than United States import growth, which measured 10% a year. India's exports to the United States increased 15% in 1994 and management of the Company expects that India's exports will probably remain strong in subsequent years. In 1994, India's exports totaled \$24 billion, of which \$5.3 billion in goods was exported to the United States. Annual growth rates of 5% to 10% are expected between 1995 and 2000. (U.S. Global Trade Outlook: 1995-2000, U.S. Dept. of Commerce.)

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Pakistan's single largest trading partner is also the United States. Pakistan's total exports in 1993 were \$6.7 billion. Both India's and Pakistan's exports include clothing. (1997 Information Please Almanac, Atlas, and Yearbook, Houghton Mifflin Company, Boston and New York, 1997.)

[CHART OF U.S. TRADE WITH INDIA, 1987-94]

PERFORMANCE GRAPH APPEARS HERE

<TABLE>
<CAPTION>

Legend		G	H
<S>	<C>	<C>	<C>
Labels		93	94
Exports		4.6	5.4
Imports		2.76	2.5

</TABLE>

Estimated annual retail and wholesale sales of apparel and accessory stores in the United States were \$109.962 billion in 1995, a slight increase over 1994 sales of \$109.881 billion. Imports of clothing and footwear in the United States in 1995 were \$51.632 billion, an increase over 1994 imports of \$48.46 billion. (1997 Information Please Almanac, Atlas, and Yearbook, Houghton Mifflin Company, Boston and New York, 1997.)

The total Indian-Pakistani population in the United States (the "U.S. I-P population") has been estimated at 4 million. There are large populations in most major states with significant populations in New York, New Jersey, California, Illinois, Florida, Washington, D.C., Maryland, North Carolina, Pennsylvania, Connecticut, Texas, Massachusetts, Georgia, Ohio, Michigan, South Carolina, and Tennessee. The average annual household income of the U.S.

I-P population is \$80,000+. Thirteen percent earn more than \$100,000 per year; 46% have an annual income of \$75,000 or greater; and nearly half earn at least \$50,000 per year. Ninety percent of the U.S. I.P. population own homes of which more than half (51%) own their homes outright. More than half (53%) own two cars and 12% own more than three cars. The U.S. I-P population is also educated as 70% have college degrees and 35% have advanced degrees (i.e., Master's, Ph.D.'s, etc.). Seventy-nine percent of the U.S. I-P population are employed in professional capacities (28%: executives or managers; 21%: doctors or dentists; 17%: engineers or scientists; and 13%: lawyers or accountants). (Zarposh International, Trabuco Canyon, California, January 1, 1997.) Therefore, management of the Company believes that its target market, the U.S. I-P population, can afford to purchase unique fashions.

Due to the large U.S. I-P population, there is a high demand for ethnic fashions. Most of these people are not able to travel to India or Pakistan often due to professional commitments. Even when they do travel, it is hard for them to find the right designers or boutiques. The Company conducted market research over a one-year period before the opening of its first store and is constantly reviewing opinions and needs of its customers to provide the products that best suit their needs.

Reasons for seeking ethnic fashions:

- . Desire of the I-P people to preserve and maintain their culture.
- . Social commitments such as community events and casual gatherings where the people like to wear the latest ethnic fashions.

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BUSINESS STRATEGY

- . The Company is researching the feasibility of setting up a production facility in Pakistan. This can reduce costs and increase profit margins.
- . To explore new designers in India and Pakistan by traveling to these countries every quarter. This will also help the Company to stay in touch with the latest trends and fashions.
- . To work with existing designers for a product line of everyday wear and occasional wear to provide a variety to customers.
- . Research the potential of opening stores in other major cities highly populated by the I-P people such as Houston, Chicago, Atlanta, and New York.
- . To introduce the luxurious fabrics and intricate embroidered fashions to the "entertainment industry," an affluent market which requires a need for unique fashions due to social commitments.
- . To introduce a modified/modern version of the shalwar-qamiz (long shirt draped over loose palazzo-style pants) through department stores such as Bloomingdales and Nordstrom catering to the mainstream middle class and upper class.
- . To aggressively market our products to the younger generation of the ethnic market.

PRODUCTS

Most Indians wear light, loose clothing because of the hot climate. Bright colors and white are common. Most Indian women wear a sari, a straight piece of cloth draped around the body as a long dress. They place its loose end over the head or shoulder. Wealthy women in India wear saris made of silk, with borders of gold thread. Many of the women of northern India wear full trousers with a long blouse and veil. (World Book Encyclopedia, World Book, Inc., 1995.)

Traditional Indian fashions have evolved over the years to compete with western clothes which are also accessible to the younger generation of Indian people. Modern Indian fashions include the lengha/cholis (skirt and short top), and sarecs (six yards of fabric wrapped around the waist similar to a skirt with the loose end draped over the shoulder) worn in different ways from traditional to modern.

In Pakistan, the most common garment of both men and women is the shalwar-qamiz, which consists of loose trousers and a long overblouse. Women may wear a dupatta, a scarf, over their shoulders and head. Outside the home, women usually cover themselves with a tent-like garment called a burqa. (World Book Encyclopedia, World Book, Inc., 1995.)

Pakistani fashions have also evolved over the years as designers who are exposed to western fashions have created traditional clothes in modern forms. The trend these days is influenced by the Moguls who ruled in regions of Afghanistan, Pakistan, and India from 1483 to 1739. The Mogul women adorn themselves with elaborate costumes and precious jewels. The designers display these traditions in the use of luxurious fabrics and intricate embroidery. The Company offers shararas, ghararas, and peshwaz--traditional fashions with contemporary hints, and shalwar/qamiz--traditional to modern versions.

The average retail price charged by the Company for one outfit is \$150, but prices range from under \$100 to over \$1,500. The Company also sells accessories and costume jewelry.

COMPETITION

The retail apparel business is highly competitive and is expected to remain so despite consolidation in the industry. The Company competes primarily with other specialty retailers and to a lesser degree with department stores and other retailers and catalogers engaged in the retail sale of apparel. Most of these competitors have significantly greater financial, marketing and other resources than the Company. The Company believes that its

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emphasis on unique, ethnic fashions and its marketing focus on ethnic markets makes it less vulnerable to changes in fashion trends than many general apparel retailers; however, the Company's sales and profitability depend upon the continued demand for its unique styles.

The Company's primary competitors are Yasmin which has four locations and its principal store at 18161 Pioneer Boulevard, Artesia, California; Memsahib, 18161 Pioneer Boulevard, Artesia, California; and Raaz, Inc., Chicago, Illinois. However, the Company's specific market is very fragmented and there may exist numerous other small and large competitors.

COMPETITIVE ADVANTAGES

- . The accessibility to top designers from both India and Pakistan.
- . Involvement of buyers working with designers to understand the U.S. market.
- . The customer comes first approach gives people a level of comfort and confidence which they may not find at other ethnic stores. This is especially appealing to the younger generation who is exposed to the western store concepts like greeting customers when they walk in.
- . Due to detailed designs such as type of fabric or type of embroidery, the Company trains the employees about the products so they are confident when the customers ask questions.

MARKETING

Management of the Company devised a marketing strategy aimed at achieving its goal of being the dominant supplier of fashionwear in the specialty market segments in the United States and Canada. The main focus of the strategy was to penetrate the market with products that have strong appeal to customers who enjoy exclusivity.

The following activities were carried out in order to accomplish the objectives:

1. Top designers were identified and agreements for exclusive supply to the Company were signed for representation in the local markets.
2. The Company identified Fashion Shows and Exhibitions to be effective distribution channels and thus hosted and participated in these events successfully.
3. The Company opened its first showroom in October 1995 in the Los Angeles area. This showroom occupies an area of approximately 2,500 square feet. The decor was done to create the ambiance with a touch of class so that the customer can appreciate not only the products but the way they are presented and has proven to be successful in attracting the customers.
4. An advertising and promotion campaign was launched targeting the potential groups.
5. The Company made contacts with the designer boutiques in the mainstream

market which cater to these selective customers.

In the future, the management plans to focus on the following areas:

1. Enhance the advertising and promotion activities in line with the expected growth in sales.
2. Increase the variety of product offering by adding new designers.
3. Provide custom tailoring to the customers. This area not only enhances sales, but provides another avenue of generating revenues.
4. Increase the sales and marketing activities by adding to the existing sales staff for developing contacts with the potential customers which includes a variety of parties including the film industry as well as high end boutiques.

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5. Increase the product exposure by attending reputable designer shows.
6. Aggressive participation in medical conventions which provide an excellent sales opportunity as well as added exposure with the most affluent of the customers.
7. Increase the level of inventory of its products.
8. Establish a chain of Mirage stores in different metropolitan markets as well as studying the possibility of franchising the Mirage concept.
9. Introduce the Mirage catalogue for sales through mail order.

DISTRIBUTION

Currently, the Company purchases its products wholesale and sells them for retail at the Company's stores. The Company has one supplier in the U.S. which imports products from India and Pakistan. The Company obtains approximately 20% of all of its products from the U.S. supplier. All of the Company's other suppliers are located in India and Pakistan. Representatives of the Company make approximately one trip per month to India and Pakistan to purchase products.

The Company anticipates that it will have a centralized distribution center in the future which will purchase products and distribute the products to the Company's stores for retail sale. However, such plan is dependent upon the Company raising sufficient capital, increasing its revenues, and opening more stores and therefore there can be no assurance that this plan for the Company will ever come to fruition.

EMPLOYEES

As of the date of this Prospectus, the Company employed three full-time employees and one consultant. The Company hires independent contractors on an "as needed" basis only. The Company has no collective bargaining agreements with its employees. The Company believes that its employee relationships are satisfactory. The Company plans on hiring additional part-time sales staff in the immediate future. Long term, the Company will hire additional employees as needed based on its growth rate.

Mr. Ghauri will become employed by the Company as its President and Secretary upon completion of this Offering. Mr. Champion will become employed by the Company as its Chief Financial Officer and Vice President on May 15, 1997. See "Management--Directors and Executive Officers."

PROPERTIES

The Company subleases 700 square feet of executive office space in Santa Monica, California on a month-to-month basis. The sublease requires monthly payments of approximately \$416.67.

The Company leases a 2,500 square feet showroom in Artesia, California. The lease expires on August 31, 2000 and requires monthly payments of approximately \$3,200. The Company has an option to renew the lease for an additional five year term, beginning September 1, 2000 to August 31, 2005; the terms of such renewal shall be agreed upon prior to execution of the lease option.

The Company also leases a 1,150 square feet showroom in Diamond Bar, California. The lease expires on September 30, 2001 and requires monthly payments of approximately \$1,150. Prior to its termination, the Company has an

option to renew the lease for an additional five year term at the then fair market value of the property.

LITIGATION

To the knowledge of management, there is no material litigation pending of threatened against the Company.

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MANAGEMENT

DIRECTORS AND EXECUTIVE OFFICERS

The directors and officers of the Company as of the date of this Prospectus are as follows:

<TABLE>

<CAPTION>

NAME	AGE	POSITION
----	---	-----
<C>	<C>	<S>
Najeeb U. Ghauri.....	43	President, Secretary, Director of Mirage Holdings, Inc.; Chief Financial Officer of Mirage Collection, Inc.
Gill Champion.....	55	Vice President, Chief Financial Officer, Director of Mirage Holdings, Inc.
Irfan Mustafa.....	46	Director of Mirage Holdings, Inc.
Saima Khan.....	26	President, Secretary, Director of Mirage Collection, Inc.

</TABLE>

The number of directors may be fixed from time to time by the Board of Directors. The Board of Directors presently consists of 3 directors. Each of the Company's directors hold office until their respective successors are elected at the next annual meeting of shareholders. Vacancies in the Board of Directors are filled by a majority vote of the remaining directors or by a shareholder vote called expressly for such purpose.

NAJEEB U. GHOURI--Mr. Ghauri, President, Secretary, and Director of Mirage Holdings, Inc. and Chief Financial Officer of Mirage Collection, Inc., has an M.B.A. in Marketing Management from the Claremont Graduate School (1983) and a B.S. degree in Management/Economics from Eastern Illinois University (1980). Mr. Ghauri has been employed by Arco Petroleum Products Co. since 1987 and continuing through the present. His current position at Arco is Territory Manager. Mr. Ghauri is fluent in English, Urdu, and Indian languages and has a working knowledge of mid-eastern languages.

IRFAN MUSTAFA--Mr. Mustafa, a director of the Company, has an M.B.A. from IMD (formerly Imede), Lausanne, Switzerland (1975); an M.B.A. from the Institute of Business Administration, Karachi, Pakistan (1974); and a B.S.C. in Economics, from Punjab University, Lahore, Pakistan (1971). Mr. Mustafa has been employed by Pepsicola Company since 1990 and continuing through the present. His current position at Pepsicola is as a leader of the Executive Designate Program. He was Area Vice President for Egypt and Sudan from 1994 through 1995 and Area Vice President for West Asia from 1990 through 1994. Mr. Mustafa is the Chairman and Founder Member of the Pepsi Education Foundation, Pakistan; Founder Member of the Market Research Society, Pakistan; and a member of the Board of Trustees of Educational and Charitable Organizations in Pakistan.

GILL CHAMPION--Mr. Champion, Vice President, Chief Financial Officer, and a director of Mirage Holdings, Inc., has a B.A. degree from New York University; attended Rutgers University; and attended the American Academy of Dramatic Arts. Mr. Champion was C.E.O. of American Cinema Stores, Inc., a public company, from 1992 through 1996 where he established domestic and international sales and marketing strategies and distribution channels for licensed entertainment products. He was Executive Vice President of Reel Treasures, Inc. from 1985 through 1989; Vice President of Gaylord Broadcasting from 1981 through 1984; and Vice President of Production of Producer Circle Co. from 1976 through 1981.

SAIMA KHAN--Ms. Khan, President, Secretary, and Director of Mirage Collection, Inc., the Company's wholly-owned subsidiary, is the original founder of Mirage Collection Inc., and commenced full-time employment at Mirage Collection in 1992. Prior to that, Ms. Khan was employed in financial public relations.

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TOTAL EXECUTIVE COMPENSATION

The Company's Board of Directors authorized the compensation of several of its officers with restricted shares of the Company's Common Stock and options. The following officers of the Company receive the following annual cash salaries and other compensation:

SUMMARY COMPENSATION TABLE

<TABLE>
<CAPTION>

AWARDS (2)

NAME AND PRINCIPAL POSITION	YEAR	ANNUAL SALARY(1)	AWARDS (2)	
			RESTRICTED STOCK AWARDS(3)	SECURITIES UNDERLYING OPTIONS(4)
<S>	<C>	<C>	<C>	<C>
Najeeb U. Ghauri, President and Secretary of Mirage Holdings, Inc.....	1997	\$33,500	200,000	50,000
Gill Champion, Vice President and Chief Financial Officer of Mirage Holdings, Inc....	1997	\$39,500	50,000	50,000
Saima Khan, President of Mirage Collection, Inc..	1997	\$24,000	5,000	-0-
All Officers as a Group (3 persons).....	1997	\$97,000	255,000	100,000

</TABLE>

- (1) No officers received or will receive any bonus or other annual compensation other than salaries during fiscal 1997. The table does not include any amounts for personal benefits extended to officers of the Company, such as the cost of automobiles, life insurance and supplemental medical insurance, because the specific dollar amounts of such personal benefits cannot be ascertained. Management believes that the value of non-cash benefits and compensation distributed to executive officers of the Company individually or as a group during fiscal year 1996 did not exceed the lesser of \$50,000 or ten percent of such officers' individual cash compensation or, with respect to the group, \$50,000 times the number of persons in the group or ten percent of the group's aggregate cash compensation.
- (2) No officers received or will receive any long term incentive plan (LTIP) payouts or other payouts during fiscal 1997.
- (3) All stock awards are shares of Common Stock of the Company.

INDEMNIFICATION OF DIRECTORS AND OFFICERS

The laws of the State of Nevada and the Company's Bylaws provide for indemnification of the Company's directors for liabilities and expenses that they may incur in such capacities. In general, directors and officers are indemnified with respect to actions taken in good faith in a manner reasonably believed to be in, or not opposed to, the best interests of the Company, and with respect to any criminal action or proceeding, actions that the indemnitee had no reasonable cause to believe were unlawful.

The Company has been advised that in the opinion of the Securities and Exchange Commission, indemnification for liabilities arising under the Securities Act is against public policy as expressed in the Securities Act and is, therefore, unenforceable.

EMPLOYMENT AND RELATED AGREEMENTS

INCENTIVE AND NONSTATUTORY STOCK OPTION PLAN

On April 1, 1997, the Company enacted an Incentive and Nonstatutory Stock Option Plan (the "Plan") for its employees and consultants under which a maximum of 500,000 option may be granted to purchase Common Stock of the Company. Two types of options may be granted under the Plan: (1) Incentive Stock Options (also known as Qualified Stock Options) which only may be issued to employees of the Company and whereby the exercise price of the option is not less than the fair market value of the Common Stock on the date it was reserved for issuance under the Plan; and (2) Nonstatutory Stock Options which may be issued to either employees or consultants of the Company and whereby the exercise price of the option is less than the fair market value of the Common Stock on the date it was reserved for issuance under the plan. Grants of options may be make to

employees and consultants without regard to any performance measures. All options listed in the Summary Compensation Table were issued pursuant to the Plan. All options issued pursuant to the Plan vest over an 18 month period from the date of the grant per the following schedule: 33% of the Options vest on the date which is six months from the date of the grant; 33% of the Options vest on the date which is 12 months from the date of the grant; and 34% of the Options vest on the date which is 18 months from the date of the grant. All options issued pursuant to the Plan are nontransferable and subject to forfeiture. As of the date of this Prospectus, the Company had issued 120,000 Incentive Stock Options of which none have vested nor been exercised.

DIRECTORS COMPENSATION

Directors of the Company do not receive any cash compensation, but are entitled to reimbursement of their reasonable expenses incurred in attending Directors' Meetings. In addition, the Company has granted to its three directors 20,000 options to purchase common stock of the Company under the Company's Incentive and Nonstatutory Stock Option Plan each.

EMPLOYMENT AGREEMENTS

The Company entered into an Employment Agreement with Saima Khan, President of Mirage Collection, Inc. on July 1, 1996. Ms. Khan commenced her employment with the Company in July, 1995. Pursuant to that Agreement, Ms. Khan receives a salary of \$2,000 per month, a \$500 monthly auto allowance, and is entitled to 20% of the net profits of Mirage Collection, Inc. on an annual basis. Ms. Khan shall also be granted stock options in the Company based on performance and profits generated at the discretion of the board of directors. To date, no such options have been granted. The Agreement is terminable at will by either party upon notice to the other and contains no severance provisions. An anti-competition clause is in effect for a period of six months after termination of the Agreement that Ms. Khan will not accept employment with any and all direct competitors of the Company.

The Company entered into an Employment Agreement with Gill Champion, Vice President, and Chief Financial Officer of the Company on May 15, 1997. Mr. Champion commenced his employment with the company on February 17, 1997. Pursuant to his Employment Agreement, Mr. Champion receives initial compensation of \$4,000 per month for four months or until the Company successfully completes its IPO (whichever occurs first) (the "Initial Compensation Term"), base compensation of \$5,500 per month after the Initial Compensation Term, an award of 30,000 options to purchase common stock under the Company's Incentive and Nonstatutory Stock Option Plan, and is entitled to participate in all insurance and benefit plans which may be adopted by the Company. Mr. Champion's Employment Agreement is for a term of one year with an automatic extension of one year thereafter, unless either party elects to terminate the Agreement at that time. The Agreement is terminable at will by Mr. Champion or for cause by the Company. The Agreement contains no severance or anti-competition provisions.

The Company entered into an Employment Agreement with Najeeb U. Ghauri, President and Secretary of the Company on May 15, 1997. Mr. Ghauri commenced his employment with the Company on February 17, 1997. Pursuant to his Employment Agreement, Mr. Ghauri receives initial compensation of \$2,000 per month for four months or until the Company successfully completes its IPO (whichever occurs first) (the "Initial Compensation Term"), base compensation of \$5,500 per month after the Initial Compensation Term, an award of 30,000 options to purchase common stock under the Company's Incentive and Nonstatutory Stock Option Plan, and is entitled to participate in all insurance and benefit plans which may be adopted by the Company. Mr. Ghauri's Employment Agreement is for a term of one year with an automatic extension of one year thereafter, unless either party elects to terminate the Agreement at that time. The Agreement is terminable at will by Mr. Ghauri or for cause by the Company. The Agreement contains no severance or anti-competition provisions.

CERTAIN TRANSACTIONS

On February 26, 1997, Mirage Collection, Inc. issued an unsecured note to Manhattan West, Inc. in exchange for loans in the principal amount of \$46,997. The note is due on February 26, 2000 and bears interest at the rate of 10% per annum. The note contains a conversion feature whereby Manhattan West, Inc. may, at any time, convert the balance due and owing to it into share of Common Stock of the Company at the rate of \$0.50 per share. As of the date of this Prospectus, the balance due on the note is \$46,997 plus accrued interest. Tarig Khan is the Managing Director of Manhattan West, Inc. and the brother of

Saima Khan, President of Mirage Collection, Inc.

In April 1996, Najeeb U. Ghauri loaned \$10,000 to Mirage Collection, Inc. This sum is repayable to Mr. Ghauri upon demand without interest. Mr. Ghauri is President, Secretary, and a Director of Mirage Holdings, Inc. and Chief Financial Officer of Mirage Collection, Inc.

The Company's management believes that the terms of these transactions are no less favorable to the Company than would have been obtained from an unaffiliated third party in similar transactions. All future transactions with affiliates will be on terms no less favorable than could be obtained from unaffiliated third parties, and will be approved by a majority of the disinterested directors.

The Company has agreed with certain state regulatory authorities that so long as the Company's securities are registered in such states, or one year from the date of this prospectus, whichever is longer, the Company will not make loans to its officers, directors, employees, or principal shareholders, except for loans made in the ordinary course of business, such as travel advances, expense account advances, relocation advances, or reasonable salary advances.

CONFLICTS OF INTEREST

Other than as described herein, the Company is not expected to have significant further dealings with affiliates. However, if there are such dealings, the terms of such transactions will be no less favorable to the Company than would have been obtained from an unaffiliated third party in similar transactions. All future transactions with affiliates will be on terms no less favorable than could be obtained from unaffiliated third parties, and will be approved by a majority of the disinterested directors.

A director of the Company owes fiduciary duties to the Company which may conflict with other interests. The Company has not entered into any noncompete, confidentiality, or similar agreements with its directors. The fiduciary duties that directors owe to a Company include the duty not to withhold from the Company, or appropriate, any corporate opportunity which the Company may be able to exploit, the duty not to use for their personal benefit or the benefit of any other individual or entity any information not generally known which they acquire through their association with the Company, and in short, the duty to deal fairly with the Company. The Company's current director intends to submit to the Company any potential business they become aware of which may constitute a corporate opportunity to the Company. The Company's policy is that all transactions between the Company and any affiliates be on terms no less favorable to the Company than could be obtained from unaffiliated third parties.

PRINCIPAL SHAREHOLDERS

The following table sets forth certain information regarding beneficial ownership of the Company's Common Stock, as of May 31, 1997 and as adjusted to reflect the sale of the Shares offered hereby by (i) each shareholder known by the Company to be the beneficial owner of more than five percent of the outstanding Common Stock, (ii) each director of the Company, (iii) each officer of the Company, and (iv) all directors and officers as a group. Unless otherwise indicated, the address for each stockholder is 225 Santa Monica Boulevard, Suite 410, Santa Monica, California, 90401.

<TABLE>
<CAPTION>

NAME	NUMBER OF SHARES (1)	PERCENTAGE BENEFICIALLY OWNED		
		BEFORE OFFERING	AFTER MINIMUM OFFERING	AFTER MAXIMUM OFFERING
<S>	<C>	<C>	<C>	<C>
Whittington Investments, Ltd. Suite M2 Charlotte House P.O. Box N4825 Nassau, Bahamas	895,000	51.1%	45.0%	42.8%
Najeeb U. Ghauri	250,000 (2)	13.9%	12.8%	11.7%
Damson Investments Limited P.O. Box N8318 Nassau, Bahamas	220,000 (3)	11.5%	10.2%	7.1%
Irfan Mustafa	120,000 (4)	6.8%	6.0%	5.7%
Gill Champion	100,000 (5)	5.6%	4.9%	4.7%

Saima Khan.....	5,000	*	*	*
All officers and directors as a group (4 persons).....	475,000	25.4%	22.5%	21.5%

</TABLE>

* Less than one percent

- (1) Except as otherwise indicated, the Company believes that the beneficial owners of Common Stock listed below, based on information furnished by such owners, have sole investment and voting power with respect to such shares, subject to community property laws where applicable. Beneficial ownership is determined in accordance with the rules of the Securities and Exchange Commission and generally includes voting or investment power with respect to securities. Shares of Common Stock subject to options or warrants currently exercisable, or exercisable within 60 days, are deemed outstanding for purposes of computing the percentage of the person holding such options or warrants, but are not deemed outstanding for purposes of computing the percentage of any other person.
- (2) Includes 50,000 options issued under the Company's stock option plan exercisable at \$0.01 for five years from May 12, 1997.
- (3) Includes 160,000 Bridge Warrants.
- (4) Includes 20,000 options issued under the Company's stock option plan exercisable at \$0.01 for five years from May 12, 1997.
- (5) Includes 50,000 options issued under the Company's stock option plan exercisable at \$0.01 for five years from May 12, 1997.

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DESCRIPTION OF SECURITIES

The authorized capital stock of the Company consists of twenty-five million shares of Common Stock, no par value. The Company's Transfer Agent is American Securities Transfer & Trust, Inc., 1825 Lawrence Street, Suite 444, Denver, Colorado, 80202.

The following summary of certain terms of the Company's securities does not purport to be complete and is subject to, and qualified in its entirety by, the provisions of the Company's Articles of Incorporation and Bylaws, which are included as exhibits to the Registration Statement of which this Prospectus is a part, and the provisions of applicable law.

UNITS

The Company is offering a maximum of 342,857 Units and a minimum of 240,000 Units for \$5.25 per Unit. Each Unit consists of one share of the Company's Common Stock and one warrant to purchase one share of the Company's Common Stock at an exercise price of \$4.50 for a term of five years. The Warrants are detachable from the Units at the discretion of the Company.

COMMON STOCK

As of the date of this Prospectus, there are 1,750,000 shares of Common Stock outstanding, and after completion of this Offering, 1,990,000 shares of Common Stock will be issued and outstanding if the minimum amount hereunder is sold and 2,092,857 shares of Common Stock if the maximum amount hereunder is sold (without giving effect to the exercise of any warrants). Holders of Common Stock are entitled to one vote for each share held of record on all matters submitted to a vote of the stockholders. At all elections of directors of the Company, each holder of stock possessing voting power is entitled to as many votes as equal to the number of his or her shares of stock multiplied by the number of directors to be elected, and he or she may cast all of such votes for a single director or may distribute them among the number to be voted for or any two or more of them, as he or she may see fit (cumulative voting). Subject to preferences that may be applicable to any then outstanding Preferred Stock, holders of Common Stock are entitled to receive ratably such dividends as may be declared by the Board of Directors out of funds legally available therefor. See "Dividend Policy." In the event of a liquidation, dissolution or winding up of the Company, holders of Common Stock are entitled to share ratably in all assets remaining after payment of liabilities and the liquidation preference of any then outstanding Preferred Stock. Holders of Common Stock have no right to convert their Common Stock into any other securities. The Common Stock has no preemptive or other subscription rights. There are no redemption or sinking fund provisions applicable to the Common Stock. All outstanding shares of Common Stock are, and the Common Stock to be outstanding upon completion of this Offering will be, duly authorized, validly issued, fully paid and nonassessable.

WARRANTS

As of the date of this Prospectus, there are 500,000 warrants outstanding (the "Private Placement Warrants"). These warrants were issued by the Company to private individuals in connection with the Company's Private Placement Bridge Financing commenced on April 10, 1997. The Private Placement Warrants are each exercisable for one share of Common Stock of the Company at \$0.75 per share. The term of the Private Placement Warrants is five years from the date of issuance.

The Company is also offering hereunder, as part of the Units, a minimum of 240,000 warrants and a maximum of 342,857 warrants (the "Warrants"). The Warrants are each exercisable for one share of Common Stock of the Company at \$4.50 per share. The term of the Warrants is five years from the date of issuance.

If the minimum amount is raised hereunder, the Company will have a total of 740,000 warrants outstanding. If the maximum amount is raised hereunder, the Company will have a total of 842,857 warrants outstanding.

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SHARES ELIGIBLE FOR FUTURE SALE

Upon completion of this Offering, the Company will have outstanding 1,990,000 shares of Common Stock if the minimum amount is sold hereunder and 2,092,857 shares if the maximum amount is sold hereunder (without giving effect to the exercise of any warrants). All shares acquired in this Offering, other than shares that may be acquired by "affiliates" of the Company as defined by Rule 144 under the Securities Act, will be freely transferable without restriction or further registration under the Securities Act.

All of the 1,750,000 shares outstanding prior to this offering were shares issued by the Company and sold by the Company in private transactions in reliance on an exemption from registration. Accordingly, such shares are "restricted shares" within the meaning of Rule 144 and cannot be resold without registration, except in reliance on Rule 144 or another applicable exemption from registration.

In general, under Rule 144 as currently in effect, a person (or persons whose shares are required to be aggregated), including any affiliate of the Company, who beneficially owns "restricted shares" for a period of at least one year is entitled to sell within any three-month period, shares equal in number to the greater of (i) 1% of the then outstanding shares of Common Stock, or (ii) the average weekly trading volume of the Common Stock during the four calendar weeks preceding the filing of the required notice of sale with the Securities and Exchange Commission. The seller also must comply with the notice and manner of sale requirements of Rule 144, and there must be current public information available about the Company. In addition, any person (or persons whose shares are aggregated) who is not, at the time of the sale, nor during the preceding three months, an affiliate of the Company, and who has beneficially owned restricted shares for at least two years, can sell such shares under Rule 144 without regard to notice, manner of sale, public information or the volume limitations described above.

The Private Placement Stock and the shares underlying the Private Placement Warrants are being registered herein. Therefore, 500,000 shares of stock and 500,000 shares of stock issuable upon exercise of warrants will be freely tradeable upon the effective date hereof.

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UNDERWRITING

The Underwriters named below, acting through Veera Capital, Inc. as Representative, have jointly and severally agreed, subject to the terms and conditions of the Underwriting Agreement, to offer to the public on a "best efforts, 240,000 Unit minimum, 342,857 Unit maximum" basis, at a price of \$5.25 per Unit.

The underwriters shall receive 10% commission for the sale of the securities.

The Company has agreed to pay to the Representative at the closing of the Offering a non-accountable expense allowance of 3% of the aggregate public offering price to cover expenses incurred by the Representative in connection with this Offering.

The Company has agreed with the Representative that, without the

Representative's consent (which may not be unreasonably withheld), it will not issue any additional Common Stock between the effective date of this Offering and the expiration of 12 months thereafter if such issuance would cause any provision made in the Registration Statement to be materially misleading or would otherwise subject the Representative to any reasonable likelihood of liability under the Act.

The directors, officers, and employees of the Company who are also shareholders of the Company have entered into a contractual agreement with Veera Capital, Inc. that restricts, for a period of 12 months from the effective date of the registration statement for the Units being offered hereby, their ability to sell the Common Stock beneficially owned by them including stock registered pursuant to any Form SB-2 Registration Statement.

Prior to this Offering, there was no public securities market for the Company's Common Stock and the price of such securities may be volatile to a degree that might not occur in securities that are more widely held or more actively traded. The initial public offering price was negotiated by the Company and the Representative. In determining the offering price, the Representative considered, among other things, the business potential and earning prospects of the Company and prevailing market conditions.

The Company has agreed to indemnify the Underwriters, any controlling person of an Underwriter, and other persons related to the Underwriters and identified in the Underwriting Agreement, against certain liabilities, including liabilities arising (i) under the Securities Act, (ii) out of any untrue statement or material fact contained in the Registration Statement, this Prospectus, any amendments thereto, and certain other documents, or (iii) out of any omission of a material fact required to be stated therein or necessary to make the statements therein not misleading, unless the statement or omission is made in reliance upon and in conformity with written information furnished to the Company or on behalf of the Underwriters for use in the document in which it was used.

There is no assurance that all or any of the Units will be sold. If the Company fails to receive subscriptions for a minimum of 350,000 Units within 120 days from the date of this Prospectus (or 150 days if extended by the Company), the Offering will be terminated and any subscription payments received will be promptly refunded within 5 days to subscribers, without any deduction therefrom or any interest thereon. If subscriptions for at least the minimum amount are received within such period, funds will not be returned to investors and the Company may continue the Offering until such period expires or subscriptions for all 500,000 Units have been received, whichever comes first.

LEGAL MATTERS

The validity of the securities offered hereby will be passed upon for the Company by Horwitz & Beam, Irvine, California. Certain legal matters in connection with this Offering will be passed upon for the Underwriters by Horwitz & Beam. Horwitz & Beam, Inc., a California corporation, is the owner of 9,500 shares of Private Placement Stock and 2,500 Private Placement Warrants.

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EXPERTS

The Financial Statements of the Company for the period from July 1, 1995 to June 30, 1996, included herein and elsewhere in the registration statement, have been included herein and in the registration statement in reliance on the report of Hoffski & Pisano, P.C., appearing elsewhere herein, and upon the authority of said firm as experts in accounting and auditing. The Financial Statements of the Company for the nine months ended March 31, 1997 included herein and elsewhere in the registration statement, have been included herein and in the registration statement in reliance on the report of Stonefield Josephson, Inc., appearing elsewhere herein, and upon the authority of said firm as experts in accounting and auditing.

ADDITIONAL INFORMATION

The Company is not presently subject to the reporting requirements of the Securities Exchange Act of 1934. The Company has filed with the Securities and Exchange Commission (the "Commission") a Registration Statement on Form SB-2 (together with all amendments and exhibits thereto, the "Registration Statement") under the Securities Act of 1933, as amended (the "Securities Act") with respect to the securities offered hereby. This Prospectus, which constitutes a part of the Registration Statement, omits certain information contained in the Registration Statement on file with the Commission pursuant to the Securities Act and the rules and regulations of the Commission

thereunder. The Registration Statement, including the exhibits thereto, may be inspected and copied at the public reference facilities maintained by the Commission at 450 Fifth Street, N.W., Room 1024, Washington, D.C. 20549. Copies of such material may be obtained by mail at prescribed rates from the Public Reference Branch of the Commission at 450 Fifth Street, N.W., Washington, D.C. 20549. Statements contained in this Prospectus as to the contents of any contract or other document referred to are not necessarily complete and in each instance reference is made to the copy of such contract or other document filed as an exhibit to the Registration Statement, each such statement being qualified in all respects by such reference.

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MIRAGE COLLECTION
(A PARTNERSHIP)

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REPORT OF CERTIFIED PUBLIC ACCOUNTANTS

To the Partners
Mirage Collection (A Partnership)
Artesia, California

We have reviewed the accompanying balance sheet of Mirage Collection (A Partnership) as of March 31, 1997, and the related statements of operations, partners' capital and cash flows for the nine months then ended, in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. All information included in these financial statements is the representation of the Partners and management of Mirage Collection.

A review consists principally of inquiries of company personnel and analytical procedures applied to financial data. It is substantially less in scope than an audit in accordance with generally accepted auditing standards, the objective of which is the expression of an opinion regarding the financial statements taken as a whole. Accordingly, we do not express such an opinion.

Based on our review, we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in conformity with generally accepted accounting principles.

/s/ Stonefield Josephson, Inc.

ACCOUNTANCY CORPORATION
Santa Monica, California

May 28, 1997

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MIRAGE COLLECTION
(A PARTNERSHIP)

BALANCE SHEET

MARCH 31, 1997

<TABLE>

<S>

<C>

ASSETS

CURRENT ASSETS:

Cash.....	\$ 2,437
Inventory.....	62,358
Loan receivable.....	110,000
<hr/>	
Total current assets.....	\$174,795
Property, plant and equipment, net of accumulated depreciation.....	42,521
Deposits.....	3,730
<hr/>	
	\$221,046
	=====

LIABILITIES AND PARTNERS' CAPITAL

CURRENT LIABILITIES:

Accounts payable and accrued expenses.....	\$ 23,205
Notes payable, current portion.....	55,111
Loan payable.....	110,000
<hr/>	
Total current liabilities.....	\$188,316
Notes payable, less current portion.....	31,258
Partners' capital.....	1,472
<hr/>	
	\$221,046
	=====

</TABLE>

See accompanying accountants' review report and notes to financial statements.

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MIRAGE COLLECTION
(A PARTNERSHIP)

STATEMENT OF OPERATIONS

NINE MONTHS ENDED MARCH 31, 1997

<TABLE>

<CAPTION>

	AMOUNT	PERCENT
	-----	-----
<S>	<C>	<C>
Net sales.....	\$158,144	100.0 %
Cost of sales.....	116,313	73.5
<hr/>		<hr/>
Gross profit.....	41,831	26.5
Operating expenses.....	137,497	87.0
<hr/>		<hr/>
Net loss.....	\$(95,666)	(60.5) %
	=====	=====

</TABLE>

See accompanying accountants' review report and notes to financial statements.

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MIRAGE COLLECTION
(A PARTNERSHIP)

STATEMENT OF PARTNERS' CAPITAL

NINE MONTHS ENDED MARCH 31, 1997

<i><S></i>	<i><C></i>
Beginning partners' capital.....	\$ 9,266
Capital contribution.....	87,872
Net loss for the nine months ended March 31, 1997.....	(95,666)

Balance at March 31, 1997.....	\$ 1,472
	=====

See accompanying accountants' review report and notes to financial statements.

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MIRAGE COLLECTION
(A PARTNERSHIP)

STATEMENT OF CASH FLOWS

NINE MONTHS ENDED MARCH 31, 1997

INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS

<i><S></i>	<i><C></i>
<i>CASH FLOWS PROVIDED BY (USED FOR) OPERATING ACTIVITIES:</i>	
Net loss.....	\$ (95,666)
Adjustments to reconcile net loss to net cash provided by (used for) operating activities--depreciation.....	\$ 7,254
<i>Changes in assets and liabilities:</i>	
<i>(Increase) decrease in assets:</i>	
Accounts receivable.....	8,049
Inventory.....	257
Increase (decrease) in liabilities--accounts payable and accrued expenses.....	(11,437)

Total adjustments.....	4,123

Net cash used for operating activities.....	(91,543)
<i>CASH FLOW USED FOR INVESTING ACTIVITIES:</i>	
Payments to acquire property and equipment.....	(10,146)
Payments on loan receivable.....	(110,000)

Net cash used for investing activities.....	(120,146)
<i>CASH FLOWS PROVIDED BY FINANCING ACTIVITIES:</i>	
Proceeds from notes payable.....	16,169
Proceeds from loan payable.....	110,000
Proceeds from capital contribution.....	87,872

Net cash provided by financing activities.....	214,041

Net increase in cash.....	2,352
Cash, beginning of period.....	85

Cash, end of period.....	\$ 2,437
	=====

See accompanying accountants' review report and notes to financial statements.

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MIRAGE COLLECTION
(A PARTNERSHIP)

NOTES TO FINANCIAL STATEMENTS

(1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

BUSINESS ACTIVITY:

The partnership is engaged in the retail clothing business for sale to the general public with two locations in Southern California.

USE OF ESTIMATES:

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

CASH EQUIVALENTS:

For purposes of the statement of cash flows, cash equivalents include time deposits, certificates of deposit, and all highly liquid debt instruments with original maturities of three months or less which are not securing any partnership obligations.

INVENTORY:

Inventory, consisting principally of finished goods, is valued at the lower of cost (first-in, first-out) or market.

(2) LOAN RECEIVABLE:

The loan receivable is a bridge loan to a product development company and is unsecured and bears interest at 10% per annum. The purpose of the loan is to provide bridge financing to an unrelated company. In the event of default there will be no obligation to repay the loan payable referred to in note 6.

(3) PROPERTY AND EQUIPMENT:

A summary is as follows:

<i><S></i>	<i><C></i>
Leasehold improvements.....	\$43,853
Machinery and equipment.....	6,381
Furniture and office equipment.....	6,368

	56,602
Less accumulated depreciation and amortization.....	14,081

	\$42,521
	=====

</TABLE>

MIRAGE COLLECTION
(A PARTNERSHIP)

NOTES TO FINANCIAL STATEMENTS-- (CONTINUED)

NINE MONTHS ENDED MARCH 31, 1997

(4) ACCOUNTS PAYABLE AND ACCRUED EXPENSES:

A summary is as follows:

<i><S></i>	<i><C></i>
Sales tax.....	\$ 9,756
Month end bills.....	6,761
Accrued interest.....	6,688

	\$23,205
	=====

</TABLE>

(5) NOTES PAYABLE:

<TABLE>	
<S>	<C>
Notes payable to various individuals and entities with interest from 8% to 10%, unsecured.....	\$ 86,369
Less current portion.....	(55,111)

	\$ 31,258
	=====

</TABLE>

Interest on these obligations amounted to \$5,202 for the nine months ended March 31, 1997 and is included in accrued interest.

(6) LOAN PAYABLE:

The loan payable is secured by the bridge loan receivable from the product development company (referred to in note 2) and bears interest at 10% per annum.

(7) COMMITMENTS:

The following is a schedule by years of future minimum rental payments required under operating leases that have noncancellable lease terms in excess of one year as of March 31, 1997:

<TABLE>	
<S>	<C>
Year ending June 30, 1997.....	\$ 38,633
1998.....	51,510
1999.....	51,510
2000.....	38,710
2001.....	12,018

	\$192,381
	=====

</TABLE>

Rent expense amounted to \$32,573 for the nine months ended March 31, 1997.

F-8

REPORT OF CERTIFIED PUBLIC ACCOUNTANTS

To the Partners
Mirage Collection (A Partnership)
Artesia, California

The supplemental information for the nine months ended March 31, 1997, contained on pages 9 and 10, is presented only for supplementary analysis purposes and is the representation of the partners and management of Mirage Collection (A Partnership). Such information has been subjected to the inquiry and analytical procedures applied in the review of the basic financial statements, and we are not aware of any material modifications that should be made to the supplemental information in order for it to be in conformity with generally accepted accounting principles.

/s/ Stonefield Josephson, Inc.

ACCOUNTANCY CORPORATION

Santa Monica, California
May 28, 1997

F-9

MIRAGE COLLECTION
(A PARTNERSHIP)

SCHEDULE OF NET SALES AND COST OF SALES

NINE MONTHS ENDED MARCH 31, 1997

<TABLE>	
<S>	<C>
SALES.....	\$161,125
Returns, allowances and discounts.....	2,981

	\$158,144
	=====
COST OF SALES:	
Beginning inventory.....	\$ 62,615
Purchases.....	114,597
Other costs.....	1,459

	178,671
Ending inventory.....	62,358

	\$116,313
	=====

</TABLE>

See accompanying accountants' review report on supplemental information.

F-10

MIRAGE COLLECTION
(A PARTNERSHIP)

SCHEDULE OF OPERATING EXPENSES

NINE MONTHS ENDED MARCH 31, 1997

<TABLE>
<CAPTION>

	AMOUNT	PERCENT
	-----	-----
<S>	<C>	<C>
Salaries.....	\$ 1,520	1.0%
Payroll taxes.....	181	.1
Accounting.....	3,325	2.1
Advertising.....	3,276	2.1
Alarm.....	26	
Alterations.....	851	.5
Bank service charge.....	1,527	1.0
Computer services.....	69	
Credit card expenses.....	1,102	.7
Depreciation.....	7,254	4.6
Discounts--merchant.....	832	.5
Equipment rental.....	342	.2
Freight.....	4,118	2.6
Insurance.....	2,079	1.3
Interest.....	5,202	3.3
Office supplies and expense.....	4,448	2.8
Outside labor.....	46,466	29.4
Postage.....	446	.3
Printing.....	548	.3
Rent.....	32,573	20.6
Repairs and maintenance.....	18	
Security.....	560	.4
Show expense.....	1,425	.9
Tax and license.....	125	.1
Telephone.....	8,330	5.3
Travel and entertainment.....	8,474	5.4
Utilities.....	2,380	1.5
	-----	-----
	\$137,497	87.0%
	=====	=====

</TABLE>

See accompanying accountants' review report on supplemental information.

F-11

INDEPENDENT AUDITORS' REPORT

To The Partners
Mirage Collection
Artesia, California

We have audited the accompanying balance sheet of Mirage Collection, a Partnership, as of June 30, 1996, and the related statements of operations, partnership equity, and cash flows for the twelve month period then ended. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Mirage Collection at June 30, 1996, and the results of its operations and its cash flows for the twelve month period then ended in conformity with generally accepted accounting principles.

Our examination was made for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplementary information on pages 9-11, is presented for purposes of additional information and is not a required part of the basic financial statements. Such information has been subjected to auditing procedures applied in the examination of the basic financial statements, and in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

/s/ HOFFSKI & PISANO, P.C.
Irvine, California
September 30, 1996

F-12

MIRAGE COLLECTION, A PARTNERSHIP

BALANCE SHEET

JUNE 30, 1996

<TABLE>

<S>

<C>

ASSETS

CURRENT ASSETS:

Cash.....	\$	85
Accounts Receivable.....		8,049
Inventory.....		62,615

Total Current Assets.....		70,749
---------------------------	--	--------

PROPERTY, PLANT, AND EQUIPMENT, AT COST:

Equipment.....		5,191
Furniture And Fixtures.....		703
Leasehold Improvements.....		40,562

Total Property, Plant, And Equipment.....		46,456
---	--	--------

Less Accumulated Depreciation (Note A).....		(6,827)
---	--	---------

Net Property, Plant, And Equipment.....		39,629
---	--	--------

OTHER ASSETS:

Deposits.....		3,730
---------------	--	-------

Total Other Assets.....		3,730
-------------------------	--	-------

Total Assets.....		\$114,108
-------------------	--	-----------

=====

LIABILITIES AND PARTNERS' EQUITY

CURRENT LIABILITIES:

Bank Overdraft.....	\$	14,664
Accounts Payable.....		12,848
Accrued Expenses.....		5,640
Interest Payable.....		1,490
Notes Payable (Note B).....		70,200

Total Current Liabilities.....		104,842
--------------------------------	--	---------

Partners' Equity.....		9,266
-----------------------	--	-------

Total Liabilities and Partners' Equity.....		\$114,108
---	--	-----------

=====

</TABLE>

See accompanying notes and independent auditors' report.

F-13

MIRAGE COLLECTION, A PARTNERSHIP

STATEMENT OF OPERATIONS

FOR YEAR ENDED JUNE 30, 1996

<TABLE>	
<S>	<C>
Sales.....	\$199,230
Costs of Sales	
Beginning Inventory.....	5,000
Purchases.....	217,058
Customs.....	907
Less: Ending Inventory.....	(62,615)
Total Costs of Sales.....	160,350
Gross Profit.....	38,880
General & Administrative Expenses.....	97,192
Income From Operations.....	(58,312)
Other Income (Expense):	
Interest Expense.....	(4,000)
Interest Income.....	17
Total Other Income (Expense).....	(3,983)
Net Income/(Loss).....	\$ (62,295)

</TABLE>

See accompanying notes and independent auditors' report

F-14

MIRAGE COLLECTION, A PARTNERSHIP

STATEMENT OF PARTNERS' EQUITY

FOR YEAR ENDED JUNE 30, 1996

<TABLE>	
<S>	<C>
BEGINNING PARTNERS' EQUITY.....	\$ 5,950
Capital Contributions.....	65,611
Net Loss.....	(62,295)
ENDING PARTNERS' EQUITY.....	\$ 9,266

</TABLE>

See accompanying notes and independent auditors' report

F-15

MIRAGE COLLECTION, A PARTNERSHIP

STATEMENT OF CASH FLOWS

JUNE 30, 1996

<TABLE>	
<S>	<C>
CASH FLOWS USED IN OPERATING ACTIVITIES:	
Net Loss.....	\$ (62,295)
Non Cash Items Included In Net Loss:	
Depreciation.....	6,827
Changes In:	
Accounts Receivable.....	(8,049)
Inventory.....	(57,615)
Deposits.....	(3,730)

Accounts Payable.....	12,848
Accrued Expenses.....	5,640
Interest Payable.....	1,490

Net Cash Used In Operating Activities.....	(104,884)
CASH FLOWS USED IN INVESTING ACTIVITIES:	
Purchase of Fixed Assets.....	(46,406)

Net Cash Used In Investing Activities.....	(46,406)
CASH FLOWS FROM FINANCING ACTIVITIES:	
Notes Payable.....	70,200
Capital Contributions.....	65,611

Net Cash From Financing Activities.....	135,811

Net Change In Cash.....	(15,479)
Cash at Beginning of the Year.....	900

Cash at End of the Year.....	\$ (14,579)
	=====
SUPPLEMENTAL CASH FLOW INFORMATION:	
Interest Paid.....	\$ 2,510
	=====
Income Taxes Paid.....	\$ 0
	=====

</TABLE>

See accompanying notes and independent auditors' report

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MIRAGE COLLECTION, A PARTNERSHIP

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 1996

NOTE A: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(1) NATURE OF BUSINESS

Mirage Collection, A Partnership is engaged in the retail clothing business. The Company's financial statements are presented in accordance with generally accepted accounting principles.

(2) BASIS OF ACCOUNTING

The Company uses the accrual method of accounting for financial statement purposes. Revenue is recognized at the point of sale.

(3) PROPERTY, PLANT, AND EQUIPMENT

Depreciable assets are stated at cost; major improvements and betterments are capitalized. Maintenance and repairs are expensed as incurred. For financial statement purposes, assets are depreciated using the straight line method of depreciation over lives of five to seven years.

(4) INVENTORY

Inventory consists primarily of clothing garments held for resale and are valued at the lower of actual cost or market. Cost is determined by specific identification of each unit.

(5) USE OF ESTIMATES

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

NOTE B: NOTES PAYABLE

Notes Payable consists of four notes to various individuals all maturing within the next six months. Interest has been accrued in accordance with the terms of the loan agreements.

NOTE C: COMMITMENTS

The Company leases its store facilities under a five-year operating lease for \$3,200 per month. The lease expires on August 31, 2000 and requires minimum annual lease rentals as follows:

<S>	<C>
1996-97.....	\$ 38,400
1997-98.....	38,400
1998-99.....	38,400
1999-00.....	38,400
2000.....	6,400

	\$160,000
	=====

</TABLE>

Rent expense for the year ended June 30, 1996 totaled \$28,800.

F-17

MIRAGE COLLECTION, A PARTNERSHIP

SCHEDULE OF REVENUE

FOR YEAR ENDED JUNE 30, 1996

<S>	<C>
REVENUE:	
Sales Revenue.....	\$204,482
Less: Sales Returns.....	(5,252)

TOTAL REVENUE.....	\$199,230
	=====

</TABLE>

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MIRAGE COLLECTION, A PARTNERSHIP

SCHEDULE OF GENERAL & ADMINISTRATIVE EXPENSES

FOR THE TWELVE MONTHS ENDED JUNE 30, 1996

<S>	<C>
GENERAL & ADMINISTRATIVE EXPENSES:	
Advertising.....	\$ 6,315
Alterations.....	292
Bad Debt.....	1,869
Bank Charges.....	389
Commissions.....	75
Contributions.....	50
Credit Card Expense.....	1,321
Depreciation.....	6,827
Dues & Subscriptions.....	155
Entertainment.....	95
Exhibition.....	13,687
Freight.....	38
Insurance.....	1,891
Miscellaneous.....	336
Office Expenses.....	263
Office Supplies.....	2,846
Outside Services.....	5,205
Postage.....	53
Printing.....	755
Rent.....	28,800
Repairs & Maintenance.....	262
Tax & License.....	109
Telephone.....	3,973
Travel.....	19,760
Utilities.....	1,826

Total General & Administrative Expenses.....	\$97,192
	=====

</TABLE>

 NO DEALER, SALES REPRESENTATIVE OR OTHER PERSON HAS BEEN AUTHORIZED TO GIVE ANY INFORMATION OR TO MAKE ANY REPRESENTATIONS IN CONNECTION WITH THIS OFFERING OTHER THAN THOSE CONTAINED IN THIS PROSPECTUS, AND, IF GIVEN OR MADE, SUCH INFORMATION OR REPRESENTATIONS MUST NOT BE RELIED UPON AS HAVING BEEN AUTHORIZED BY THE COMPANY OR ANY UNDERWRITER. THIS PROSPECTUS DOES NOT CONSTITUTE AN OFFER TO SELL OR A SOLICITATION OF AN OFFER TO BUY ANY SECURITIES OTHER THAN THE ORDINARY SHARES TO WHICH IT RELATES OR AN OFFER TO SELL OR A SOLICITATION OF AN OFFER TO BUY TO ANY PERSON IN ANY JURISDICTION IN WHICH SUCH AN OFFER OR SOLICITATION WOULD BE UNLAWFUL. NEITHER THE DELIVERY OF THIS PROSPECTUS NOR ANY SALE MADE HEREUNDER SHALL, UNDER ANY CIRCUMSTANCES, CREATE ANY IMPLICATION THAT THERE HAS BEEN NO CHANGE IN THE AFFAIRS OF THE COMPANY SINCE THE DATE HEREOF OR THAT THE INFORMATION CONTAINED HEREIN IS CORRECT AS OF ANY TIME SUBSEQUENT TO THE DATE HEREOF.

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<i></TABLE></i>	

 UNTIL , (25 DAYS AFTER THE DATE OF THIS PROSPECTUS), ALL DEALERS EFFECTING TRANSACTIONS IN THE DISTRIBUTION MAY BE REQUIRED TO DELIVER A PROSPECTUS. THIS IS IN ADDITION TO THE OBLIGATION OF DEALERS TO DELIVER A PROSPECTUS WHEN ACTING AS UNDERWRITERS WITH RESPECT TO THEIR UNSOLD ALLOTMENTS OR SUBSCRIPTIONS.

 342,857 UNITS, EACH UNIT CONSISTING OF ONE SHARE OF COMMON STOCK AND ONE WARRANT TO PURCHASE ONE SHARE OF COMMON STOCK FOR \$4.50

\$5.25 PER UNIT

MIRAGE HOLDINGS, INC.

 PROSPECTUS

, 1997

MIRAGE HOLDINGS, INC.

PART II

INFORMATION NOT REQUIRED IN PROSPECTUS

ITEM 24. INDEMNIFICATION OF DIRECTORS AND OFFICERS

The Nevada Corporation Law and the Company's Certificate of Incorporation and Bylaws authorize indemnification of a director, officer, employee or agent of the Company against expenses incurred by him or her in connection with any action, suit, or proceeding to which such person is named a party by reason of having acted or served in such capacity, except for liabilities arising from such person's own misconduct or negligence in performance of duty. In addition, even a director, officer, employee or agent of the Company who was found liable for misconduct or negligence in the performance of duty may obtain such indemnification if, in view of all the circumstances in the case, a court of competent jurisdiction determines such person is fairly and reasonably entitled to indemnification. Insofar as indemnification for liabilities arising under the Securities Act of 1933 (the "Act") may be permitted to directors, officers, or persons controlling the Company pursuant to the foregoing provisions, the Company has been informed that in the opinion of the Securities and Exchange Commission, such indemnification is against public policy as expressed in the Act and is therefore unenforceable.

ITEM 25. OTHER EXPENSES OF ISSUANCE AND DISTRIBUTION

<TABLE>

<S>	<C>
SEC Registration Fee.....	\$ 1,845
NASD Fee.....	680
Accounting Fees and Expenses.....	10,000
Legal Fees and Expenses.....	50,000
Printing Expenses.....	10,000
Blue Sky Fees and Expenses.....	10,000
Underwriters' Non-accountable Expense Allowance.....	37,500
Miscellaneous.....	975

Total.....	\$121,000
	=====

</TABLE>

ITEM 26. RECENT SALES OF UNREGISTERED SECURITIES

On April 10, 1997, the Company commenced a private placement (the "Private Placement") of 500,000 shares of the Company's common stock at a purchase price of \$0.50 (the "Private Placement Stock") and 500,000 warrants, each warrant to purchase one share of the Company's common stock at an exercise price of \$0.75 for a term of five years at a purchase price of \$0.10 (the "Private Placement Warrants"). The Private Placement was exempt from the registration provisions of the Act by virtue of Section 4(2) of the Act, as transactions by an issuer not involving any public offering. The securities issued pursuant to the Private Placement were restricted securities as defined in Rule 144. The Private Placement Stock and the Common Stock underlying the Private Placement Warrants are being registered herein. The offering generated net proceeds of approximately \$300,000.

II-1

ITEM 27. EXHIBITS

<TABLE>

<CAPTION>

EXHIBIT

<C>	<S>
1.1	Underwriting Agreement (form)
1.2	Agreement Among Underwriters (form)
3.1	Articles of Incorporation of Mirage Holdings, Inc., a Nevada corporation, dated March 18, 1997.
3.2	Bylaws of Mirage Holdings, Inc., dated March 18, 1997
4	Lock-Up Agreement (form)

5	Opinion of Horwitz & Beam
10.1	Employment Agreement, dated July 1, 1996, between Mirage Collection, Inc., and Saima Khan
10.2	Lease Agreement, dated August 1, 1995
10.3	Lease Agreement, dated September 19, 1996*
10.4	Lease Agreement, dated March 12, 1997*
10.5	Company Stock Option Plan, dated April 1, 1997
10.6	Employment Agreement, dated May 15, 1997 between Mirage Holdings, Inc. and Najeeb U. Ghauri*
10.7	Employment Agreement, dated May 15, 1997 between Mirage Holdings, Inc. and Gill Champion*
24.1	Consent of Horwitz & Beam (included in their opinion set forth in Exhibit 5 hereto)
24.2	Consent of Hoffski & Pisano, P.C.
25	Power of Attorney (see signature page)
28	Specimen of Common Stock Certificate of Mirage Holdings, Inc.

</TABLE>

* To be filed by Amendment

ITEM 28. UNDERTAKINGS

The undersigned registrant hereby undertakes to:

(1) Insofar as indemnification for liabilities arising under the Securities Act of 1933 (the "Act") may be permitted to directors, officers and controlling persons of the Company pursuant to the foregoing provisions, or otherwise, the Company has been advised that in the opinion of the Securities and Exchange Commission such indemnification is against public policy as expressed in the Act and is, therefore, unenforceable. In the event that a claim for indemnification against such liabilities (other than the payment by the registrant of expenses incurred or paid by a director, officer or controlling person of the registrant in the successful defense of any action, suit or proceeding) is asserted by such director, officer or controlling person in connection with the securities being registered, the Company will, unless in the opinion of its counsel the matter has been settled by controlling precedent submit to a court of appropriate jurisdiction the question whether such indemnification by it is against public policy as expressed in the Act and will be governed by the final adjudication of such issue.

(2) File, during any period in which it offers or sells securities, a post effective amendment to this registration statement to:

(i) Include any prospectus required by section 10(a)(3) of the Securities Act;

(ii) Reflect in the prospectus any facts or events which, individually or together, represent a fundamental change in the information in the registration statement; and

(iii) Include any additional or changed material information on the plan of distribution.

For determining liability under the Securities, treat each post-effective amendment as a new registration statement of the securities offered, and the offering of the securities at that time to be the initial bona fide offering.

File a post-effective amendment to remove from registration any of the securities that remain unsold at the end of the offering.

II-2

SIGNATURES

In accordance with the requirements of the Securities Act of 1933, the Registrant certifies that it has reasonable grounds to believe that it meets all of the requirements for filing on Form SB-2 and authorized this Registration Statement to be signed on its behalf by the undersigned, in the City of Santa Monica, State of California on June 5, 1997.

MIRAGE HOLDINGS, INC.

/s/ Najeeb U. Ghauri

By: _____
Najeeb U. Ghauri, President

POWER OF ATTORNEY

Each person whose signature appears appoints Najeeb U. Ghauri and Gill

Champion, in the alternative, as his agents and attorneys-in-fact, with full power of substitution to execute for him and in his name, in any and all capacities, all amendments (including post-effective amendments) to this Registration Statement to which this power of attorney is attached. In accordance with the requirements of the Securities Act of 1933, this Registration Statement was signed by the following persons in the capacities and on the dates stated.

<TABLE>

<CAPTION>

SIGNATURE -----	TITLE -----	DATE -----
<S> /s/ Najeeb U. Ghauri ----- Najeeb U. Ghauri	<C> President, Secretary, Director	<C> June 5, 1997
/s/ Gill Champion ----- Gill Champion	Vice President, Chief Financial Officer, Director	June 5, 1997
/s/ Irfan Mustafa ----- Irfan Mustafa	Director	June 5, 1997

</TABLE>

EXHIBIT 1.1

UNDERWRITING AGREEMENT (FORM)

UNDERWRITING AGREEMENT

_____, 1997

VEERA CAPITAL CORPORATION
19 Rector Street, Suite 2301
New York, NY 10006

Dear Ladies and Gentlemen:

Mirage Holdings, Inc., a Nevada corporation (the "Company"), proposes to issue and sell a minimum of 240,000 Units and a maximum of 342,857 Units for \$5.25 per Unit, each Unit consisting of one share of the Company's Common Stock and one warrant to purchase one share of the Company's Common Stock for \$4.50, on a best-efforts basis. The Company confirms as follows its agreement with you.

1. Registration Statement and Prospectus: The Company has prepared and

filed with the Securities and Exchange Commission (the "Commission") in accordance with the Securities Act of 1933, as amended (the "Act") and the rules and regulations of the Commission promulgated thereunder (the "Rules and Regulations"), a registration statement on Form SB-2, including a preliminary prospectus, relating to the Securities. As used in this Agreement, the term "Registration Statement" means such registration statement, including exhibits, financial statements and schedules, as amended, when it becomes effective and any information (if any) contained in the prospectus subsequently filed with the Commission pursuant to Rule 424(b) under the Act, and the term "Prospectus" means such prospectus in the final form filed on behalf of the Company with the Commission pursuant to Rule 424(b) under the Act.

2. Agreement to Sell and Purchase: Upon the basis of the

representations, warranties and agreements herein contained and subject to all the terms and conditions of this Agreement, the Company agrees to sell to you and you agree to purchase from the Company the aggregate principal amount of Securities which are sold in this Offering at a 10% discount from the purchase price provided, however, that if the Company fails to receive subscriptions for a minimum of 350,000 Units within 120 days from the date of the final Prospectus (or 150 days, if extended by the Company), the Offering will be terminated and any subscriptions received will be promptly refunded within 5 days to subscribers, without any deduction therefrom or any interest thereon and this Agreement shall terminate.

It is understood that you currently intend to execute an Agreement Among Underwriters providing for the purchase of a portion of the principal amount, at whatever price you may elect, at your own discretion (the "Agreement Among Underwriters").

The Company agrees to pay to you a non-accountable expense allowance equal to 3% of the aggregate principal amount of Securities sold. In the event that the Company's public offering of the Securities is terminated for any reason, the Company shall pay you for any reasonable accountable expenses you have incurred.

In addition to the sums payable to you, as provided elsewhere herein, Veera Capital Corporation, in its individual capacity and not as representative of the several Underwriters, shall be entitled to receive, as partial compensation for its services, warrants (the "Warrants") for the purchase of an amount of shares of Common Stock of the Company equal to 10% of the number of Units issued in the public offering. The Warrants shall be issued pursuant to the Underwriter's Warrant in the form of Exhibit B attached hereto and shall be exercisable, in whole or in part, for a period of four years commencing one year from the date

of the completion of the Offering at an exercise price of \$4.32 per share. The Warrants shall be non-exercisable for one year from the issuance of the Warrants, and non-transferable (whether by sale, transfer, assignment, or hypothecation) except for (i) transfers to officers of Veera

1

Capital Corporation who are also shareholders of Veera Capital Corporation; and (ii) transfers occurring by operation of law.

3. Delivery and Payment: Delivery of and payment for any securities

purchased in the Offering shall be made at 10:00 A.M., Eastern time, on [____], 1997 or at such other time and date as may be agreed between you and the Company, but not less than seven nor more than ten full business days after the effective date of the Registration Statement (such time and date are referred to herein as the "Closing Date"). Delivery of and payment for the Securities shall take place at the office of Veera Capital Corporation, 19 Rector Street, Suite 2301, New York, NY, 10006. The Closing Date and the place of delivery of and payment for the Securities may be varied by agreement between you and the Company.

Delivery of the Securities (in temporary or definitive form and registered in such names and in such denominations as you shall request at least two business days prior to the Closing Date by written notice to the Company) shall be made to you against payment of the purchase price therefor in good (same day) funds, to the order of the Company. For the purpose of expediting the checking and packaging of the Securities, the Company agrees to make such Securities available for inspection at least 24 hours prior to the Closing Date.

4. Agreements of the Company: The Company agrees with you as follows:

(a) The Company shall use its best efforts to cause the Registration Statement and any amendments to become effective as promptly as practicable and will not at any time, whether before or after the effective date of the Registration Statement, file any amendment to the Registration Statement or supplement to the Prospectus or file any document under the Act or the Securities Exchange Act of 1934, as amended (the "Exchange Act") before termination of the offering of the Securities by you of which you and your counsel shall not previously have been advised and furnished with a copy, or to which you or your counsel shall have objected (except if deemed necessary by counsel for the Company, in which case you shall have the right to terminate this Agreement upon prompt notice to the Company), or which is not in compliance with the Act, the Securities Exchange Act of 1934, as amended (the "Exchange Act"), or the Rules and Regulations.

As soon as the Company is advised or obtains knowledge thereof, the Company will advise you, and as soon as practicable, confirm in writing, (i) when the Registration Statement, as amended, becomes effective and, if the provisions of Rule 430A promulgated under the Act will be relied upon, when the Prospectus has been filed in accordance with said Rule 430A and when any post-effective amendment to the Registration Statement becomes effective, (ii) of the issuance by the Commission of any stop order or of the initiation, or the threatening, of any proceeding suspending the effectiveness of the Registration Statement or any order preventing or suspending the use of any preliminary prospectus or the Prospectus, or any amendment or supplement thereto, or the institution of proceedings for that purpose, (iii) of the issuance by the Commission or by any state securities commission of any proceedings for the suspension of the qualification of any Securities for offering or sale in any jurisdiction or of the initiation, or the threatening, of any proceeding for that purpose, (iv) of the receipt of any comments from the Commission, and (v) of any request by the Commission for any amendment to the Registration Statement or any amendment or supplement to the Prospectus or for additional information. If the Commission or any state securities commission shall enter a stop order or suspend such qualification at any time, the Company will make every effort to obtain promptly the lifting of such order or suspension.

(b) The Company will furnish to you, without charge, three signed copies of the Registration Statement and any post-effective amendment thereto, including financial statements and schedules, and all exhibits.

(c) The Company will give you advance notice of its intention to file any

amendment to the Registration Statement or any amendment or supplement to the Prospectus, and will not file any such amendment or supplement to which you shall reasonably object in writing or which is not in compliance with the Act.

(d) From the date hereof, and thereafter from time to time, the Company will deliver to you, without charge, as many copies of the Prospectus, or any amendment or supplement thereto as you may reasonably request.

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The Company consents to the use of the Prospectus or any amendment or supplement thereto by you and by all dealers to whom the Securities may be sold, both in connection with the offering or sale of the Securities and for such period of time thereafter as the Prospectus is required to be delivered under the Act in connection therewith. If during such period of time any event shall occur which in the reasonable judgment of the Company or your counsel should be set forth in the Prospectus in order to make the statements therein, in the light of the circumstances under which they were made, not misleading, or if it is necessary to supplement or amend the Prospectus to comply with law, the Company will forthwith prepare and duly file with the Commission an appropriate supplement or amendment thereto and will deliver to you, without charge, such number of copies thereof as you may reasonably request.

(e) Prior to any public offering of the Securities by you, the Company will cooperate with you and your counsel in connection with the registration or qualification of the Securities for offer and sale under the securities or Blue Sky laws of such jurisdictions as you request. The Company will pay all reasonable fees and expenses (including reasonable fees and expenses of counsel) relating to qualification of the Securities under such securities or Blue Sky laws and in connection with the determination of the eligibility of the Securities for investments under the laws of such jurisdictions as you may designate, including the reasonable expenses of any opinion of local counsel required by any state securities or Blue Sky authorities.

(f) So long as any of the Securities remain outstanding, the Company will furnish to its securityholders, as soon as practicable, annual reports (including financial statements audited by independent public accountants), and will deliver to you, as representative for the underwriters:

(i) concurrently with furnishing such quarterly reports to its securityholders, statements of income of the Company for each quarter in the form furnished to the Company's securityholders and certified by the Company's principal financial or accounting officer;

(ii) concurrently with furnishing such annual reports to its securityholders, a balance sheet of the Company as at the end of the preceding fiscal year, together with statements of operations, stockholders' equity and cash flows of the Company for such fiscal year, accompanied by a copy of the report thereon of independent certified public accountants;

(iii) as soon as they are available, copies of all reports (financial or other) mailed to stockholders;

(iv) as soon as they are available, copies of all reports and financial statements furnished to or filed with the Commission, any state securities commission, NASDAQ/SCMS, the NASD or any securities exchange;

(v) every press release and every material news item regarding each of the Company and the Subsidiaries or their respective affairs which were released or prepared by or on behalf of the Company or any of the Subsidiaries; and

(vi) any additional information of a public nature concerning the Company or any of the Subsidiaries (and any future subsidiaries) or their respective businesses which you may request.

During such period, if the Company has active subsidiaries, the foregoing financial statements will be on a consolidated basis to the extent that the accounts of the Company and its subsidiaries are consolidated, and will be accompanied by similar financial statements for any significant subsidiary which is not so consolidated.

(g) The Company will pay all expenses in connection with (1) the preparation, printing and filing of the Registration Statement, each preliminary

prospectus, the Prospectus, any legal investment memoranda and the Blue Sky Survey, (2) the issuance and delivery of the Securities (other than transfer taxes), (3) the rating of the Securities by rating agencies, (4) furnishing such copies of the Registration Statement, the Prospectus and any preliminary prospectus, all amendments and supplements thereto, as may reasonably be requested for use in connection with the

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offering and sale of the Securities by you or by dealers to whom Securities may be sold, and (5) filings with the National Association of Securities Dealers, Inc. ("NASD").

(h) The Company will use the net proceeds from the sale of the Securities in the manner specified in the Prospectus under the caption "Use of Proceeds." No portion of the net proceeds will be used, directly or indirectly, to acquire or redeem any securities issued by the Company.

(i) The Company will appoint and retain, while any of the Securities remain outstanding, a transfer agent for the Securities, and, if necessary, a registrar for the Securities (who may be the transfer agent), and will make arrangements to have available at the offices of the transfer agent certificates for the Securities in such quantities as may, from time to time, be necessary. As of the date of this Agreement, the transfer agent for the securities of the Company.

(j) For a period of five years from the date hereof, the Company shall use its best efforts to maintain the listing of its common stock on the National Association of Securities Dealers, Inc. ("NASD") over-the-counter market.

(k) Neither the Company nor any of the Subsidiaries nor any of their respective executive officers, directors, principal stockholders or affiliates (within the meaning of the Rules and Regulations) will take, directly or indirectly, any action designed to, or which might in the future reasonably be expected to cause or result in, stabilization or manipulation of the price of any securities of the Company in violation of the Exchange Act.

(l) Until the completion of the distribution of the Securities, neither the Company nor any of the Subsidiaries shall, without prior written consent of you and your counsel, issue, directly or indirectly, any press release or other communication or hold any press conference with respect to the Company, any of the Subsidiaries, their respective activities or the offering contemplated hereby, other than trade releases issued in the ordinary course of the Company's business consistent with past practices with respect to the Company's operations.

5. Representations and Warranties of the Company: The Company

represents and warrants to you that:

(a) Each preliminary prospectus filed as part of any Registration Statement as originally filed or as part to any amendment thereto, or filed pursuant to Rule 424 under the Act, complied when so filed in all material respects with the Act, and when the Registration Statement becomes effective and at all times subsequent thereto up to the Closing Date, the Registration Statement and the Prospectus, and any supplements or amendments thereto, will comply in all material respects with the provisions of the Act and the Registration Statement and the Prospectus, and any such supplement or amendment thereto, at all such times will not contain an untrue statement of a material fact or omit to state a material fact required to be stated herein or necessary to make the statements therein not misleading, except that this representation and warranty does not apply to statements or omissions in the Registration Statement or the Prospectus or any preliminary prospectus made in reliance upon information furnished to the Company in writing by you expressly for use therein.

(b) This Agreement has been duly authorized and validly executed and delivered by the Company and constitutes a legal, valid and binding agreement of the Company, enforceable in accordance with its terms, except that (i) the enforceability hereof may be subject to bankruptcy, insolvency, reorganization, moratorium or other similar laws now or hereafter in effect, relating to creditors' rights generally, (ii) the enforceability thereof may be limited by the application of equitable principles (whether such enforceability is considered in a proceeding at law or in equity) and (iii) rights to indemnity

and contribution hereunder may be limited by Federal or state securities laws.

(c) The Securities have been duly authorized, validly issued, fully paid and nonassessable, and the Company has duly authorized and reserved for issuance the number of shares of common stock required for the firm commitment offering and the over-allotment option. The Securities are not and will not be subject to any preemptive or other similar rights of any security holder of the Company or any of the Subsidiaries (as defined below); the holders

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thereof will not be subject to any liability for the Company's acts or omissions solely as such holders; all corporate action required to be taken for the authorization, issuance and sale of the Securities has been duly and validly taken; and the certificates representing the Securities will be in due and proper form. Upon the issuance and delivery of the Securities pursuant to the terms of this Agreement, you will acquire good and marketable title thereto free and clear of any lien, charge, claim, encumbrance, pledge, security interest, defect or other restriction or equity of any kind whatsoever resulting from the affirmative act of the Company or from a judgment or nonconsensual lien rendered against the Company.

(d) The Company is a corporation duly incorporated and validly existing in good standing under the laws of the State of Nevada. The Company and each of its subsidiaries listed on Exhibit A hereto (the "Subsidiaries") have full corporate power and authority to own and occupy its properties and carry on its business as presently conducted and as described in the Prospectus and holds all licenses and permits and is duly registered or qualified to conduct business, and is in good standing, in each jurisdiction in which it owns or leases property or transacts business and in which such licensing, registration or qualification is necessary except where the failure to be so licensed, registered or qualified would not have a material adverse effect on the Company and its Subsidiaries, taken as a whole. The Company has a duly authorized, issued and outstanding capitalization as set forth in the Registration Statement. All of the outstanding capital stock or other equity securities of the Company and each of the Subsidiaries has been duly and validly authorized and issued, is fully paid and nonassessable; the holders thereof have no rights of rescission with respect thereto and are not subject to personal liability for the Company's acts or omissions solely by reason of being such holders; and none of such securities were issued in violation of the preemptive rights of any security holder of the Company or any of the Subsidiaries or similar contractual rights granted by the Company or any of the Subsidiaries. There are no outstanding rights, warrants or options to acquire, or instruments convertible into or exchangeable for, or agreements or understandings with respect to the sale or issuance of, any shares of capital stock or other equity interest in any Subsidiary. Neither the Company nor any of the Subsidiaries is a party to or bound by any material instrument, agreement or other arrangements, including, but not limited, to any voting trust agreement, stockholders' agreement or other agreement or instrument, affecting the securities or options, warrants or rights or obligations of security holders of the Company or any of the Subsidiaries or providing for any of them to issue, sell, transfer or acquire any capital stock, rights, warrants, options or other securities of the Company or any of the Subsidiaries, except for this Agreement and as described or referred to in the Registration Statement and the Prospectus.

(e) There are no legal or governmental proceedings pending, or to the knowledge of the Company, threatened or contemplated to which the Company or any of its Subsidiaries is a party or of which the business or property of the Company or any of its Subsidiaries is the subject which are material to the Company and its Subsidiaries, taken as whole and which are not disclosed in the Registration Statement and the Prospectus, and there is no contract or document concerning the Company or any of its Subsidiaries of a character required to be described in the Registration Statement or the Prospectus or to be filed as an exhibit to the Registration Statement which is not described or filed as required.

(f) Neither the Company nor any of its Subsidiaries is in violation of its charter or bylaws or is in default in any respect in the performance of any obligation, agreement or condition contained in any bond, debenture, note or any other evidence of indebtedness or in any indenture, mortgage, deed of trust or any other agreement or instrument of the Company or of any such Subsidiary, which default would be material to the Company and its Subsidiaries, taken as a whole and there exists, and at the Closing Date shall exist, no condition which,

with the passage of time or otherwise, would constitute a default under any such document or instrument or result in the imposition of any penalty or acceleration of any indebtedness which would be material to the Company and its Subsidiaries, taken as a whole. The execution and delivery by the Company of this Agreement, the authorization, issuance and sale of the Securities, the fulfillment by the Company of this Agreement and the consummation by the Company of the transactions contemplated by this Agreement will not conflict with or constitute a breach of, or default (with the passage of time or otherwise) under, or result in the imposition of a lien on any properties of the Company or its Subsidiaries or an acceleration of indebtedness pursuant to, the certificate of incorporation or bylaws of the Company or any of

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its Subsidiaries, or any bond, debenture, note or any other evidence of indebtedness or any indenture, mortgage, deed of trust or any other material agreement or instrument to which the Company or any of its Subsidiaries is a party to or by which it or any of them is bound or to which any of the property or assets of the Company or any of its Subsidiaries is subject, or any law, administrative regulation or order of any court or governmental agency or authority applicable to the Company or any of its Subsidiaries which in any event would be material to the Company and its Subsidiaries, taken as a whole. No consent, approval, authorization or other order of any regulatory body, administrative agency, or other governmental body is legally required by the Company or its Subsidiaries for the valid issuance and sale of the Securities, except such as may be required by the NASD or under the Act or the securities or blue sky laws of any jurisdiction.

(g) The consolidated financial statements of the Company and its Subsidiaries together with the related notes and schedules included in the Registration Statement and Prospectus comply in all material respects with the requirements of the Act and fairly present the financial position, income, change in stockholder's equity, cash flow and the results of operations of the Company and the Subsidiaries at the respective dates and for the respective periods to which they apply. There has been no adverse change or development involving a material prospective change in the condition, financial or otherwise, or in the earnings, business affairs, position, prospects, value, operation, properties, business or results of operations of the Company or any of the Subsidiaries, whether or not arising in the ordinary course of business, since the date of the financial statements included in the Registration Statement and the Prospectus, except as set forth in the Registration Statement and the Prospectus, and the outstanding debt, the property, both tangible and intangible, and the businesses of each of the Company and the Subsidiaries described in the Registration Statement and the Prospectus conform in all material respects to the descriptions thereof contained in the Registration Statement and the Prospectus. Such consolidated financial statements (including the related notes and schedules) have been prepared in accordance with generally accepted accounting principles applied on a consistent basis throughout the periods involved except as otherwise stated therein.

(h) Each of the Company and the Subsidiaries (i) has paid all federal, state and local taxes for which it is currently liable, including, but not limited to, withholding taxes and amounts payable under Chapters 21 through 24 of the Internal Revenue Code of 1986, as amended (the "Code"), and has furnished all information returns it is required to furnish pursuant to the Code, (ii) has established adequate reserves for such taxes that are not due and payable and (iii) does not have any tax deficiency or claims outstanding, proposed or assessed against its respective business or assets.

(i) Each of the Company and the Subsidiaries maintains insurance policies, including, but not limited to, general liability, property and product liability insurance and surety bonds which insures the Company and the Subsidiaries and their respective professional staffs against such losses and risks generally insured against by comparable businesses. Neither the Company nor any of the Subsidiaries (A) has failed to give notice or present any insurance claim with respect to any matter, including, but not limited to, the Company's or any of the Subsidiaries' businesses, property or professional staff under any insurance policy or surety bond in a due and timely manner, (B) has any disputes or claims against any underwriter of such insurance policies or surety bonds or has failed to pay any premiums due and payable thereunder or (C) has failed to comply with all conditions contained in such insurance policies and surety bonds. The Company has not received notice or facts or circumstances under any insurance policy or surety bond which would relieve any insurer of its obligation to

satisfy in full any valid claim of the Company or any of the Subsidiaries.

(j) Subsequent to the respective dates as of which information is set forth in the Registration Statement and Prospectus, and except as may otherwise be indicated or contemplated herein or therein, neither the Company nor any of the Subsidiaries has (i) entered into any material transaction other than in the ordinary course of business or (ii) declared or paid any dividend or made any other distribution on or in respect of its capital stock of any class and there has not been any change in the capital stock, debt (long or short term) or liabilities or any material change in or affecting the general affairs, management, financial operations, stockholders' equity or results of operations of the Company or any of the Subsidiaries.

(k) Each of the Company and its Subsidiaries is in material compliance with all federal, state, local and foreign laws and regulations respecting employment and employment practices, terms and conditions or employment and wages and hours. The Company has not received notice of any pending investigations involving the Company or

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any of the Subsidiaries by the U.S. Department of Labor or any other governmental agency responsible for the enforcement of such federal, state, local or foreign laws and regulations. The Company has not received notice of any unfair labor practice charge or complaint against the Company or any of the Subsidiaries pending before the National Labor Relations Board or any strike, picketing, boycott, dispute, slowdown or stoppage pending or threatened against or involving the Company or any of the subsidiaries or any predecessor entity of the Company or any of the Subsidiaries, and none has ever occurred. No collective bargaining agreement or modification thereof is currently being negotiated by the Company or any of the Subsidiaries. No material labor dispute with the employees of the Company or any of the Subsidiaries exists, or to the best of the Company's knowledge, is imminent.

(l) The Company hereby agrees that it will not nor shall it permit any of the Subsidiaries to, for a period of twelve months from the effective date of the Registration Statement, adopt, propose to adopt or otherwise permit to exist any employee, officer, director, consultant or other benefit or compensation plan or arrangement (i) permitting the grant, issue, sale or entry into any agreement to grant, issue or sell any capital stock at a price that is less than, or permitting the grant, issue, sale or entry into any agreement to grant, issue or sell any option, warrant or other contract right with respect to capital stock at an exercise price that is less than, the greater of (x) the market price of the Company's common stock on the effective date of the Registration Statement (being \$3.60 per share) and (y) the fair market value per share of common stock on the date of grant or sale or to any of its or the Subsidiaries' executive officers or directors or to any holder of five percent or more of the common stock; (ii) permitting the maximum number shares of common stock or other securities of the Company purchasable at any time pursuant options, warrants or other contract rights issued or granted by the Company to exceed shares of common stock; (iii) permitting the payment for the securities covered thereby with any form of consideration other than cash; or (iv) permitting the existence of stock appreciation rights, phantom options or similar arrangements.

(m) Each of the Company and the Subsidiaries (i) has not received any notice of infringement of or conflict with asserted rights of others with respect to any copyrights, trademarks, service marks and trade names, together with all applications for any of the foregoing, presently used or held for use by it in connection with its businesses as described in the Registration Statement, which, singly or in the aggregate, if the subject of an unfavorable decision, ruling or finding, might have a material adverse effect on the condition, financial or otherwise, or the business taken as a whole, and (ii) is not obligated or under any liability whatsoever to make any material payments by way of royalties, fees or otherwise to any owner or licensee of, or other claimant to, any trademark, service mark, trade name or copyright or other intangible asset with respect to the use thereof or in connection with the conduct of its business or otherwise.

(n) The Company is not an "investment company" within the meaning of the Investment Company Act of 1940.

6. Indemnification: The Company agrees to indemnify you and hold you

harmless, and each person, if any, who controls you, within the meaning of either Section 15 of the Act or Section 20 of the Exchange Act from and against any and all losses, claims, damages, liabilities and expenses (including reasonable costs of investigation) arising out of or based upon any untrue statement or alleged untrue statement of a material fact contained in the Registration Statement or the Prospectus or in any amendment or supplement thereto or in any preliminary prospectus, or arising out of or based upon any omission or alleged omission to state therein a material fact required to be stated herein or necessary to make the statements therein not misleading.

If any action or proceeding (including any governmental investigation) shall be brought or asserted against you or any person controlling you in respect of which indemnity may be sought from the Company, you or such controlling person shall promptly notify the Company in writing, and the Company shall assume the defense thereof, including the employment of counsel reasonably satisfactory to you or such controlling person, as the case may be and the payment of all expenses. You or any such controlling person shall have the right to employ separate counsel in any such action and to participate in the defense thereof at your own cost. The Company shall not be liable for any settlement of any such action or proceeding effected without its written consent, but if settled with its written consent, or if there be a final judgment for the plaintiff in any such action or proceeding, the Company agrees as provided in

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the preceding paragraph to indemnify you and hold you or such controlling person harmless from and against any loss or liability by reason of such settlement or judgment.

You agree, severally and not jointly, to indemnify and hold harmless the Company, its directors and officers, and each person, if any, who controls the Company within the meaning of either Section 15 of the Act or Section 20 of the Exchange Act, to the same extent as the foregoing indemnity from the Company to you, but only with respect to information furnished in writing by you or on your behalf expressly for use in the Registration Statement, the Prospectus, or any amendment or supplement thereto, or any preliminary prospectus. In case any action or proceeding shall be brought against the Company or its directors or officers or any such controlling person, in respect of which indemnity may be sought against you, you shall have the rights and duties given to the Company, and the Company or its directors or officers or such controlling person shall have the rights and duties given to you, by the preceding paragraph.

7. Conditions of Your Obligations: Your obligations hereunder shall be

subject to the continuing accuracy of the representations and warranties of the Company herein as of the date hereof and as of the Closing Date as if they had been made on and as of the Closing Date; the accuracy on and as of the Closing Date of the statements of officers of the Company made pursuant to the provisions hereof; and the performance by the Company on and as of the Closing Date of its covenants and obligations hereunder and to the following further conditions:

(a) Notification that the Registration Statement has become effective and that the Prospectus has been filed with the Commission on a timely basis pursuant to Rule 424(b) under the Act shall be received by you;

(b) No stop order suspending the effectiveness of the Registration Statement shall have been issued and no proceedings for that purpose shall be pending or contemplated by the Commission; and you shall have received a certificate, dated the Closing Date and signed by the Chairman or President of the Company (who may, as to proceedings contemplated, rely upon the best of his information and belief), to that effect and to the effect set forth in clause (g) of this Section 7;

(c) On or prior to the Closing Date, you shall have received from Underwriter's Counsel, such opinion or opinions with respect to the organization of the Company, the validity of the Securities, the Registration Statement, the Prospectus and other related matters as you may request and Underwriter's Counsel shall have received such papers and information as they request to enable them to pass upon such matters.

(d) At Closing Date, you shall have received from counsel to the Company, dated the Closing Date, addressed to the Underwriters an opinion in the form attached hereto as Exhibit C. In rendering such opinion, such counsel may rely: (A) as to matters involving the application of laws other than the laws of the United States and jurisdictions in which they are admitted, to the extent such counsel deems proper and to the extent specified in such opinion, if at all, upon an opinion or opinions (in form and substance satisfactory to Underwriters' Counsel) of other counsel acceptable to Underwriters' Counsel, familiar with the applicable laws; and (B) as to matters of facts, to the extent they deem proper, on certificates and written statements of responsible officers of the Company and certificates or other written statements of officers of departments of various jurisdictions having custody of documents respecting the corporate existence or good standing of the Company and the Subsidiaries, provided copies of any such statements or certificates shall be delivered to Underwriters' Counsel if requested. The opinion of such counsel for the Company shall state that the opinion of any such other counsel is in form satisfactory to such counsel and that the Underwriters and they are justified in relying thereon.

(e) At the time this Agreement is executed, you shall have received a letter, dated such date, addressed to you in form and substance satisfactory in all respects (including the nonmaterial nature of the changes or decreases, if any, referred to in clause (iii) below) to you and your counsel, from Hoffski & Pisano, Certified Public Accountants:

(i) confirming that they are independent certified public accountants with respect to the Company within the meaning of the Act and the Exchange Act and the applicable Rules and Regulations;

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(ii) stating that it is their opinion that the consolidated financial statements and supporting schedules of the Company and the Subsidiaries, as applicable, included in the Registration Statement comply as to form in all material respects with the applicable accounting requirements of the Act and the Exchange Act and the Rules and Regulations thereunder;

(iii) and stating that, on the basis of a limited review which included a reading of the latest available unaudited interim consolidated financial statements of the Company and the Subsidiaries, as applicable, (with an indication of the date of the latest available unaudited interim consolidated financial statements of the Company and the Subsidiaries, as applicable), a reading of the latest available minutes of the stockholders and board of directors and the various committees of the board of directors or each of the Company and the Subsidiaries, consultations with officers and other employees of each of the Company and the Subsidiaries responsible for financial and accounting matters and other specified procedures and inquiries, nothing has come to their attention which would lead them to believe that (A) the unaudited consolidated financial statements and supporting schedules of the Company and the Subsidiaries, as applicable, included in the Registration Statement do not comply as to form in all material respects with the applicable accounting requirements of the Act and the Exchange Act and the Rules and Regulations or are not fairly presented in conformity with generally accepted accounting principles applied on a basis substantially consistent with that of the audited consolidated financial statements and supporting schedules of the Company and the Subsidiaries, as applicable, included in the Registration Statements, (B) at a specified date not more than five days prior to the later of the date of this Agreement or the effective date of the Registration Statement, there has been any change in the capital stock or long-term debt of the Company or any of the Subsidiaries, or any decrease in the stockholders' equity or net current assets or net assets of the Company, as compared with amounts shown in the December 31, 1996 balance sheet included in the Registration Statement other than as set forth in or contemplated by the Registration Statement, or, if there was any change or decrease, setting forth the amount of such change or decrease, and (C) during the period from December 31, 1996 to a specified date not more than five days prior to the later of the date of this Agreement or the effective date of the Registration Statement, there was any decrease in net revenues, net earnings or net earnings per common share of the Company and its consolidated Subsidiaries or any of the Company's unconsolidated Subsidiaries, in each case as compared with the corresponding period beginning December 31, 1996, other than as set forth in or contemplated by the Registration Statement, or, if there was any such decrease, setting forth the amount of such decrease;

(iv) stating that they have compared specific dollar amounts, numbers

of shares, percentages of revenues and earnings, statements and/or other financial information pertaining to the Company and the Subsidiaries set forth in the Prospectus in each case to the extent that such amounts, numbers, percentages, statements and information may be derived from the general accounting records, including work sheets, of the Company and/or the Subsidiaries and excluding any questions requiring an interpretation by legal counsel, with the results obtained from the application of specified readings, inquiries and other appropriate procedures (which procedures need not constitute an examination in accordance with generally accepted auditing standards) set forth in the letter and found them to be in agreement; and

(v) statements as to such other matters incident to the transaction contemplated hereby as you may reasonably request.

(f) At the Closing Date you shall have received from Hoffski & Pisano, Certified Public Accountants, a letter, dated as of the Closing Date to the effect that they reaffirm that statements made in the letter furnished pursuant to subsection (f) of this Section 7, except that the specified date referred to shall be a date not more than five days prior to the Closing Date and, if the Company has elected to rely on Rule 430A of the Rules and Regulations, to the further effect that they have carried out procedures as specified in clause (v) of subsection (f) of this Section 7 with respect to certain amounts, percentages and financial information as specified by you and deemed to be a part of the Registration Statement pursuant to Rule 430A(b) and have found such amounts, percentages and financial information to be in agreement with the records specified in such clause (v).

(g) At the Closing Date you shall have received a certificate of the Company signed by the principal executive officer and by the chief financial or chief accounting officer of the Company, dated the Closing Date, to

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the effect that each of such persons has examined the Registration Statement, the Prospectus, and this Agreement, and that:

(i) the representations and warranties of the Company in this Agreement are true and correct, as if made on and as of the Closing Date and the Company has complied with all agreements and covenants and satisfied all conditions contained in this Agreement on its part to be performed or satisfied at or prior to the Closing Date;

(ii) no stop order suspending the effectiveness of the Registration Statement or any part thereof has been issued, and no proceedings for that purpose have been instituted or are pending or, to the best of each of such person's knowledge after due inquiry, are contemplated or threatened under the Act;

(iii) the Registration Statement and the Prospectus and, if any, each amendment and each supplement thereto, contain all statements and information required to be included therein, and none of the Registration Statement, the Prospectus or any amendment or supplement thereto includes any untrue statement of a material fact or omits to state any material fact required to be stated therein or necessary to make the statements therein not misleading and none of the Preliminary Prospectus or any supplement thereto included any untrue statement of a material fact or omitted to state any material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they were made, not misleading; and

(iv) subsequent to the respective dates as of which information is given in the Registration Statement and the Prospectus: (a) neither the Company nor any of the Subsidiaries has incurred up to and including the Closing Date, other than in the ordinary course of its business, any material liabilities or obligations, direct or contingent (except as otherwise contemplated in subclause (d) of this clause (iv)); (b) neither the Company nor any of the Subsidiaries has paid or declared any dividends or other distributions on its capital stock; (c) neither the Company nor any of the Subsidiaries has entered into any material transactions not in the ordinary course of business (except as otherwise contemplated in subclause (d) of this clause (iv)); (d) there has not been any material change in the capital stock or long-term debt or any increase in the short-term borrowings (other than any increase in the short-term borrowings in the ordinary course of business) of the Company or any of the Subsidiaries; (e) neither the Company nor any of the Subsidiaries has sustained

any material loss or damage to its property or assets, whether or not insured; (f) there is no material litigation which is pending or, to the best of the Company's knowledge, threatened against the Company, any of the Subsidiaries or any affiliated party of any of the foregoing which is required to be set forth in an amended or supplemented Prospectus which has not been set forth; and (g) there has occurred no event required to be set forth in an amended or supplemented Prospectus which has not been set forth.

References to the Registration Statement and the Prospectus in this Subsection (h) are to such documents as amended and supplemented at the date of such certificates.

(h) The Company shall maintain its Board of Directors to at least three of which one director shall be an outside director. The Company shall cause such persons to be nominated, and to use its best efforts to cause them to be elected to its Board. The Company will have an authorized number of directors totaling three as of the date of the filing of the Registration Statement. All directors must have such qualifications as would generally be found for directors of similarly situated public companies.

(i) Prior to the Closing Date: (i) there shall have been no materially adverse change nor development involving a prospective change in the condition, financial or otherwise, prospects, stockholders' equity or the business activities of the Company and the Subsidiaries taken as a whole, whether or not in the ordinary course of business, from the latest dates as of which such condition is set forth in the Registration Statement and Prospectus; (ii) there shall have been no transaction, not in the ordinary course of business, entered into by the Company or any of the Subsidiaries, from the latest date as of which the financial condition of the Company and the Subsidiaries is set forth in the Registration Statement and Prospectus which is adverse to the Company and the Subsidiaries taken as a whole; (iii) neither the Company nor any of the Subsidiaries shall be in material default under any provision of any instrument relating to any outstanding indebtedness; (iv) neither the Company nor any of the Subsidiaries shall have issued any

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securities (other than the Securities or underlying common stock from the exercise of options or warrants) or declared or paid any dividend or made any distribution in respect of its capital stock of any class and there has not been any change in the capital stock, or any change in the debt (long or short term) or liabilities or obligations (contingent or otherwise) of the Company or any of the Subsidiaries; (v) no material amount of the assets of the Company or any of the Subsidiaries shall have been pledged or mortgaged other than in the ordinary course of the Company's business, except as set forth in the Registration Statement and Prospectus; (vi) no action, suit or proceeding, at law or in equity, shall have been pending or, to the best of the Company's knowledge, threatened against the Company or any of the Subsidiaries, or affecting any of their respective properties or businesses, before or by any court or federal, state or foreign commission board or other administrative agency wherein an unfavorable decision, ruling or finding may materially adversely affect the business, operations, prospects, financial condition or income of the Company and the Subsidiaries taken as a whole, except as set forth in the Registration Statement and Prospectus; and (vii) no stop order shall have been issued under the Act and no proceedings therefor shall have been initiated, threatened or contemplated by the Commission or any state regulatory authority.

(j) At the Closing Date, you shall have received a letter from Hoffski & Pisano, Certified Public Accountants, dated as of the Closing Date, substantially in the form heretofore approved by you.

If any condition to your obligations hereunder to be fulfilled prior to or at the Closing Date, is not so fulfilled you may terminate this Agreement or, if you so elect, you may waive any such conditions which have not been fulfilled or extend the time for their fulfillment. In the event you so elect to terminate, you shall have no recourse against the Company for any expenses incurred by you. However, the Company shall remain liable for all reasonable Blue Sky counsel fees of the Company and expenses and Blue Sky filing fees of the Company.

8. Effective Date of Agreement: This Agreement shall become effective

(i) if Rule 430A under the Act is not used, when you shall have received

notification of the effectiveness of the Registration Statement or (ii) if Rule 430A under the Act is used, when the parties hereto have executed and delivered this Agreement.

9. Notice: Notice given pursuant to any of the provisions of this

Agreement shall be in writing and shall be mailed or delivered (a) to the Company at its office at 225 Santa Monica Boulevard, Suite 410, Santa Monica, CA, 90401, Attention: Najeeb U. Ghauri; and (b) to you, at 19 Rector Street, Suite 2301, New York, NY, 10006, Attention: Kanwal N. Arora. Any notice under Section 7(a) hereof may be given by facsimile or telephone, but if so given shall be subsequently confirmed in writing.

10. Termination.

(a) Subject to Subsection (b) of this Section 10, you shall have the right to terminate this Agreement (i) if any domestic or international event or act or occurrence has or in your reasonable opinion will in the immediate future have a material adverse effect on the Company or the securities market in general or (ii) if trading on the New York Stock Exchange, the American Stock Exchange or in the over-the-counter market shall have been suspended, or minimum or maximum prices for trading shall have been fixed, or maximum ranges for prices for securities shall have been required on the over-the-counter market by the NASD or by order of the Commission or any other government authority having jurisdiction; or (iii) if the United States shall have become involved in a war or major hostilities, or there shall have been an escalation in an existing war or major hostilities, or a national emergency shall have been declared in the United States; or (iv) if a banking moratorium has been declared by a state or federal authority; or (v) if a moratorium in foreign exchange trading has been declared; or (vi) if the Company or any of the Subsidiaries shall have sustained a loss material or substantial to the Company or any of the Subsidiaries by fire, flood, accident, hurricane, earthquake, theft, sabotage or other calamity or malicious act which, whether or not such loss shall have been insured, will, in your reasonable opinion, make it inadvisable to proceed with the delivery of the Securities; or (vii) if there shall have been such a material adverse change in the conditions or prospects of the Company or any of the Subsidiaries, or such material adverse change in the general market, political or economic conditions in the United States or elsewhere, as in your judgment would make it inadvisable to proceed with the offering, sale and/or delivery of the Securities.

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(b) If this Agreement is terminated by you in accordance with the provisions of Section 4(a), Section 10(a)(i), 10(a)(ii), Section 10(a)(iii), Section 10(a)(iv), Section 10(a)(v), Section 10(a)(vi), Section 10(a)(vii), or Section 11 or if this Agreement shall not be carried out within the time specified herein, or any extension thereof granted to you, by reason of any failure on the part of the Company to perform any material undertaking or satisfy any material condition of this Agreement by it to be performed or satisfied (including without limitation, pursuant to Section 7, Section 10(a) or Section 11), then you shall not be entitled to any compensation. However, the Company shall remain liable for all reasonable Blue Sky counsel fees of the Company and expenses and Blue Sky filing fees of the Company. Notwithstanding any contrary provision contained in this Agreement, any election hereunder or any termination of this Agreement (including, without limitation, pursuant to Sections 7, 10 and 11 hereof), and whether or not this Agreement is otherwise carried out, the provisions of Section 6 shall not be in any way affected by such election or termination or failure to carry out the terms of this Agreement or any part hereof.

11. Default by the Company. If the Company shall fail at the Closing Date

to sell and deliver the number of Securities which it is obligated to sell hereunder on such date, then this Agreement shall terminate, you may, at your option, by notice from you to the Company, terminate your obligation to purchase the Securities from the Company on such date without any liability on the part of any non-defaulting party other than pursuant to Sections 5, 7 and 10 hereof. No action taken pursuant to this Section 11 shall relieve the Company from liability, if any, in respect of such default.

12. Representations and Agreements to Survive Delivery. All

representations, warranties and agreements contained in this Agreement or contained in certificates of officers of the Company submitted pursuant hereto shall be deemed to be representations, warranties and agreements at the Closing Date, and such representations, warranties and agreements of the Company and the respective indemnity agreements contained in Section 6 hereof shall remain operative and in full force and effect as of such dates, regardless of any investigation made by or on behalf of you, the Company, any of the Subsidiaries or any controlling person, and shall survive termination of this Agreement or the issuance and delivery of the Securities to you.

13. *Entire Agreement; Amendments.* This Agreement constitutes the entire

agreement of the parties hereto and supersedes all prior written or oral agreements, understandings and negotiations with respect to the subject matter hereof. This Agreement may not be amended except in a writing signed by you and the Company.

14. *Miscellaneous.* This Agreement has been and is made solely for the

benefit of you and the Company and of the controlling persons, directors and officers referred to in Section 6 hereof, and their respective successors and assigns, and no other person shall acquire or have any right under or by virtue of this Agreement. The term "successors and assigns" as used in this Agreement shall not include a purchaser, as such purchaser, of Securities from you.

This Agreement may be signed in various counterparts which together shall constitute one and the same agreement.

THIS AGREEMENT SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF CALIFORNIA APPLICABLE TO AGREEMENTS MADE AND TO BE PERFORMED ENTIRELY WITHIN SUCH STATE.

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Please confirm that the foregoing correctly sets forth the agreement between the Company and you.

Very truly yours,

MIRAGE HOLDINGS, INC.

By: Najeeb A. Ghauri
Its: President

Confirmed as of the date first above mentioned:

VEERA CAPITAL CORPORATION

By: Kanwal N. Arora
Its: President

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EXHIBIT A

SUBSIDIARIES

<TABLE>
<CAPTION>

NAME	STATE OR COUNTRY IN WHICH INCORPORATED	PERCENTAGE OF CAPITAL STOCK OWNED BY MIRAGE HOLDINGS, INC.
<S>	<C>	<C>

Mirage Collection, Inc.	Nevada, U.S.	100%
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</TABLE>

EXHIBIT B

MIRAGE HOLDINGS, INC.
(A NEVADA CORPORATION)

UNDERWRITERS WARRANT ("WARRANT") TO PURCHASE
SHARES OF COMMON STOCK

NEITHER THIS WARRANT NOR THE COMMON STOCK UNDERLYING THIS WARRANT HAVE BEEN REGISTERED UNDER EITHER THE SECURITIES ACT OF 1933 OR THE SECURITIES LAWS OF ANY STATE. CONSEQUENTLY, NEITHER THIS WARRANT NOR THE COMMON STOCK UNDERLYING THIS WARRANT MAY NOT BE SOLD, PLEDGED, TRANSFERRED OR OTHERWISE HYPOTHECATED IN THE ABSENCE OF A REGISTRATION STATEMENT IN EFFECT WITH RESPECT TO THE APPLICABLE SECURITY OR AN EXEMPTION THEREFROM, ACCOMPANIED BY AN OPINION OF COUNSEL SATISFACTORY TO THE COMPANY THAT SUCH REGISTRATION IS NOT REQUIRED.

1. Grant of Warrant. For value received in connection with the offering

(the "Offering") of a minimum of 240,000 Units and a maximum of 342,857 Units for \$5.25 per Unit, each Unit consisting of one share of the Company's Common Stock and one warrant to purchase one share of the Company's Common Stock for \$4.50, on a best-efforts basis. Mirage Holdings, Inc., a Nevada corporation (the "Company"), hereby grants to Veera Capital Corporation, a corporation, or its registered assigns ("Holder"), the right to purchase from the Company ("Warrant") an amount of shares of Common Stock of the Company (the "Shares"), no par value, equal to 10% of the number of Units issued in the public offering ("Common Stock") upon the Closing Date (as defined in Section 3 of the Underwriting Agreement, dated _____, 1997, between the Company and Veera Capital Corporation) of the Offering on the terms and conditions set forth herein. The Exercise Price for such Warrant shall be \$6.30 per share. The Exercise Price is subject to adjustment as provided in Section 6 below.

2. Right and Manner of Exercise. This Warrant shall be exercisable at

any time from and after the first anniversary of the date hereof and ending at 5:00 p.m. California time on the fifth anniversary of the date hereof (the "Exercise Period"). The Holder may elect to exercise this Warrant anytime during the Exercise Period as to any or all of the Shares by delivering written notice, or successive written notices, of exercise to the Company (as provided in Section 11) in the form attached hereto as Exhibit A accompanied by payment of an amount equal to the product of (i) the number of Shares being purchased and (ii) the Exercise Price, as each may have been adjusted pursuant to the terms of this Agreement.

3. Issuance of Shares and New Warrant. If the purchase rights evidenced

by this Warrant are exercised in whole or in part, one or more certificates for the Shares so purchased shall be issued at the Company's expense as soon as practicable thereafter to the Holder exercising such rights. Such Holder shall also be issued at such time at the Company's expense a new Warrant on the same terms and conditions as this Warrant, but representing the number of Shares (if any) for which the purchase rights under this Warrant remain unexercised.

4. Privilege of Stock Ownership. The Holder shall for all purposes be

deemed to have become the holder of record of Shares issued upon an exercise of this Warrant on, and the certificate evidencing such Shares shall be dated, the date upon which the Holder presents to the Company each of notice of an intent to exercise this Warrant pursuant to Section 2 and payment of the Exercise Price. Holder shall receive good and marketable title to all Shares that Holder purchases and the Company delivers upon the exercise of any or all of the Warrants. Prior to exercise of this Warrant, the Holder shall not be entitled to any rights as a shareholder of the Company, including (without limitation) the right to vote, receive dividends or other distributions, exercise preemptive rights or be notified of shareholder meetings, and such Holder shall not be entitled to any notice or other communication concerning the business or affairs of the Company except as otherwise provided herein.

5. Reservation and Availability of Shares. The Company will at all times

reserve and keep available, free from preemptive rights, out of the aggregate of its authorized but unissued shares of Stock for the purpose of

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enabling it to satisfy any obligation to issue Shares upon exercise of this Warrant, the full number of Shares deliverable upon the exercise or conversion of the entire outstanding amount of this Warrant. Before taking any action which would cause an adjustment pursuant to Section 6 reducing the Exercise Price, the Company will take any corporate action which may, in the opinion of its counsel, be necessary in order that the Company may validly and legally issue fully paid and non-assessable Shares at the Exercise Price as to adjusted. The Company covenants that all Shares which may be issued upon exercise of this Warrant will, upon issue, be fully paid and non-assessable, free and clear of all voting and other trust arrangements, liens, encumbrances, equities and claims whatsoever, and the Company shall have paid all taxes, if any, in respect of the issuance thereof.

6. Adjustment of Exercise Price/Anti-Dilution. The Exercise Price and

the number and kind of securities purchasable upon the exercise of this Warrant shall be subject to adjustment from time to time upon the happening of the events enumerated in this Section 6.

6.1 Stock Splits and Combinations. If the Company shall at any time

subdivide or combine its outstanding Common Stock, or fix a record date for payment of a dividend in Common Stock or other securities of the Company exercisable, convertible or exchangeable for Common Stock (in which latter event the maximum number of shares of Common Stock issuable upon the exercise, conversion or exchange of such securities shall be deemed to have been distributed), after that subdivision, combination or dividend, the number of Shares subject to purchase shall be adjusted to that number of Shares which is determined by (A) multiplying the number of shares of Common Stock purchasable immediately prior to such adjustment by the Exercise Price in effect immediately prior to such adjustment, and then (B) dividing that product by the Exercise Price in effect immediately after such adjustment. If the Company shall at any time subdivide the outstanding shares of Common Stock or fix a record date for payment of a dividend in Common Stock or other securities exercisable, convertible or exchangeable into Common Stock, the Exercise Price then in effect immediately before that subdivision or dividend shall be proportionately decreased, and, if the Company shall at any time combine the outstanding shares of Common Stock, then the Exercise Price in effect immediately before that combination shall be proportionately increased. Any adjustment under this Section 6.1 shall become effective at the close of business on the date the subdivision or combination becomes effective or the dividend is distributed.

6.2 Reclassification, Exchange and Substitution. If the Shares

issuable upon exercise of the Warrant shall be changed into the same or a different number of shares of any other class or classes of securities, whether by capital reorganization, reclassification, or otherwise (other than a subdivision or combination or payment of dividend of securities provided for above), the Holder of this Warrant shall, on its exercise, be entitled to purchase for the same aggregate consideration, in lieu of the Shares which the Holder would have become entitled to purchase but for such change, a number of shares of such other class or classes of securities which such Holder would have been entitled to receive as the holder of that number of Shares subject to purchase by the Holder on exercise of this Warrant immediately before that change.

6.3 Reorganizations, Mergers, Consolidations or Sales of Assets. If

at any time there shall be a capital reorganization of the Common Stock (other than a subdivision, combination, payment of dividend, reclassification or exchange of Common Stock provided for above), or merger or consolidation of the Company with or into another corporation, or the sale of the Company's properties and assets as, or substantially as, an entirety to any other person, then, as a part of such reorganization, merger, consolidation or sale, lawful provision shall be made so that the Holder of this Warrant shall thereafter be entitled to receive upon exercise of this Warrant, during the period specified in this Warrant and upon payment of the Exercise Price then in effect, the number of Shares or other securities or property of the Company, or of the

successor corporation resulting from such merger or consolidation, to which a Holder of the Shares issuable upon exercise of this Warrant would have been entitled in such capital reorganization, merger, or consolidation or sale if this Warrant had been exercised immediately before that capital reorganization, merger, consolidation, or sale. In any such case, appropriate adjustment (as determined in good faith by the Company's Board of Directors) shall be made in the application of the provisions of this Warrant with respect to the rights and interests of the Holder of this Warrant after the reorganization, merger, consolidation, or sale such that the provisions of this Warrant (including adjustment of the Exercise Price then in effect and number and kind of

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securities purchasable upon exercise of this Warrant) shall be applicable after that event in relation to any securities purchasable after that event upon exercise of this Warrant.

6.4 Minimum Exercise Price Adjustment. No adjustment in the Exercise

Price shall be required unless such adjustment would require an increase or decrease of at least one-half of one percent (0.5%) or more of the Exercise Price, provided, however, that any adjustments which by reason of this Subsection 6.4 are not required to be made shall be carried forward and taken into account in any subsequent adjustment. All calculations under this Section 6 shall be made to the nearest cent or to the nearest one-hundredth of a Share as the case may be.

7. Notices to Holder. Upon any adjustment of the Exercise Price pursuant

to Section 6, the Company within 20 days thereafter shall cause to be given to the Holder pursuant to Section 11 hereof written notice of such adjustment, which notice shall set forth in a brief statement of the facts requiring such adjustment and setting forth the computation by which such adjustment was made. Where appropriate, such notice may be given in advance and included as a part of the notice required to be mailed under the other provisions of this Section 7.

In the event of any of the following:

7.1 the Company shall authorize the issuance of its shares of Common Stock of rights or warrants to subscribe for or purchase shares of Common Stock or of any other subscription rights or warrants; or

7.2 the Company shall authorize the distribution to all holders of shares of Common Stock of evidences of its indebtedness or assets (other than cash dividends not exceeding [\$_____] per share of Common Stock payable during any three-month period or distributions or dividends payable in shares of Common Stock); or

7.3 any consolidation or merger to which the Company is a party and for which approval of any shareholder of the Company is required, or of the conveyance or transfer of the properties and assets of the Company as, or substantially as, an entirety, or of any reclassification or change of outstanding shares of Common Stock issuable upon exercise of this Warrant (other than a change in par value, or from par value to no par value, or from no par value to par value, or as a result of a subdivision or combination); or

7.4 the voluntary or involuntary dissolution, liquidation or winding up of the Company; or

7.5 the Company proposes to take any action (other than actions of the character described in Subsection 6.1 except as required under Subsection 7.3 above) which would require an adjustment of the Exercise Price pursuant to Section 6;

then the Company shall cause to be given to the Holder, at least 20 days (or ten days in any case specified in Subsections 7.1 and 7.2 above) prior to the applicable record date hereinafter specified, a written notice stating (i) the date as of which the holders of record of shares of Common Stock to be entitled to receive any such rights, warrants, or distribution are to be determined, or (ii) the date on which any such consolidation, merger, conveyance, transfer, dissolution, liquidation, or winding up is expected to become effective, and the date as of which it is that holders of record of shares of Common Stock shall be entitled to exchange their shares of Common Stock for securities or other

property, if any, deliverable upon such reclassification, consolidation, merger, conveyance, transfer, dissolution, liquidation, or winding up. The failure to give the notice required by this Section 7 or any defect therein shall not affect the legality or validity of any distribution, right, warrant, consolidation, merger, conveyance, merger, dissolution, liquidation, or winding up, or the vote upon any such action.

8. Transfers. The Holder acknowledges and agrees that this Warrant and

the Common Stock underlying this Warrant may not be sold, pledged, assigned, transferred or otherwise hypothecated without registration under the Act except in certain limited circumstances where an exemption from registration exists, supported by an opinion of counsel satisfactory to the Company and its counsel that registration is not required thereunder. The Warrants are non-transferable (whether by sale, transfer, assignment or hypothecation) except for (i) transfers to

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officers of Veera Capital Corporation who are also shareholders of Veera Capital Corporation, (ii) transfers occurring by operation of law.

9. Fractional Shares. No fractional shares of Common Stock shall be

issued in connection with any exercise of this Warrant. In lieu of the issuance of such fractional share, the Company shall make a cash payment equal to the then fair market value of such fractional share as determined in good faith by the Company's Board of Directors.

10. Successors and Assign. The terms and provisions of this Warrant shall

inure to the benefit of, and be binding upon the Company and the Holder hereof and their respective successors and assigns.

11. Notices. All notices, requests, demands and other communications

(collectively, "Notices") under this Warrant shall be in writing and shall be deemed to have been duly given on the date of service if served personally on the party to whom Notice is to be given, or on the third business day after the date of mailing if mailed to the party to whom Notice is to be given, by first class mail, registered to the Holder, at his address as shown in the Company records; and if to the Company, at its principal office. Any party may change its address for purposes of this Section by giving the other party written Notice of the new address in the manner set forth above.

12. Governing Law. This Warrant shall be governed by and construed in

accordance with the laws of the State of California without regard to principles of conflicts of laws.

13. Loss or Mutilation of Warrant. Upon receipt of evidence reasonably

satisfactory to the Company regarding the loss, theft, mutilation or destruction of this Warrant and upon delivery of appropriate indemnification with respect thereto or upon surrender or cancellation of the mutilated Warrant, the Company will make and deliver to the Holder a new Warrant of like tenor.

MIRAGE HOLDINGS, INC.

By: Najeeb A. Ghauri
Its: President

Attest:

By: Najeeb A. Ghauri
Its: Secretary

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ASSIGNMENT

FOR VALUE RECEIVED, _____ hereby sell(s), assign(s), and transfer(s) unto _____, of _____, the right to purchase Shares evidenced by the within Warrant, and does hereby irrevocable constitute and appoint _____ to transfer such right on the books on the Company, with full power of substitution.

DATED: _____, 199__

SIGNATURE

NOTICE:

This Warrant or the Common Stock underlying the Warrant, have not been registered under the Securities Act of 1933 (the "Act") or any states' securities laws (the "laws") and may not be sold, pledged, transferred or otherwise disposed of in the absence of an effective registration statement covering these securities under the Act or laws, or an available exemption therefrom, accompanied by an opinion of counsel satisfactory to the Company and its counsel that registration is not required thereunder.

The signature to this Assignment must correspond with the name as written upon the fact of the within Warrant, in every particular, without alteration or enlargement, or any change whatsoever.

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EXHIBIT A

EXERCISE NOTICE

Mirage Holdings, Inc.
225 Santa Monica Boulevard, Suite 410
Santa Monica, CA 90401

Ladies and Gentlemen:

_____ (the "Undersigned") hereby elects to purchase, pursuant to the provisions of the Mirage Holdings, Inc. Underwriter's Warrant dated _____, held by the undersigned, _____ shares of the Common Stock of Mirage Holdings, Inc.

As an inducement to your acceptance hereunder, the undersigned certifies that the Common Stock is being purchased for the undersigned's own account, for investment purposed, and not with a view toward a public distribution in violation of the registration requirements of the Securities Act of 1933, as amended.

Payment of the purchase price of \$6.30 per share of Common Stock is being purchased for the undersigned's own account, for investment purposed, and not with a view toward a public distribution in violation of the registration requirements of the Securities Act of 1933, as amended.

Payment of the purchase price of \$6.30 per share of Common Stock in U.S. funds required under such Warrant accompanies this subscription.

DATED: _____, 199__

Company: _____

Signature: _____

Address: _____

EXHIBIT 1.2

AGREEMENT AMONG UNDERWRITERS (FORM)

A MAXIMUM OF 342,857 UNITS, EACH UNIT CONSISTING
OF ONE SHARE OF COMMON STOCK AND
ONE WARRANT TO PURCHASE ONE SHARE OF COMMON STOCK
FOR \$4.50 OF

MIRAGE HOLDINGS, INC.

\$5.25 PER UNIT

AGREEMENT AMONG UNDERWRITERS

_____, 1997

Veera Capital Corporation
19 Rector Street, Suite 2301
New York, NY 10006

Ladies and Gentlemen:

1. Underwriting Agreement. We understand, Mirage Holdings, Inc. (the "Company"), proposes to enter into an underwriting agreement in substantially the form attached hereto as Exhibit A (the "Underwriting Agreement") with Veera Capital Corporation (the "Lead Underwriter") providing for the purchase by the Lead Underwriter and certain other underwriters (collectively, the "Underwriters") of a minimum of 240,000 Units and a maximum of 342,857 Units for \$5.25 per Unit, each Unit consisting of one share of the Company's Common Stock and one warrant to purchase one share of the Company's Common Stock for \$4.50, on a best-efforts basis all upon the terms stated in the Underwriting Agreement. We agree in accordance with the terms thereof to purchase from the Company the amount of Securities set forth opposite our name in Exhibit B hereto, subject to increase as provided in the Underwriting Agreement. The amount of Securities to be purchased by us pursuant to the Underwriting Agreement is herein referred to as "our Securities".

2. Registration Statement and Prospectus. The Securities are described in a registration statement relating thereto filed with the Securities and Exchange Commission (the "Commission") under the Securities Act of 1933, as amended (the "Securities Act"). One or more amendments to such registration statement have been or will be filed in which, with our consent hereby confirmed, we have been named as one of the Underwriters of the Securities. A copy of the registration statement as filed and of each amendment as filed (excluding exhibits) has heretofore been delivered to us. The registration statement and the related prospectus may be further amended or supplemented, but no such amendment or supplement shall release or affect our obligations hereunder or under the Underwriting Agreement. The registration statement as amended at the time when it becomes effective and the final prospectus relating to the Securities as filed by the Company with the Commission pursuant to Rule 424(b) under the Securities Act are hereinafter respectively referred to as the "Registration Statement" and the "Prospectus."

We hereby agree to deliver all preliminary and final prospectuses required for compliance with the provisions of Rule 15c2-8 under the Securities Exchange Act of 1934, as amended (the "1934 Act"). The Company has heretofore delivered to us such preliminary prospectuses as have been requested by us, receipt of which is hereby acknowledged.

We represent to you that we have taken all action on our part required to have been taken to satisfy the applicable rules and regulations under the Securities Act, including the distribution of copies of the preliminary prospectus relating to the Securities (or, if you have so requested, copies of any amended preliminary prospectus) to all persons to whom we expect to mail confirmations of sale. We understand that we are not authorized to give any information or to make any representations in connection with the sale of the Securities other than as contained in the Prospectus.

3. *Authority of the Representative.* We authorize you as our representative (the "Representative"): (a) to complete, execute and deliver the Underwriting Agreement in substantially the form attached hereto as Exhibit A, with such changes, if any, as in your judgment are appropriate, provided that the amount of Securities set forth opposite our name in Schedule I thereto shall not be increased without our consent, except as provided herein and in the Underwriting Agreement; (b) to waive any conditions to the obligations of the Underwriter under the Underwriting Agreement; and (c) to take such action as in your discretion may be necessary or advisable to carry out the Underwriting Agreement, this Agreement and the transactions for the accounts of the several Underwriters contemplated thereby and hereby, including the date the Securities are to be released for sale to the public. We also authorize you to determine all matters relating to the public advertisement of the Securities, including the determination of the form and manner of any public advertisement, and we agree that we will not commence any public advertising until you shall have done so and that any such advertisement we may then make will be on our own responsibility and at our own expense.

4. *Public Offering.* You agree to sell the amount of Securities set forth adjacent to the name of each of the Underwriters in Exhibit A hereto, at the price set forth in Exhibit A hereto.

After notice from you that the Securities are released for sale to the public, we will offer to the public, in conformity with the terms of the offering set forth in the Prospectus, such of our Securities as you advise us are not reserved. We authorize you after the Securities are released for sale to the public, in your discretion, to change at any time and from time to time the public offering price of the Securities.

5. *Purchase Price to Underwriters, Payment and Delivery.* It is understood that the Securities shall be sold at a price equal to the initial offering price, less a total concession to you not in excess of \$0.18 per share with respect to the total Securities so sold of which \$0.18 per share will be the selling concession to the Underwriters. As compensation to you for your services to each of the Underwriters in connection herewith, each Underwriter agrees to pay to you the management fee set forth in Section 8 hereof.

At your request, we will deliver to you the funds needed to make payment pursuant to the Underwriting Agreement for the Securities being purchased by us in such manner, at such time and place, and in such form as you may advise, and we authorize you to deliver such funds, or otherwise make payment for such Securities, pursuant to the Underwriting Agreement. It is understood that the current closing date for sales of the Securities shall be as soon as practicable after the effective date of the Registration Statement;

Unless we notify you at least three full business days prior to the closing date, to make other arrangements, you may, in your discretion, advise the Company to prepare certificates for our Securities in our name and, so far as possible, in denominations to be determined by you. If you have not received our funds as required, you may in your discretion make such payment on our behalf, in which event we will reimburse you promptly. Any such payment by you shall not relieve us from any of our obligations hereunder or under the Underwriting Agreement.

We authorize you for our account to accept delivery of our Securities from the Company and to hold such of our Securities as you have reserved for sale to Dealers and others and to deliver such Securities against such sales. You will deliver to us our unreserved Securities as promptly as practicable.

As promptly as practicable after you receive payment for reserved Securities sold for our account, you will remit to us the purchase price paid by us for such Securities and credit or debit our account with the difference between the sale price and such purchase price.

6. *Authority to Borrow.* In connection with the transactions contemplated in the Underwriting Agreement or this Agreement, we authorize you, in your discretion, to advance your own funds for our account, charging current interest rates, and to arrange loans for our account, and in connection therewith to execute and deliver any notes or other instruments and hold or pledge as security any of the Shares, Warrants or Securities purchased for our account. Any lender may rely upon your instructions in all matters relating to any such loan.

Any of our Securities purchased for our account and held by you may, from time to time, be delivered to us for carrying purchases, and any such securities will be redelivered to you upon demand.

7. *Stabilization and Other Matters.* We authorize you, in your discretion, to make purchases and sales of the Securities and the Shares in the open market or otherwise, for long or short account, on such terms and at such prices as you may determine, and to over-allot in arranging for sales of the Securities to retail purchasers and Dealers. We authorize you, during the term of this Agreement or for such longer period as you may determine, to cover any short position incurred pursuant to this section by purchasing Securities or shares of the Common Stock of the Company on such terms and in such manner as you deem advisable. All purchases and sales under this section shall be made for the accounts of the several Underwriters as nearly as practicable in proportion to their respective underwriting obligations. On demand by you, we will take up and pay for at cost any Securities purchased for our account, deliver any Securities, or shares of common stock so sold or over-allotted for our account, and we will pay you on demand by you the amount of any losses or expenses incurred for our account pursuant to this section. In the event of default by one or more Underwriters in respect to their obligations under this section, each non-defaulting Underwriter shall assume its proportionate shares of the obligations of such defaulting Underwriter without relieving such defaulting Underwriter of its liability hereunder. The existence of this provision is no assurance that the price of the Securities or the Shares will be stabilized or that stabilizing, if commenced, may not be discontinued at any time.

We agree to advise you, from time to time upon your request, during the term of this Agreement, of the number of Shares retained by us remaining unsold, and will, upon your request, sell to you for the accounts of one or more of the several Underwriters, the number of such Securities as you may designate at a price, not less than the net price to Dealers nor more than the public offering price as you may determine.

If any Securities sold by us (otherwise than through you), shall be purchased or contracted for purchase by you during the term of this Agreement, you are authorized in your discretion to charge our account with an amount equal to the Dealer's concession with respect to such Securities, or to require us to repurchase such Securities at a price equal to the total cost of your purchase, including commission and transfer taxes on the redelivery.

In the event you effect any stabilizing purchase pursuant to this section, you will notify us promptly of the date and time when the first stabilizing purchase is effected and the date and time when stabilizing is terminated. We agree that if stabilizing is effected we will, not later than five business days following the day on which stabilizing is terminated, file in duplicate with you all documentation required by the Commission pursuant to the 1934 Act. We authorize you to file with the Commission any such documentation (not as manager) and any notices and reports which may be required as a result of any transactions made by you for the accounts of the Underwriters pursuant to this section.

We represent that we have not effected any transaction in violation of the provisions of Rule 10b-6 under the 1934 Act applicable to this offering. We and you agree, during the term of this Agreement, not to bid for, purchase, attempt to induce others to purchase, or sell, directly or indirectly, any Securities or Shares of the Company: (a) except offers to sell or the solicitation of offers to buy Securities or Shares to be acquired by an Underwriter pursuant to the Underwriting Agreement; (b) except as brokers pursuant to unsolicited orders; (c) except that with your consent any of the Underwriters may make purchases and sales of Securities or Shares from or to any of the other Underwriters; and (d) except as otherwise provided in this Agreement.

8. *Settlement.* It is agreed that you shall retain from your account an amount equal to \$0.08 per \$3.60 Unit purchased by us which amount represents your management fee in connection with the services provided to each Underwriter pursuant to the transaction contemplated hereby as well as any and all expenses incurred by you in performing hereunder, including, but not limited to: (a) all transfer taxes on Securities purchased by us pursuant to the Underwriting Agreement and sold by you for our account; (b) any and all expenses incurred by

you as our Representative, in connection with the purchase, carrying, offering, sale and distribution of the Securities for our account; and (c) all expenses incurred by you under this Agreement and in connection with the purchase, carrying, offering, sale and distribution of the Securities. Your determination of the amount and allocation of such expenses

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shall be conclusive. In the event of the default of any Underwriter in carrying out its obligations hereunder, as well as any additional losses or expenses arising from such default, you may proportionately charge against the other Underwriters not so defaulting, without, however, relieving such defaulting Underwriter from its liability therefor.

As soon as practicable after termination of this Agreement, the accounts established hereunder will be settled, but you may reserve for distribution such amount as you may deem necessary to cover possible additional expenses. You may at any time make partial distributions of credit balances or call for payment of debit balances. Any of our funds in your hands may be held with your general funds without accountability for interest. Notwithstanding the termination of this Agreement or any settlement, we will pay: (a) our proportionate share (based on our underwriting obligation) of all expenses and liabilities which may be incurred by or for the accounts of the Underwriters, including any liability based on the claim that the Underwriters constitute a partnership or an association, unincorporated business or other separate entity, and of any expenses incurred by you or any other Underwriter with your approval in contesting any such claim or liability; and (b) any transfer taxes paid after such settlement on account of any sale or transfer for our account.

9. *Termination.* This Agreement shall terminate 30 business days after the earlier to occur of either: (a) a written notice sent by you of your intention to terminate the offering of the Securities; (b) December 31, 1997; or (c) the sale of the maximum amount of Securities pursuant to the Prospectus. You may in your discretion, on notice to us prior to such time, terminate the effectiveness of this Agreement or any portion of it. You are authorized to extend this Agreement for an additional period or periods not exceeding an aggregate of 30 business days with the concurrence of a majority in interest of the Underwriters (including you).

10. *Default by Underwriters.* Default by one or more Underwriters in respect of their obligations hereunder or under the Underwriting Agreement shall not release us from any of our obligations or in any way affect the liability of any defaulting Underwriter to the other Underwriters for damages resulting from such default. In case of such default by one or more Underwriters, you are authorized to arrange, but shall not be obligated to arrange, for the purchase by other persons, who may include you or other Underwriters, of all or a portion of any Securities not purchased. In the event any such arrangements are made, or if non-defaulting Underwriters are required pursuant to the provisions of this Agreement to purchase Securities not purchased by defaulting Underwriters, the respective number of Securities to be purchased by the non-defaulting Underwriters and by any such other persons shall be taken as the basis for the underwriting obligations under this Agreement.

11. *Position of the Representative.* Except as in this Agreement otherwise specifically provided, you shall have full authority to take such action as you may deem advisable in respect of all matters pertaining to the Underwriting Agreement and this Agreement and in connection with the purchase, carrying, sale and distribution of the Securities (including authority to terminate the Underwriting Agreement or to prevent it from becoming effective as provided therein), but you shall not be under any liability to us except for your own want of good faith, for obligations expressly assumed by you in this Agreement and for any liabilities imposed upon you by the Securities Act or applicable rules, laws or regulations. No obligations on your part shall be implied or inferred herefrom. Authority with respect to matters to be determined by you, or by you and the Company, pursuant to the Underwriting Agreement, shall survive the termination of this Agreement.

Nothing herein contained shall constitute the several Underwriters a partnership, association, unincorporated business or other separate entity, and the rights and liabilities of the Underwriters (including you) are several and not joint.

12. *Acknowledgment of Registration Statement, Etc.* We hereby confirm that

we have examined the Registration in Statement (including all amendments thereto) relating to the Securities as heretofore filed with the Commission, that we are familiar with the amendment or amendments to the Registration Statement and the final form of the Prospectus proposed to be filed, that we are willing to accept the responsibilities of an Underwriter thereunder, and that we are willing to proceed as therein contemplated. We further reconfirm that the statements made under the heading "Underwriting" in such proposed final form of the Prospectus are correct and we authorize you so to advise the Company on our behalf. We understand that the aforementioned documents are subject to further change and that

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we will be supplied with copies of any amendment or amendments to the Registration Statement and of any amended prospectus promptly, if and when received by you, but the making of such changes and amendments will not release us or affect our obligations hereunder or under the Underwriting Agreement.

13. Indemnification. We agree to indemnify and hold harmless each other Underwriter (including you) and each person, if any, who controls such Underwriter within the meaning of Section 15 of the Securities Act or Section 20 of the 1934 Act to the extent, for any and all liabilities related to or arising from our performance hereunder, including, but not limited to, liabilities arising under the federal and state securities laws.

In the event that at any time any claim or claims shall be asserted against you, as Representative, or otherwise involving the Underwriters generally, relating to any preliminary prospectus relating to the Securities, the Prospectus, the Registration Statement, the public offering of the Securities, or any of the transactions contemplated by this Agreement, we authorize you to make such investigation, to retain such counsel and to take such other action as you may deem necessary or desirable under the circumstances, including settlement of any such claim or claims if such course of action shall be recommended by counsel retained by you. We agree to pay to you, on request, our proportionate share (based on our underwriting obligations) of all expenses incurred by you (including, but not limited to, the disbursements and fees of counsel retained by you) in investigating and defending against such claim or claims, and our proportionate share (based on our underwriting obligations) of any liability incurred by you in respect of such claim or claims, whether such liability shall be the result of a judgment against you, as a result of any such settlement or otherwise.

14. Capital Requirements. We confirm that our ratio of aggregate indebtedness to net capital is such that we may, in accordance with and pursuant to Rule 15c3-1 promulgated by the Commission under the 1934 Act and in accordance with the "net capital" rules of each governmental and self-regulatory agency having jurisdiction over us for such purposes, agree to purchase the number of Shares we may be obligated to purchase under any provision of this Agreement.

15. NASD Membership. Each of us represents that it is a member in good standing of the NASD or that we are exempt from the rules and regulations of the NASD and will, in making sales of Securities, comply with the Rules of Fair Practice of the NASD. In connection with our sale of the Securities, and without limiting the foregoing, we specifically agree to comply with Section 24 of Article III of the NASD Rules of Fair Practice.

16. Underwriters' Questionnaire. Each Underwriter represents and warrants that all of the information contained in the Underwriters' Questionnaire which it has furnished in connection with the offering of the Securities, as updated pursuant to the terms of the Questionnaire, is true and correct as of the date hereof.

17. Notices, etc. Any notice from you to us shall be duly given if mailed or telegraphed to us at our address as set forth in the Underwriters' Questionnaire previously furnished by us to you. This Agreement shall be governed by, and construed and enforced in accordance with the laws of the State of California.

This instrument may be signed by the Underwriters in various counterparts which together shall constitute one and the same agreement among all the Underwriters and shall become effective at such time as all the Underwriters shall have signed such counterparts and you shall have confirmed all such

counterparts. Such confirmations may be by facsimile signature.

SIGNATURE PAGE FOLLOWS

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Please confirm that the foregoing correctly states the understanding between us by signing and returning to us a counterpart hereof.

Very truly yours,

VEERA CAPITAL CORPORATION

By: Kanwal N. Arora
Its: President

Confirmed as of the date first above written:

NAME OF UNDERWRITER: _____

By: _____

Title: _____

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EXHIBIT 3.1

ARTICLES OF INCORPORATION OF
MIRAGE HOLDINGS, INC., A NEVADA CORPORATION

DATED MARCH 18, 1997

ARTICLES OF INCORPORATION
OF
MIRAGE HOLDINGS, INC.

FIRST. The name of this corporation is *Mirage Holdings, Inc.*

SECOND. Its resident agent and registered office in the State of Nevada is as follows: *ParaCorp., Incorporated 318 North Carson Street, Suite 208 Carson City, NV 89701.*

THIRD. The total number of shares which the corporation is authorized to issue is *Twenty Five Million (25,000,000) shares of common stock with a par value of \$.001 per share.*

FOURTH. The governing body of this corporation shall be known as *directors*, and the number of directors may from time to time be increased or decreased in such manner as shall be provided by the bylaws of the corporation.

The names and addresses of the first board of directors, which shall consist of one director, are as follow:

Saima Khan
18638 S. Pioneer Boulevard
Artesia, CA 90701

FIFTH. The name and address of the incorporator signing the Articles of Incorporation is as follows:

Lynne Bolduc, Esq.
HORWITZ & BEAM
Two Venture Plaza, Suite 380
Irvine, California 92618

SIXTH. At all elections of directors of the corporation, each holder of stock possessing voting power is entitled to as many votes as equal the number of shares multiplied by the number of directors to be elected, and she may cast all of his votes for a single director or may distribute them among the number to be voted for or any two or more of them, as she may see fit.

I, THE UNDERSIGNED, being the incorporator hereinbefore named, for the purpose of forming a corporation pursuant to the General Corporation Law of the State of Nevada, do make and file these Articles of Incorporation, hereby declaring and certifying that the facts herein stated are true, and accordingly have hereunto set my hands this 3rd day of March, 1997.

/s/

Lynne Bolduc, Incorporator

STATE OF CALIFORNIA)
) ss.
COUNTY OF ORANGE)

On this 3rd day of March, 1997 before me, the undersigned Notary Public, personally appeared Lynne Bolduc, personally known to me (or prove to me on the basis of satisfactory evidence) to be the person whose name is subscribed to the within Instrument and acknowledged to me that she executed the same in her authorized capacity, and that by her signature on the instrument the person, or the entity upon behalf of which the person acted, executed the instrument.

WITNESS my hand and official seal. /s/

Notary Public

EXHIBIT 3.2

BYLAWS OF MIRAGE HOLDINGS, INC.

DATED MARCH 18, 1997

BYLAWS

OF

MIRAGE HOLDINGS, INC.
A NEVADA CORPORATION

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BYLAWS
OF
MIRAGE HOLDINGS, INC.
A NEVADA CORPORATION

ARTICLE I
OFFICES

Section 1. *Principal Office*. The principal office for the transaction of

business of the Corporation is hereby fixed and located at 18638 S. Pioneer Boulevard, Artesia, CA 90701. The location may be changed by approval of a majority of the authorized directors, and additional offices may be established and maintained at such other place or places, either within or outside of Nevada, as the Board of Directors may from time to time designate.

Section 2. *Other Offices*. Branch or subordinate offices may at any time

be established by the Board of Directors at any place or places where the Corporation is qualified to do business.

ARTICLE II
DIRECTORS - MANAGEMENT

Section 1. *Powers, Standard of Care*.

1.1 *Powers*: Subject to the provisions of the Nevada Revised Statutes

(hereinafter the "Code"), and subject to any limitations in the Articles of Incorporation of the Corporation relating to action required to be approved by the Stockholders, as that term is defined in the Code, or by the outstanding shares, as that term is defined Code, the business and affairs of the Corporation shall be managed and all corporate powers shall be exercised by or under the direction of the Board of Directors. The Board of Directors may delegate the management of the day-to-day operation of the business of the Corporation to a management company or other persons, provided that the business and affairs of the Corporation shall be managed, and all corporate powers shall be exercised, under the ultimate direction of the Board.

1.2 *Standard of Care; Liability*:

1.2.1 Each Director shall exercise such powers and otherwise perform such duties, in good faith, in the matters such Director believes to be in the best interests of the Corporation, and with such care, including reasonable inquiry, using ordinary prudence, as a person in a like position would use under similar circumstances.

1.2.2 In performing the duties of a Director, a Director shall be entitled to rely on information, opinions, reports, or statements, including financial statements and other financial data, in which case prepared or presented by:

1.3.1 One or more officers or employees of the Corporation whom the Director believes to be reliable and competent in the matters presented,

1.3.2 Counsel, independent accountants or other persons as to which the Director believes to be within such person's professional or expert competence, or

1.3.3 A Committee of the Board upon which the Director does not serve, as to matters within its designated authority, which committee the Director believes to merit confidence, so long as in any such case the Director acts in good faith, after reasonable inquiry when the need therefor is indicated by the circumstances and without knowledge that would cause such reliance to be unwarranted.

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Section 2. Number and Qualification of Directors. The authorized number

of Directors of the Corporation shall be not less than one (1) nor more than five (5) until changed by a duly adopted amendment to the Articles of Incorporation or by an amendment to this Section 2 of Article II of these Bylaws or, without amendment of these Bylaws, the number of directors may be fixed or changed by resolution adopted by the vote of the majority of directors in office or by the vote of holders of shares representing a majority of the voting power at any annual meeting, or any special meeting called for such purpose; but no reduction of the number of directors shall have the effect of removing any director prior to the expiration of his term. The number of Directors shall not be less than two (2) unless all of the outstanding shares of stock are owned beneficially and of record by less than two (22) stockholders, in which event the number of Directors shall not be less than the number of stockholders or the minimum permitted by statute.

Section 3. Election and Term of Office of Directors.

3.1 Directors shall be elected at each annual meeting of the Stockholders to hold office until the next annual meeting. If any such annual meeting of Stockholders is not held or the Directors are not elected thereat, the Directors may be elected at any special meeting of Stockholders held for that purpose. Each Director, including a Director elected to fill a vacancy, shall hold office until the expiration of the term for which elected and until a successor has been elected and qualified.

3.2 Except as may otherwise be provided herein, or in the Articles of Incorporation by way of cumulative voting rights, the members of the Board of Directors of this Corporation, who need not be stockholders, shall be elected by a majority of the votes cast at a meeting of stockholders, by the holders of shares of stock present in person or by proxy, entitled to vote in the election.

Section 4. Vacancies.

4.1 Vacancies on the Board of Directors may be filled by the vote of a majority of the shares entitled to vote, represented at a duly held meeting at which a quorum is present, or by the written consent of holders of the majority of the outstanding shares entitled to vote. Each Director so elected shall hold office until the next annual meeting of the Stockholders and until a successor has been elected and qualified.

4.2 A vacancy or vacancies on the Board of Directors shall be deemed to exist in the event of the death, resignation or removal of any Director, or if the Board of Directors by resolution declares vacant the office of a Director

who has been declared of unsound mind by an order of court or convicted of a felony.

4.3 The Stockholders may elect a Director or Directors at any time to fill any vacancy or vacancies, but any such election by written consent shall require the consent of a majority of the outstanding shares entitled to vote.

4.4 Any Director may resign, effective on giving written notice to the Chairman of the Board, the President, the Secretary, or the Board of Directors, unless the notice specifies a later time for that resignation to become effective.

4.5 No reduction of the authorized number of Directors shall have the effect of removing any Director before that Director's term of office expires.

Section 5. Removal of Directors.

5.1 The entire Board of Directors, or any individual Director, may be removed from office as provided by Section 78.335 of the Code at any special meeting of stockholders called for such purpose by vote of the holders of two-thirds of the voting power entitling them to elect directors in place of those to be removed, subject to the provisions of Section 5.2.

5.2 No Director may be removed (unless the entire Board is removed) when the votes cast against removal or not consenting in writing to such removal would be sufficient to elect such Director if voted cumulatively at an election at which the same total number of votes were cast (or, if such action is taken by written consent, all shares entitled to vote, were voted) and the entire number of Directors authorized at the time of the Directors most recent

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election were then being elected; and when by the provisions of the Articles of Incorporation the holders of the shares of any class or series voting as a class or series are entitled to elect one or more Directors, any Director so elected may be removed only by the applicable vote of the holders of the shares of that class or series.

Section 6. Place of Meetings. Regular meetings of the Board of Directors

shall be held at any place within or outside the state that has been designated from time to time by resolution of the Board. In the absence of such resolution, regular meetings shall be held at the principal executive office of the Corporation. Special meetings of the Board shall be held at any place within or outside the state that has been designated in the notice of the meeting, or, if not stated in the notice or there is no notice, at the principal executive office of the Corporation. Any meeting, regular or special, may be held by conference telephone or similar communication equipment pursuant to Section 78.320 of the Code, so long as all Directors participating in such meeting can hear one another, and all such Directors shall be deemed to have been present in person at such meeting.

Section 7. Annual Meetings. Immediately following each annual meeting of

Stockholders, the Board of Directors shall hold a regular meeting for the purpose of organization, the election of officers and the transaction of other business. Notice of this meeting shall not be required. Minutes of any meeting of the Board, or any committee thereof, shall be maintained as required by the Code by the Secretary or other officer designated for that purpose.

Section 8. Other Regular Meetings.

8.1 Other regular meetings of the Board of Directors shall be held without call at such time as shall from time to time be fixed by the Board of Directors. Such regular meetings may be held without notice, provided the time and place of such meetings has been fixed by the Board of Directors, and further provided the notice of any change in the time of such meeting shall be given to all the Directors. Notice of a change in the determination of the time shall be given to each Director in the same manner as notice for such special meetings of the Board of Directors.

8.2 If said day falls upon a holiday, such meetings shall be held on the next succeeding day thereafter.

Section 9. Special Meetings/Notices.

9.1 Special meetings of the Board of Directors for any purpose or purposes may be called at any time by the Chairman of the Board or the President or any Vice President or the Secretary or any two Directors.

9.2 Notice of the time and place for special meetings shall be delivered personally or by telephone to each Director or sent by first class mail or telegram, charges prepaid, addressed to each Director at his or her address as it is shown in the records of the Corporation. In case such notice is mailed, it shall be deposited in the United States mail at least four days prior to the time of holding the meeting. In case such notice is delivered personally, or by telephone or telegram, it shall be delivered personally or by telephone or to the telegram company at least 48 hours prior to the time of the holding of the meeting. Any oral notice given personally or by telephone may be communicated to either the Director or to a person at the office of the Director who the person giving the notice has reason to believe will promptly communicate same to the Director. The notice need not specify the purpose of the meeting, nor the place, if the meeting is to be held at the principal executive office of the Corporation.

Section 10. Waiver of Notice.

10.1 The transactions of any meeting of the Board of Directors, however called, noticed, or wherever held, shall be as valid as though had at a meeting duly held after the regular call and notice if a quorum is present and if, either before or after the meeting, each of the Directors not present signs a written waiver of notice, a consent to holding the meeting or an approval of the minutes thereof. Waivers of notice or consent need not specify the purposes of the meeting. All such waivers, consents and approvals shall be filed with the corporate records or made part of the minutes of the meeting.

10.2 Notice of a meeting shall also be deemed given to any Director who attends the meeting without protesting, prior thereto or at its commencement, the lack of notice to such Director.

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Section 11. Quorums. A majority of the authorized number of Directors

shall constitute a quorum for the transaction of business, except to adjourn as provided in Section 12 of this Article II. Every act or decision done or made by a majority of the Directors present at a meeting duly held at which a quorum was present shall be regarded as the act of the Board of Directors, unless a greater number is required by law or the Articles of Incorporation. A meeting at which a quorum is initially present may continue to transact business notwithstanding the withdrawal of Directors, if any action taken is approved by at least a majority of the required quorum for that meeting.

Section 12. Adjournment. A majority of the directors present, whether

or not constituting a quorum, may adjourn any meeting to another time and place.

Section 13. Notice of Adjournment. Notice of the time and place of the

holding of an adjourned meeting need not be given, unless the meeting is adjourned for more than 24 hours, in which case notice of such time and place shall be given prior to the time of the adjourned meeting to the Directors who were not present at the time of the adjournment.

Section 14. Sole Director Provided by Articles or Bylaws. In the event

only one Director is required by the Bylaws or the Articles of Incorporation, then any reference herein to notices, waivers, consents, meetings or other actions by a majority or quorum of the Board of Directors shall be deemed or referred as such notice, waiver, etc., by the sole Director, who shall have all rights and duties and shall be entitled to exercise all of the powers and shall assume all the responsibilities otherwise herein described, as given to the

Board of Directors.

Section 15. *Directors Action by Unanimous Written Consent.* Pursuant to

Section 78.315 of the Code, any action required or permitted to be taken by the Board of Directors may be taken without a meeting and with the same force and effect as if taken by a unanimous vote of Directors, if authorized by a writing signed individually or collectively by all members of the Board of Directors. Such consent shall be filed with the regular minutes of the Board of Directors.

Section 16. *Compensation of Directors.* Directors, and members as such,

shall not receive any stated salary for their services, but by resolution of the Board of Directors, a fixed sum and expense of attendance, if any, may be allowed for attendance at each regular and special meeting of the Board of Directors; provided, however, that nothing contained herein shall be construed to preclude any Director from serving the Corporation in any other capacity as an officer, employee or otherwise receiving compensation for such services.

Section 17. *Committees.* Committees of the Board of Directors may be

appointed by resolution passed by a majority of the whole Board. Committees shall be composed of two or more members of the Board of Directors. The Board may designate one or more Directors as alternate members of any committee, who may replace any absent member at any meeting of the committee. Committees shall have such powers as those held by the Board of Directors as may be expressly delegated to it by resolution of the Board of Directors, except those powers expressly made non-delegable by the Code.

Section 18. *Meetings and Action of Committees.* Meetings and action of

committees shall be governed by, and held and taken in accordance with, the provisions of Article II, Sections 6, 8, 9, 10, 11, 12, 13 and 15, with such changes in the context of those Sections as are necessary to substitute the committee and its members for the Board of Directors and its members, except that the time of the regular meetings of the committees may be determined by resolution of the Board of Directors as well as the committee, and special meetings of committees may also be given to all alternate members, who shall have the right to attend all meetings of the committee. The Board of Directors may adopt rules for the government of any committee not inconsistent with the provisions of these Bylaws.

Section 19. *Advisory Directors.* The Board of Directors from time to

time may elect one or more persons to be Advisory Directors, who shall not by such appointment be members of the Board of Directors. Advisory Directors shall be available from time to time to perform special assignments specified by the President, to attend meetings of the Board of Directors upon invitation and to furnish consultation to the Board of Directors. The period during which the title shall be held may be prescribed by the Board of Directors. If no period is prescribed, the title shall be held at the pleasure of the Board of Directors.

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ARTICLE III
OFFICERS

Section 1. *Officers.* The principal officers of the Corporation shall be

a President, a Secretary, and a Treasurer. The Corporation may also have, at the discretion of the Board of Directors, a Chairman of the Board, one or more Vice Presidents, one or more Assistant Secretaries, one or more Assistant Treasurers, and such other officers as may be appointed in accordance with the provisions of Section 3 of this Article III. Any number of offices may be held by the same person.

Section 2. *Election of Officers.* The principal officers of the

Corporation, except such officers as may be appointed in accordance with the provisions of Section 3 or Section 5 of this Article, shall be chosen by the Board of Directors, and each shall serve at the pleasure of the Board of Directors, subject to the rights, if any, of an officer under any contract of

employment.

Section 3. Subordinate Officers, Etc. The Board of Directors may appoint

such other officers as the business of the Corporation may require, each of whom shall hold office for such period, have such authority and perform such duties as are provided in the Bylaws or as the Board of Directors may from time to time determine.

Section 4. Removal and Resignation of Officers.

4.1 Subject to the rights, if any, of an officer under any contract of employment, any officer may be removed, either with or without cause, by a majority of the Directors at that time in office, at any regular or special meeting of the Board of Directors, or, except in the case of an officer chosen by the Board of Directors, by any officer upon whom such power of removal may be conferred by the Board of Directors.

4.2 Any officer may resign at any time by giving written notice to the Board of Directors. Any resignation shall take effect on the date of the receipt of that notice or at any later time specified in that notice; and, unless otherwise specified in that notice, the acceptance of the resignation shall not be necessary to make it effective. Any resignation is without prejudice to the rights, if any, of the Corporation under any contract to which the officer is a party.

Section 5. Vacancies. A vacancy in any office because of death,

resignation, removal, disqualification or any other cause shall be filled in the manner prescribed in the Bylaws for regular appointments to that office.

Section 6. Chairman of the Board.

6.1 The Chairman of the Board, if such an officer be elected, shall, if present, preside at the meetings of the Board of Directors and exercise and perform such other powers and duties as may, from time to time, be assigned by the Board of Directors or prescribed by the Bylaws. If there is no President, the Chairman of the Board shall, in addition, be the Chief Executive Officer of the Corporation and shall have the powers and duties prescribed in Section 7 of this Article III.

Section 7. President. Subject to such supervisory powers, if any, as may

be given by the Board of Directors to the Chairman of the Board, if there is such an officer, the President shall be the Chief Executive Officer of the Corporation and shall, subject to the control of the Board of Directors, have general supervision, direction and control of the business and officers of the Corporation. The President shall preside at all meetings of the Stockholders and, in the absence of the Chairman of the Board, or if there be none, at all meetings of the Board of Directors. The President shall have the general powers and duties of management usually vested in the office of President of a corporation, shall be ex officio a member of all the standing committees, including the Executive Committee, if any, and shall have such other powers and duties as may be prescribed by the Board of Directors or the Bylaws.

Section 8. Vice President. In the absence or disability of the

President, the Vice Presidents, if any, in order of their rank as fixed by the Board of Directors, or if not ranked, the Vice President designated by the Board of Directors, shall perform all the duties of the President, and when so acting, shall have all the powers of, and be subject to all the restrictions upon, the President. The Vice Presidents shall have such other powers and perform such other

duties as from time to time may be prescribed for them, respectively, by the Board of Directors or the Bylaws, the President, or the Chairman of the Board.

Section 9. Secretary.

9.1 The Secretary shall keep, or cause to be kept, a book of minutes of all meetings of the Board of Directors and Stockholders at the principal office of the Corporation or such other place as the Board of Directors may order. The minutes shall include the time and place of holding the meeting, whether regular or special, and if a special meeting, how authorized, the notice thereof given, and the names of those present at Directors' and committee meetings, the number of shares present or represented at Stockholders' meetings and the proceedings thereof.

9.2 The Secretary shall keep, or cause to be kept, at the principal office of the Corporation or at the office of the Corporation's transfer agent, a share register, or duplicate share register, showing the names of the Stockholders and their addresses; the number and classes or shares held by each; the number and date of certificates issued for the same; and the number and date of cancellation of every certificate surrendered for cancellation.

9.3 The Secretary shall give, or cause to be given, notice of all the meetings of the Stockholders and of the Board of Directors required by the Bylaws or by law to be given. The Secretary shall keep the seal of the Corporation in safe custody, and shall have such other powers and perform such other duties as may be prescribed by the Board of Directors or by the Bylaws.

Section 10. Treasurer.

10.1 The Treasurer shall keep and maintain, or cause to be kept and maintained, in accordance with generally accepted accounting principles, adequate and correct accounts of the properties and business transactions of the Corporation, including accounts of its assets, liabilities, receipts, disbursements, gains, losses, capital, earnings (or surplus) and shares issued. The books of account shall, at all reasonable times, be open to inspection by any Director.

10.2 The Treasurer shall deposit all monies and other valuables in the name and to the credit of the Corporation with such depositaries as may be designated by the Board of Directors. The Treasurer shall disburse the funds of the Corporation as may be ordered by the Board of Directors, shall render to the President and Directors, whenever they request it, an account of all of the transactions of the Treasurer and of the financial condition of the Corporation, and shall have such other powers and perform such other duties as may be prescribed by the Board of Directors or the Bylaws.

ARTICLE IV
STOCKHOLDERS' MEETINGS

Section 1. Place of Meetings. Meetings of the Stockholders shall be held

at any place within or outside the state of Nevada designated by the Board of Directors. In the absence of any such designation, Stockholders' meetings shall be held at the principal executive office of the Corporation.

Section 2. Annual Meeting.

2.1. The annual meeting of the Shareholders shall be held, each year, as follows:

Time of Meeting: 10:00 A.M.
Date of Meeting: April 15

2.2 If this day shall be a legal holiday, then the meeting shall be held on the next succeeding business day, at the same time. At the annual meeting, the Shareholders shall elect a Board of Directors, consider reports of the affairs of the Corporation and transact such other business as may be properly brought before the meeting.

2.3 If the above date is inconvenient, the annual meeting of Shareholders shall be held each year on a date and at a time designated by the Board of Directors within twenty days of the above date upon proper notice to all Shareholders.

Section 3. Special Meetings.

3.1 Special meetings of the Stockholders for any purpose or purposes whatsoever, may be called at any time by the Board of Directors, the Chairman of the Board, the President, or by one or more Stockholders holding shares in the aggregate entitled to cast not less than 10% of the votes at any such meeting. Except as provided in paragraph B below of this Section 3, notice shall be given as for the annual meeting.

3.2 If a special meeting is called by any person or persons other than the Board of Directors, the request shall be in writing, specifying the time of such meeting and the general nature of the business proposed to be transacted, and shall be delivered personally or sent by registered mail or by telegraphic or other facsimile transmission to the Chairman of the Board, the President, any Vice President or the Secretary of the Corporation. The officer receiving such request shall forthwith cause notice to be given to the Stockholders entitled to vote, in accordance with the provisions of Sections 4 and 5 of this Article, that a meeting will be held at the time requested by the person or persons calling the meeting, not less than 35 nor more than 60 days after the receipt of the request. If the notice is not given within 20 days after receipt of the request, the person or persons requesting the meeting may give the notice in the manner provided in these Bylaws or upon application to the Superior Court. Nothing contained in this paragraph of this Section shall be construed as limiting, fixing or affecting the time when a meeting of Stockholders called by action of the Board of Directors may be held.

Section 4. Notice of Meetings - Reports.

4.1 Notice of any Stockholders meetings, annual or special, shall be given in writing not less than 10 days nor more than 60 days before the date of the meeting to Stockholders entitled to vote thereat by the Secretary or the Assistant Secretary, or if there be no such officer, or in the case of said Secretary or Assistant Secretary's neglect or refusal, by any Director or Stockholder.

4.2 Such notices or any reports shall be given personally or by mail or other means of written communication as provided in the Code and shall be sent to the Stockholder's address appearing on the books of the Corporation, or supplied by the Stockholder to the Corporation for the purpose of notice, and in the absence thereof, as provided in the Code by posting notice at a place where the principal executive office of the Corporation is located or by publication at least once in a newspaper of general circulation in the county in which the principal executive office is located.

4.3 Notice of any meeting of Stockholders shall specify the place, the day and the hour of meeting, and (i) in case of a special meeting, the general nature of the business to be transacted and that no other business may be transacted, or (ii) in the case of an annual meeting, those matters which the Board of Directors, at the date of mailing of notice, intends to present for action by the Stockholders. At any meetings where Directors are elected, notice shall include the names of the nominees, if any, intended at the date of notice to be presented for election.

4.4 Notice shall be deemed given at the time it is delivered personally or deposited in the mail or sent by other means of written communication. The officer giving such notice or report shall prepare and file in the minute book of the Corporation an affidavit or declaration thereof.

4.5 If action is proposed to be taken at any meeting for approval of (i) contracts or transactions in which a Director has a direct or indirect financial interest, pursuant to the Code, (ii) an amendment to the Articles of Incorporation, pursuant to the Code, (iii) a reorganization of the Corporation, pursuant to the Code, (iv) dissolution of the Corporation, pursuant to the Code, or (v) a distribution to preferred Stockholders, pursuant to the Code, the notice shall also state the general nature of such proposal.

Section 5. Quorum.

5.1 The holders of a majority of the shares entitled to vote at a Stockholders' meeting, present in person, or represented by proxy, shall constitute a quorum at all meetings of the Stockholders for the transaction of business except as otherwise provided by the Code or by these Bylaws.

5.2 The Stockholders present at a duly called or held meeting at which a quorum is present may continue to transact business until adjournment, notwithstanding the withdrawal of enough Stockholders to leave less than a quorum, if any action taken (other than adjournment) is approved by a majority of the shares required to constitute a quorum.

Section 6. Adjourned Meeting and Notice Thereof.

6.1 Any Stockholders' meeting, annual or special, whether or not a quorum is present, may be adjourned from time to time by the vote of the majority of the shares represented at such meeting, either in person or by proxy, but in the absence of a quorum, no other business may be transacted at such meeting.

6.2 When any meeting of Stockholders, either annual or special, is adjourned to another time or place, notice need not be given of the adjourned meeting if the time and place thereof are announced at a meeting at which the adjournment is taken, unless a new record date for the adjourned meeting is fixed, or unless the adjournment is for more than 45 days from the date set for the original meeting, in which case the Board of Directors shall set a new record date. Notice of any adjourned meeting shall be given to each Stockholder of record entitled to vote at the adjourned meeting in accordance with the provisions of Section 4 of this Article. At any adjourned meeting, the Corporation may transact any business which might have been transacted at the original meeting.

Section 7. Waiver or Consent by Absent Stockholders.

7.1 The transactions of any meeting of Stockholders, either annual or special, however called and noticed, shall be valid as though had at a meeting duly held after regular call and notice, if a quorum be present either in person or by proxy, and if, either before or after the meeting, each of the Stockholders entitled to vote, not present in person or by proxy, sign a written waiver of notice, or a consent to the holding of such meeting or an approval of the minutes thereof.

7.2 The waiver of notice or consent need not specify either the business to be transacted or the purpose of any regular or special meeting of Stockholders, except that if action is taken or proposed to be taken for approval of any of those matters specified in Section E of Section 4 of this Article, the waiver of notice or consent shall state the general nature of such proposal. All such waivers, consents or approvals shall be filed with the corporate records or made a part of the minutes of the meeting.

7.3 Attendance of a person at a meeting shall also constitute a waiver of notice of such meeting, except when the person objects, at the beginning of the meeting, to the transaction of any business because the meeting is not lawfully called or convened, and except that attendance at a meeting is not a waiver of any right to object to the consideration of matters not included in the notice is such objection in

ARTICLE V
AMENDMENTS TO BYLAWS

Section 1. Amendment by Stockholders.

All Bylaws of the Corporation shall be subject to alteration or repeal, and new Bylaws may be made by the affirmative vote of stockholders holding of record in the aggregate at least a majority of the outstanding shares of stock entitled to vote in the election of directors at any annual or special meeting of stockholders, provided that the notice or waiver of notice of such meeting shall have summarized or set forth in full therein, the proposed amendment.

Section 2. *Amendment by Directors.*

The Board of Directors shall have power to make, adopt, alter, amend and repeal, from time to time, Bylaws of the Corporation, provided, however, that the stockholders entitled to vote with respect thereto as in this Article V above-provided may alter, amend or repeal Bylaws made by the Board of Directors, except that the Board of Directors shall have no power to change the quorum for meetings of stockholders or of the Board of Directors or to change any provisions of the Bylaws with respect to the removal of directors or the filling of vacancies in the Board resulting from the removal by the stockholders. In any bylaw regulating an impending election of directors is adopted, amended or repealed by the Board of Directors, there shall be set forth in the notice of the next meeting of stockholders for the election of directors, the Bylaws so adopted, amended or repealed, together with a concise statement of the changes made.

Section 3. *Record of Amendments.*

Whenever an amendment or new Bylaw is adopted, it shall be copies in the corporate book of Bylaws with the original Bylaws, in the appropriate place. If any Bylaw is repealed, the fact of repeal with the date of the meeting at which the repeal was enacted or written assent was filed shall be stated in the corporate book of Bylaws.

ARTICLE VI
SHARES OF STOCK

Section 1. *Certificate of Stock.*

1.1 The certificates representing shares of the Corporation's stock shall be in such form as shall be adopted by the Board of Directors, and shall be numbered and registered in the order issued. The certificates shall bear the following: the Corporate Seal, the holder's name, the number of shares of stock and the signatures of: (1) the Chairman of the Board, the President or a Vice President and (2) the Secretary, Treasurer, any Assistant Secretary or Assistant Treasurer.

1.2 No certificate representing shares of stock shall be issued until the full amount of consideration therefore has been paid, except as otherwise permitted by law.

1.3 To the extent permitted by law, the Board of Directors may authorize the issuance of certificates for fractions of a share of stock which shall entitle the holder to exercise voting rights, receive dividends and participate in liquidating distributions, in proportion to the fractional holdings; or it may authorize the payment in cash of the fair value of fractions of a share of stock as of the time when those entitled to receive such fractions are determined; or it may authorize the issuance, subject to such conditions as may be permitted by law, of scrip in registered or bearer form over the signature of an officer or agent of the corporation, exchangeable as therein provided for full shares of stock, but such scrip shall not entitle the holder to any rights of a stockholder, except as therein provided.

Section 2. *Lost or Destroyed Certificates.*

The holder of any certificate representing shares of stock of the Corporation shall immediately notify the Corporation of any loss or destruction of the certificate representing the same. The Corporation may issue a new certificate in the place of any certificate theretofore issued by it, alleged to have been lost or destroyed. On production of such evidence of loss or destruction as the Board of Directors in its discretion may require, the Board of Directors may, in its discretion, require the owner of the lost or destroyed certificate, or his legal representatives, to give the Corporation a bond in such sum as the Board may direct, and with such surety or sureties as may be satisfactory to the Board, to indemnify the Corporation against any claims, loss, liability or damage it may suffer on account of the issuance of the new

certificate. A new certificate may be issued without requiring any such evidence or bond when, in the judgment of the Board of directors, it is proper to do so.

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Section 3. Transfer of Shares.

3.1 Transfer of shares of stock of the Corporation shall be made on the stock ledger of the Corporation only by the holder of record thereof, in person or by his duly authorized attorney, upon surrender for cancellation of the certificate or certificates representing such shares of stock with an assignment or power of transfer endorsed thereon or delivered therewith, duly executed, with such proof of the authenticity of the signature and of authority to transfer and of payment of taxes as the Corporation or its agents may require.

3.2 The Corporation shall be entitled to treat the holder of record of any share or shares of stock as the absolute owner thereof for all purposes and, accordingly, shall not be bound to recognize any legal, equitable or other claim to, or interest in, such share or shares of stock on the part of any other person, whether or not it shall have express or other notice thereof, except as otherwise expressly provided by law.

Section 4. Record Date.

In lieu of closing the stock ledger of the Corporation, the Board of Directors may fix, in advance, a date not exceeding sixty (60) days, nor less than ten (10) days, as the record date for the determination of stockholders entitled to receive notice of, or to vote at, any meeting of stockholders, or to consent to any proposal without a meeting, or for the purpose of determining stockholders entitled to receive payment of any dividends or allotment of any rights, or for the purpose of any other action. If no record date is fixed, the record date for the determination of stockholders entitled to notice of, or to vote at, a meeting of stockholders shall be at the close of business on the day next preceding the day on which the notice is given, or, if no notice is given, the day preceding the day on which the meeting is held. The record date for determining stockholders for any other purpose shall be at the close of business on the day on which the resolution of the directors relating thereto is adopted. When a determination of stockholders of record entitled to notice of, or to vote at, any meeting of stockholders has been made, as provided for herein, such determination shall apply to any adjournment thereof, unless the directors fix a new record date for the adjourned meeting.

*ARTICLE VII
DIVIDENDS*

Subject to applicable law, dividends may be declared and paid out of any funds available therefor, as often, in such amount, and at such time or times as the Board of Directors may determine.

*ARTICLE VIII
FISCAL YEAR*

The fiscal year of the Corporation shall be December 31, and may be changed by the Board of Directors from time to time subject to applicable law.

*ARTICLE IX
CORPORATE SEAL*

The corporate seal shall be circular in form, and shall have inscribed thereon the name of the Corporation, the date of its incorporation, and the word "Nevada" to indicate the Corporation was incorporated pursuant to the laws of the State of Nevada.

*ARTICLE X
INDEMNITY*

Section 1. Any person made a party to any action, suit or proceeding, by

reason of the fact that he, his testator or interstate representative is or was a director, officer or employee of the Corporation or of any corporation in which he served as such at the request of the Corporation, shall be indemnified by the Corporation against the reasonable expenses, including attorneys' fees, actual and necessarily incurred by him in connection with the defense of such action, suit or proceedings, or in connection with any appeal therein, except in relation to matters as to which it shall be

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adjudged in such action, suit or proceeding or in connection with any appeal therein that such officer, director or employee is liable for gross negligence or misconduct in the performance of his duties.

Section 2. The foregoing right of indemnification shall not be deemed exclusive of any other rights to which any officer or director or employee may be entitled apart from the provisions of this section.

Section 3. The amount of indemnity to which any officer or any director may be entitled shall be fixed by the Board of Directors, except that in any case in which there is no disinterested majority of the Board available, the amount shall be fixed by arbitration pursuant to the then existing rules of the American Arbitration Association.

ARTICLE XI
MISCELLANEOUS

Section 1. Stockholders' Agreements. Notwithstanding anything contained

in this Article XI to the contrary, in the event the Corporation elects to become a close corporation, an agreement between two or more Stockholders thereof, if in writing and signed by the parties thereto, may provide that in exercising any voting rights, the shares held by them shall be voted as provided therein, and may otherwise modify the provisions contained in Article IV, herein as to Stockholders' meetings and actions.

Section 2. Subsidiary Corporations. Shares of the Corporation owned by a

subsidiary shall not be entitled to vote on any matter. For the purpose of this Section, a subsidiary of the Corporation is defined as another corporation of which shares thereof possessing more than 25% of the voting power are owned directly or indirectly through one or more other corporations of which the Corporation owns, directly or indirectly, more than 50% of the voting power.

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CERTIFICATE OF SECRETARY

I, the undersigned, certify that:

1. I am the duly elected and acting Secretary of MIRAGE HOLDINGS, INC., a Nevada corporation; and
2. The foregoing Bylaws, consisting of 16 pages, are the Bylaws of this Corporation as adopted by the Board of Directors.

IN WITNESS WHEREOF, I have subscribed my name and affixed the seal of this Corporation on this 25th day of March, 1997.

/s/

Najeeb U. Ghauri, Secretary

[SEAL]

EXHIBIT 4.1

LOCK-UP AGREEMENT (FORM)

MIRAGE HOLDINGS, INC.
LOCK-UP AGREEMENT

_____, 1997

Veera Capital Corporation
19 Rector Street, Suite 2301
New York, NY 10006

Ladies and Gentlemen:

The undersigned understands that you and certain other firms propose to enter into an Underwriting Agreement (the "Underwriting Agreement") providing for the purchase by you and such other firms (the "Underwriters") of units (the "Units") of securities of Mirage Holdings, Inc., a Nevada corporation (the "Company") and that the Underwriters propose to re-offer the Shares to the public (the "Public Offering").

In consideration of the execution of the Underwriting Agreement by the Underwriters, and for other good and valuable consideration, the undersigned hereby irrevocably agrees that without the prior written consent of Veera Capital Corporation (which consent may be withheld in its sole discretion) the undersigned will not sell, offer to sell, solicit an offer to buy, contract to sell, loan, pledge, grant any option to purchase, or otherwise transfer or dispose of (collectively, a "Disposition"), any shares of Common Stock, or any securities convertible into or exercisable or exchangeable for Common Stock (collectively, "Securities"), now owned or hereafter acquired by the undersigned or with respect to which the undersigned has or hereafter acquires the power of disposition, for a period of 12 months (365 days) after the date of the final Prospectus relating to the offering of the Units to the public by the Underwriters (the "Lock-Up" Period). The foregoing restriction is expressly agreed to preclude the holder of the Securities from engaging in any hedging, pledge, or other transaction which is designed to, or which may reasonably be expected to lead to or result in a Disposition of Securities during the Lock-Up Period even if such Securities would be disposed of by someone other than the undersigned. Such prohibited hedging, pledge, or other transaction would include, without limitation, any short sale (whether or not against the box), any pledge of shares covering an obligation that matures, or could reasonably mature during the Lock-Up Period, or any purchase, sale, or grant of any right (including, without limitation, any put or call option) with respect to any Securities or with respect to any security (other than a broad-based market basket or index) that includes, relates to, or derives any significant part of its value from Securities.

Notwithstanding the foregoing, the undersigned may (i) exercise (on a cash or cashless basis, whether in a traditional cashless exercise or in a "brokers" cashless exercise). Common Stock options or warrants outstanding on the date hereof, it being understood, however, that the shares of Common Stock received (net of shares sold by or on behalf of the undersigned in a "brokers" cashless exercise or shares delivered to the Company in a traditional cashless exercise thereof) by the undersigned upon exercise thereof shall be subject to the terms of this agreement, (ii) transfer shares of Common Stock or Securities during the undersigned's lifetime by bona fide gift or upon death by will or intestacy, provided that any transferee agrees to be bound by the terms of this agreement, and (iii) transfer or otherwise dispose of shares of Common Stock or Securities as a distribution to limited partners or shareholders of the undersigned provided that the distributors thereof agree to be bound by the terms of this agreement.

The undersigned understands that the Underwriters will rely upon the representations set forth in this Lock-Up Agreement in proceeding with the Public Offering. The undersigned agrees that the provisions of this agreement shall be binding upon the successors, assigns, heirs, personal and legal representatives of the undersigned. Furthermore, the undersigned hereby agrees

and consents to the entry of stop transfer instructions with the Company's transfer agent against the transfer of the Securities held by the undersigned except in compliance with this Lock-Up Agreement.

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It is understood that, if the Underwriting Agreement does not become effective prior to December 31, 1997, or if the Underwriting Agreement (other than the provisions thereof which survive terminations) shall terminate or be terminated prior to payment for and delivery of the Shares, the obligations under this letter agreement shall automatically terminate and be of no further force and effect.

Very truly yours,

By:

Printed name of person/entity

Title if applicable

Additional signature(s), if stock jointly held

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EXHIBIT 5

OPINION OF HORWITZ & BEAM

Law Offices of
HORWITZ & BEAM
TWO VENTURE PLAZA
SUITE 380
IRVINE, CALIFORNIA 92618
(714) 453-0300
(310) 842-8574
FAX: (714) 453-9416

Gregory B. Beam, Esq.
Lawrence W. Horwitz, Esq.
Lawrence R. Bujold, Esq.
Lawrence M. Cron, Esq.
Lynne Bolduc, Esq.
Thomas B. Griffen, Esq.
John J. Isaza, Esq.
Malea M. Farsai, Esq.

May 8, 1997

Mirage Holdings, Inc.

Ladies and Gentlemen:

This office represents Mirage Holdings, Inc., a Nevada corporation (the "Registrant") in connection with the Registrant's Registration Statement on Form SB-2 under the Securities Act of 1933 (the "Registration Statement"), which relates to the issuance and sale of a maximum of 342,857 Units of the Registrant's Securities (the "Registered Securities") pursuant to an Underwriting Agreement to be dated as of the effective date of the Registration Statement. In connection with our representation, we have examined such documents and undertaken such further inquiry as we consider necessary for rendering the opinion hereinafter set forth.

Based upon the foregoing, it is our opinion that the Registered Securities, when sold as set forth in the Registration Statement, will be legally issued, fully paid and nonassessable.

We acknowledge that we are referred to under the heading "Legal Matters" in the Prospectus which is a part of the Registration Statement, and we hereby consent to such use of our name in such Registration Statement and to the filing of this opinion as Exhibit 5 to the Registration Statement and with such state regulatory agencies in such states as may require such filing in connection with the registration of the Registered Securities for offer and sale in such states.

HORWITZ & BEAM

/s/

EXHIBIT 10.1

EMPLOYMENT AGREEMENT, DATED JULY 1, 1996

BETWEEN MIRAGE COLLECTION, INC. AND

SAIMA KHAN

EMPLOYMENT CONTRACT

Saima Khan, referred to as EMPLOYEE, and Mirage Collection, Inc., referred to as EMPLOYER, agree:

EMPLOYEE is engaged to act as President for Mirage Collection, Inc., beginning on July 1, 1996.

EMPLOYEE shall receive a salary of \$2,000 per month, subject to attendance and leave policies as adopted from time to time by EMPLOYER.

EMPLOYEE shall receive a car allowance of \$500 per month.

EMPLOYEE shall also be granted stock options in the Company based on performance and profits generated.

EMPLOYEE shall be entitled to 20% of net profits of Mirage Collection, Inc.'s payables on an annual basis.

EMPLOYER may, during the course of the EMPLOYEE'S service, reveal certain confidential/trade secret or proprietary information to EMPLOYEE. The items which are confidential/trade secret or proprietary information shall be identified as confidential.

EMPLOYEE shall, for a period of six months after termination, not accept employment with the following firms: all direct competitors.

EMPLOYEE agrees that the duties herein shall be full time. EMPLOYEE shall not engage in other business ventures or employment without the prior approval of EMPLOYER.

EMPLOYEE agrees to promptly disclose to EMPLOYER any inventions or processes discovered by the EMPLOYEE which are made at the behest or in connection with the duties of the employee, or which are reasonably related to the EMPLOYER during the term of employment, and shall assign all rights in said inventions or processes to EMPLOYER.

EMPLOYEE shall execute any documents reasonably requested by EMPLOYER for patents or other legal steps which EMPLOYER may desire to perfect its rights in the inventions.

EMPLOYER may terminate this agreement upon 60 days notice to EMPLOYEE. Upon termination, EMPLOYEE shall return all materials from EMPLOYER to EMPLOYER.

Any disputes under this agreement, including those relating to noncompetition shall be submitted to arbitration with a single arbitrator under the rules of the American Arbitration Association. Any ruling made by the arbitrators shall be final and may be entered as a judgment in any court of competent jurisdiction.

Agreed on this, the 1st day of July, 1996

/s/

Saima Khan, by an authorized officer

/s/

Mirage Collection, Inc.

EXHIBIT 10.2

LEASE AGREEMENT

DATED AUGUST 1, 1995

STORE LEASE
(GENERAL, SHORT FORM)

1. PARTIES:

This Lease is made and entered into this 1st day of August, 1995, by and between MARTY LAKIN AND DELORES LAKIN (hereinafter referred to as "Landlord") and SAIMA K. HAMEED AND S. SHAWN HAMEED (hereinafter referred to as "Tenant").

2. PREMISES:

Landlord hereby leases to Tenant and Tenant hereby leases from Landlord, on the terms and conditions hereinafter set forth, that certain real property and the building and other improvements located thereon situated in the City of Artesia, County of Los Angeles, State of California, commonly known as 18638 South Pioneer Boulevard, 90701 (said real property is hereinafter called the "Premises").

3. TERM:

The term of this Lease shall be for five (5) years commencing on September 1, 1995, and ending on August 31, 2000.

4. RENT:

Tenant shall pay to Landlord as rent for the Premises, the sum of Three Thousand Two Hundred (\$3,200.00) dollars per month, in advance on the first day of each month during the term hereof. Rent shall be payable without notice or demand and without any deduction, off-set, or abatement in lawful money of the United States to the Landlord at the address stated herein for notices or to such other persons or such other places as the Landlord may designate to Tenant in writing.

5. USE:

Tenant shall use the Premises for clothing and related items, and for no other purposes without the Landlord's prior written consent.

6. TAXES:

(a) Real Property Taxes.

Landlord shall pay all real property taxes and general assessments levied and assessed against the Premises during the term of this Lease.

(b) Personal Property Taxes.

Tenant shall pay prior to the delinquency all taxes assessed against and levied upon the trade fixtures, furnishings, equipment and other personal property of Tenant contained in the Premises.

7. UTILITIES:

Tenant shall make all arrangements and pay for all water, gas, heat, light, power, and other utility services supplied to the Premises together with any taxes thereon and for all connection charges. Tenant shall pay for all telephone charges. If Tenant shall be responsible for the payment of utility charges hereunder, if any such services are not separately metered to Tenant, the Tenant shall pay a reasonable proportion, to be determined by Landlord, of all charges jointly metered with other premises.

8. ALTERATIONS AND ADDITIONS:

Tenant shall not, without the Landlord's prior written consent, make any alterations, improvements or additions in or about the Premises.

9. **HOLD HARMLESS:**

Tenant shall indemnify and hold Landlord harmless from and against any and all claims arising from Tenant's use or occupancy of the Premises or from the conduct of its business or from any activity, work, or things which may be permitted or suffered by Tenant in or about the Premises including all damages, costs, attorney's fees, expenses and liabilities incurred in the defense of any claim or action or proceeding arising therefrom. Except for Landlord's willful or grossly negligent conduct, Tenant hereby assumes all risk of damage to property or injury to person in or about the Premises from any cause, and Tenant hereby waives all claims in respect thereof against Landlord.

10. **ASSIGNMENT AND SUBLETTING:**

Tenant shall not voluntarily or by operation of law assign, transfer, sublet, mortgage, or otherwise transfer or encumber all or any part of Tenant's interest in this Lease or in the Premises without Landlord's prior written consent which consent shall not be unreasonably withheld.

11. **DEFAULT:**

It is agreed between the parties hereto that if any rent shall be due hereunder and unpaid, or if a receiver be appointed to take possession of substantially all of Tenant's assets located at the Premises or of Tenant's interest in the Lease, or if Tenant shall make a general assignment or arrangement for the benefit of creditors, or if Tenant shall take any action under any insolvency or Bankruptcy act, or if Tenant shall default and breach any other covenant or provision of the Lease, then the Landlord, after giving the proper notice required by law, may re-enter the Premises and remove any property and any and all persons therefrom in the manner allowed by law. The landlord may, at his option, either maintain this Lease in full force and effect and recover the rent and other charges as they become due or, in the alternative, terminate this Lease. In addition, the Landlord may recover all rentals and any other damages and pursue any other rights and remedies which the Landlord may have against the Tenant by reason of such default as provided by law.

12. **SURRENDER:**

On the 1st day of the term of this Lease, Tenant shall surrender the Premises to Landlord in good condition, broom clean, ordinary wear and tear and damage by fire and the elements excepted.

13. **HOLDING OVER:**

If Tenant, with the Landlord's consent, remains in possession of the Premises after expiration or termination of the term of this Lease, such possession by Tenant shall be deemed to be a tenancy from month-to-month at a rental in the amount of the last monthly rental plus all other charges payable hereunder, and upon the provisions of this Lease applicable to such a month-to-month tenancy.

14. **BINDING ON SUCCESSORS AND ASSIGNS:**

Each provision of this Lease performable by Tenant shall be deemed both a covenant and a condition. The terms, conditions and covenants of this Lease shall be binding upon and shall inure to the benefit of each of the parties hereto, their heirs, personal representatives, successors and assigns.

15. **NOTICES:**

Whenever under this Lease a provision is made for any demand, notice or declaration of any kind, it shall be in writing and served either personally or sent by registered or certified United States mail, postage prepaid, addressed at the addresses as set forth below:

Oxnard, California 93035

To Tenant at: 931 Cantera Drive
Diamond Bar, California 91765

Such notice shall be deemed to be received within forty-eight (48) hours from the time of mailing, if mailed as provided for in this paragraph.

16. WAIVERS:

No waiver by Landlord of any provision hereof shall be deemed a waiver of any other provision hereof or of any subsequent breach by Tenant of the same or any other provisions.

17. TIME:

Time is of the essence of this Lease.

18. Tenant will have an option to renew for an additional five (5) year term, beginning September 1, 2000 to August 31, 2005. A new renewal schedule shall be agreed upon prior to execution of this Lease option.

19. For the term of this Lease, Tenant shall maintain liability insurance in the amount of one million (\$1,000,000.00) dollars, and the name Marty Lakin and Delores Lakin as additional insureds. Tenant shall also maintain glass insurance coverage on the leased Premises. All insurance coverage referred to herein shall be paid for by the Tenant. Proof of liability and glass insurance coverage shall be delivered to Landlord.

20. Received from Shawn Hameed (Tenant) Two Thousand One Hundred Thirty Three Dollars (\$2,133.00) for first month, September 10 to 30, 1995 rental. Last month rent, August 2005 of this Lease is Three Thousand Two Hundred Dollars (\$3,200.00) shall be paid on or before September 10, 1995.

The parties hereto have executed this Lease on the date first above written.

LANDLORD:

TENANT:

By: /s/

By: /s/

Marty Lakin

Saima Hameed

By: /s/

Delores Lakin

EXHIBIT 10.5

STOCK OPTION PLAN

MIRAGE HOLDINGS, INC.

1997 INCENTIVE AND NONSTATUTORY STOCK OPTION PLAN

1. Purpose

This Incentive and Nonstatutory Stock Option Plan (the "Plan") is intended to further the growth and financial success of MIRAGE HOLDINGS, INC., a Nevada corporation (the "Corporation") by providing additional incentives to selected employees of and consultants to the Corporation or parent corporation or subsidiary corporation of the Corporation as those terms are defined in Sections 425(3) and 425(f) of the Internal Revenue Code of 1986, as amended (the "Code") (such parent corporations and subsidiary corporations hereinafter collectively referred to as "Affiliates") so that such employees and consultants may acquire or increase their proprietary interest in the Corporation. Stock options granted under the Plan (hereinafter "Options") may be either "Incentive Stock Options," as defined in Section 422A of the Code and any regulations promulgated under said Section, or "Nonstatutory Options" at the discretion of the Board of Directors of the Corporation (the "Board") and as reflected in the respective written stock option agreements granted pursuant hereto.

2. Administration

The Plan shall be administered by the Board of Directors of the Corporation; provided however, that the Board may delegate such administration to a committee of not fewer than three (3) members (the "Committee"), at least two (2) of whom are members of the Board and all of whom are disinterested administrators, as contemplated by Rule 16b-3 promulgated under the Securities Exchange Act of 1934, as amended ("Rule 16b-3"); and provided further, that the foregoing requirement for disinterested administrators shall not apply prior to the date of the first registration of any of the securities of the Corporation under the Securities Act of 1933, as amended.

Subject to the provisions of the Plan, the Board and/or the Committee shall have authority to (a) grant, in its discretion, Incentive Stock Options in accordance with Section 422A of the Code or Nonstatutory Options; (b) determine in good faith the fair market value of the stock covered by an Option; (c) determine which eligible persons shall be granted Options and the number of shares to be covered thereby and the term thereof; (d) construe and interpret the Plan; (e) promulgate, amend and rescind rules and regulations relating to its administration, and correct defects, omissions, and inconsistencies in the Plan or any Option; (f) consistent with the Plan and with the consent of the optionee, as appropriate, amend any outstanding Option or amend the exercise date or dates thereof; (g) determine the duration and purpose of leaves of absence which may be granted to optionholders without constituting termination of their employment for the purpose of the Plan; and (h) make all other determinations necessary or advisable for the Plan's administration. The interpretation and construction by the Board of any provisions of the Plan or of any Option it shall be conclusive and final. No member of the Board or the Committee shall be liable for any action or determination made in good faith with respect to the Plan or any Option.

3. Eligibility

The persons who shall be eligible to receive Options shall be key employees of or consultants to the Corporation or any of its Affiliates ("Optionees"). The term consultant shall mean any person who is engaged by the Corporation to render services and is compensated for such services, and any director of the Corporation whether or not compensated for such services; provided that, if the Corporation registers any of its securities pursuant to the Securities Exchange Act of 1934, the term consultant shall thereafter not include directors who are not compensated for their services or are paid only a director fee by the

Corporation.

(a) Incentive Stock Options. Incentive Stock Options may only be

issued to employees of the Corporation or its Affiliates. Incentive Stock Options may be granted to officers, whether or not they are directors, but a director shall not be granted an Incentive Stock Option unless such director is also an employee of the

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Corporation. Payment of a director fee shall not be sufficient to constitute employment by the Corporation. Any grant of option to an officer or director of the Corporation subsequent to the first registration of any of the securities of the Corporation under Securities Act of 1933, as amended, shall comply with the requirements of Rule 16b-3. An optionee may hold more than one Option.

The Corporation shall not grant an Incentive Stock Option under the Plan to any employee if such grant would result in such employee holding the right to exercise for the first time in any one calendar year, under all options granted to such employee under the Plan or any other stock option plan maintained by the Corporation or any Affiliate, with respect to shares of stock having an aggregate fair market value, determined as of the date of the Option is granted, in excess of \$100,000. Should it be determined that an Incentive Stock Option granted under the Plan exceeds such maximum for any reason other than a failure in good faith to value the stock subject to such option, the excess portion of such option shall be considered a Nonstatutory Option. If, for any reason, an entire option does not qualify as an Incentive Stock Option by reason of exceeding such maximum, such option shall be considered a Nonstatutory Option.

(b) Nonstatutory Option. The provisions of the foregoing Section 3(a)

shall not apply to any option designated as a "Non-statutory Stock Option Agreement" or which sets forth the intention of the parties that the option be a Nonstatutory Option.

4. Stock

The stock subject to Options shall be the shares of the Corporation's authorized but unissued or reacquired Common Stock (the "Stock").

(a) Number of Shares. Subject to adjustment as provided in Paragraph

5(i) of this Plan, the total number of shares of Stock which may be purchased through exercise of Options granted under this Plan shall not exceed five hundred thousand (500,000) shares. If any Option shall for any reason terminate or expire, any shares allocated thereto but remaining unpurchased upon such expiration or termination shall again be available for the grant of Options with respect thereto under this Plan as though no Option had been granted with respect to such shares.

(b) Reservation of Shares. The Corporation shall reserve and keep

available at all times during the term of the Plan such number of shares as shall be sufficient to satisfy the requirements of the Plan. If, after reasonable efforts, which efforts shall not include the registration of the Plan or Options under the Securities Act of 1933, the Corporation is unable to obtain authority from any applicable regulatory body, which authorization is deemed necessary by legal counsel for the Corporation for the lawful issuance of shares hereunder, the Corporation shall be relieved of any liability with respect to its failure to issue and sell the shares for which such requisite authority was so deemed necessary unless and until such authority is obtained.

5. Terms and Conditions of Options

Options granted hereunder shall be evidenced by agreements between the Corporation and the respective Optionees, in such form and substance as the Board or Committee shall from time to time approve. Such agreements need not be identical, and in each case may include such provisions as the Board or Committee may determine, but all such agreements shall be subject to and limited

by the following terms and conditions:

(a) Number of Shares: Each Option shall state the number of shares

to which it pertains.

(b) Option Price: Each Option shall state the Option Price, which

shall be determined as follows:

(i) Any Option granted to a person who at the time the Option is granted owns (or is deemed to own pursuant to Section 425(d) of the Code) stock possessing more than ten

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percent (10%) of the total combined voting power of value of all classes of stock of the Corporation, or of any Affiliate, ("Ten Percent Holder") shall have an Option Price of no less than 110% of the fair market value of the common stock as of the date of grant; and

(ii) Incentive Stock Options granted to a person who at the time the Option is granted is not a Ten Percent Holder shall have an Option price of no less than 100% of the fair market value of the common stock as of the date of grant.

(iii) Nonstatutory Options granted to a person who at the time the Option is granted is not a Ten Percent Holder shall have an Option Price determined by the Board as of the date of grant.

For the purposes of this paragraph 5(b), the fair market value shall be as determined by the Board, in good faith, which determination shall be conclusive and binding; provided however, that if there is a public market for such stock, the fair market value per share shall be the average of the bid and asked prices (or the closing price if such stock is listed on the NASDAQ National Market System) on the date of grant of the Option, or if listed on a stock exchange, the closing price on such exchange on such date of grant.

(c) Medium and Time of Payment: To the extent permissible by

applicable law, the Option price shall be paid, at the discretion of the Board, at either the time of grant or the time of exercise of the Option (i) in cash or by check, (ii) by delivery of other common stock of the Corporation, provided such tendered stock was not acquired directly or indirectly from the Corporation, or, if acquired from the Corporation, has been held by the Optionee for more than six (6) months, (iii) by the Optionee's promissory note in a form satisfactory to the Corporation and bearing interest at a rate determined by the Board, in its sole discretion, but in no event less than 6% per annum, or (iv) such other form of legal consideration permitted by the California Corporations Code as may be acceptable to the Board.

(d) Term and Exercise of Options: Any Option granted to an Employee

of the Corporation shall become exercisable over a period of no longer than five (5) years, and no less than twenty percent (20%) of the shares covered thereby shall become exercisable annually. No Option shall be exercisable, in whole or in part, prior to one (1) year from the date it is granted unless the Board shall specifically determine otherwise, as provided herein. In no event shall any Option be exercisable after the expiration of ten (10) years from the date it is granted, and no Incentive Stock Option granted to a Ten Percent Holder shall, by its terms, be exercisable after the expiration of five (5) years from the date of the Option. Unless otherwise specified by the Board or the Committee in the resolution authorizing such option, the date of grant of an Option shall be deemed to be the date upon which the Board or the Committee authorizes the granting of such Option.

Each Option shall be exercisable to the nearest whole share, in installments or otherwise, as the respective option agreements may provide. During the lifetime of an Optionee, the Option shall be exercisable only by the Optionee and shall not be assignable or transferable by the Optionee, and no other person shall acquire any rights therein. To the extent not exercised, installments (if more than one) shall accumulate, but shall be exercisable, in whole or in part, only during the period for exercise as stated in the option

agreement, whether or not other installments are then exercisable.

(e) Termination of Status as Employee or Consultant: If Optionee's

status as an employee or consultant shall terminate for any reason other than Optionee's disability or death, then the Optionee (or if the Optionee shall die after such termination, but prior to exercise, Optionee's personal representative or the person entitled to succeed to the Option) shall have the right to exercise the portions of any such termination, in whole or in part, at any time within three (3) months after such termination (or in the event of "termination for good cause" as that term is defined under California Labor Code and case law related thereto, such shorter period as the option agreement may specify, but not less than 30 days) or the remaining term of the Option, whichever is the lesser; provided, however, that with respect to Nonstatutory Options, the Board may specify such longer period, not to exceed six (6) months, for exercise following termination as the Board deems reasonable and appropriate. The Option may be exercised only with respect to installments that the Optionee could have exercised at the date of termination

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of employment. Nothing contained herein or in any Option granted pursuant hereto shall be construed to affect or restrict in any way the right of the Corporation to terminate the employee of an Optionee with or without cause.

(f) Disability of Optionee: If an Optionee dies while employed or

engaged as a consultant by the Corporation or an Affiliate, the portion of such Optionee's Option or Options which were exercisable at the date of death may be exercised, in whole or in part, by the estate of the decedent or by a person succeeding to the right to exercise such Option or Options, at any time within (i) a period, as determined by the Board and set forth in the Option, of not less than six (6) months nor more than one (1) year after Optionee's death, which period shall not be less, in the case of a Nonstatutory Option, than the period for exercise following termination, or (ii) during the remaining term of the Option, whichever is the lesser. The Option may be so exercised only with respect to installments exercisable at the time of Optionee's death and not previously exercised by the Optionee.

(g) Nontransferability of Option: No Option shall be transferable by

the Optionee, except by will or by the laws of descent and distribution.

(h) Recapitalization: Subject to any required action by the

stockholders, the number of shares of common stock covered by each outstanding Option, and the price per share thereof set forth in each such Option, shall be proportionately adjusted for any increase or decrease in the number of issued shares of common stock of the Corporation resulting from a subdivision or consolidation of shares or the payment of a stock dividend, or any other increase or decrease in the number of such shares affected without receipt of consideration by the Corporation.

Subject to any required action by the stockholders, if the Corporation shall be the surviving entity in any merger or consolidation, each outstanding Option thereafter shall pertain to and apply to the securities to which a holder of shares of common stock equal to the shares subject to the Option would have been entitled by reason of such merger or consolidation. A dissolution or liquidation of the Corporation or a merger or consolidation in which the Corporation is not the surviving entity shall cause each outstanding Option to terminate on the effective date of such dissolution, liquidation, merger or consolidation. In such event, if the entity which shall be the surviving entity does not tender to Optionee an offer, for which it has no obligation to do so, to substitute for any unexercised Option a stock option or capital stock of such surviving entity, as applicable, which on an equitable basis shall provide the Optionee with substantially the same economic benefit as such unexercised Option, then the Board may grant to such Optionee, but shall not be obligated to do so, the right for a period commencing thirty (30) days prior to and ending immediately prior to such dissolution, liquidation, merger or consolidation or during the remaining term of the Option, whichever is the lesser, to exercise any unexpired Option or Options, without regard to the installment provisions of Paragraph 5(d) of this Plan; provided, that any such right granted shall be granted to all Optionees not receiving an offer to substitute on a consistent

basis, and provided further, that any such exercise shall be subject to the consummation of such dissolution, liquidation, merger or consolidation.

In the event of a change in the common stock of the Corporation as presently constituted, which is limited to a change of all of its authorized shares without par value into the same number of shares with a par value, the shares resulting from any such change shall be deemed to be the common stock within the meaning of this Plan.

To the extent that the foregoing adjustments relate to stock or securities of the Corporation, such adjustments shall be made by the Board, whose determination in that respect shall be final, binding and conclusive. Except as expressly provided in this Paragraph 5(i), the Optionee shall have no rights by reason of any subdivision or consolidation of shares of stock or any class or the payment of any stock dividend or any other increase or decrease in the number of shares of stock of any class, and the number or price of shares of common stock subject to any Option shall not be affected by, and no adjustment shall be made by reason of, any dissolution, liquidation, merger or consolidation, or any issue by the Corporation of shares of stock of any class or securities convertible into shares of stock of any class.

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The grant of an Option pursuant to the Plan shall not affect in any way the right or power of the Corporation to make any adjustments, reclassifications, reorganizations or changes in its capital or business structure or to merge, consolidate, dissolve, or liquidate or to sell or transfer all or any part of its business or assets.

(i) *Rights as a Stockholder:* An Optionee shall have no rights as a

stockholder with respect to any shares covered by an Option until the date of the issuance of a stock certificate to Optionee for such shares. No adjustment shall be made for dividends (ordinary or extraordinary, whether in cash, securities or other property) or distributions or other rights for which the record date is prior to the date such stock certificate is issued, except as expressly provided in Paragraph 5(i) hereof.

(j) *Modification, Acceleration, Extension, and Renewal of Options:*

Subject to the terms and conditions and within the limitations of the Plan, the Board may modify an Option, or once an Option is exercisable, accelerate the rate at which it may be exercised, and may extend or renew outstanding Options granted under the Plan or accept the surrender of outstanding Options (to the extent not theretofore exercised) and authorize the granting of new Options in substitution for such Options, provided such action is permissible under Section 422A of the Code and Section 260.140.41 of the Corporate Securities Rules of the California Corporations Commissioner.

Notwithstanding the foregoing provisions of this Paragraph 5(k), however, no modification of an Option shall, without the consent of the Optionee, alter to the Optionee's detriment or impair any rights or obligations under any Option theretofore granted under the Plan.

(k) *Investment Intent:* Unless and until the issuance and sale of the

shares subject to the Plan are registered under the Securities Act of 1933, as amended (the "Act"), each Option under the Plan shall provide that the purchases of stock thereunder shall be for investment purposes and not with a view to, or for resale in connection with, any distribution thereof. Further, unless the issuance and sale of the stock have been registered under the Act, each Option shall provide that no shares shall be purchased upon the exercise of such Option unless and until (i) any then applicable requirements of state and federal laws and regulatory agencies shall have been fully complied with to the satisfaction of the Corporation and its counsel, and (ii) if requested to do so by the Corporation, the person exercising the Option shall (i) give written assurances as to knowledge and experience of such person (or a representative employed by such person) in financial and business matters and the ability of such person (or representative) to evaluate the merits and risks of exercising the Option, and (ii) execute and deliver to the Corporation a letter of investment intent, all in such form and substance as the Corporation may require. If shares are issued upon exercise of an Option without registration under the Act, subsequent registration of such shares shall relieve the purchaser thereof of any

investment restrictions or representations made upon the exercise of such Options.

(l) *Exercise Before Exercise Date: At the discretion of the Board,*

the Option may, but need not, include a provision whereby the Optionee may elect to exercise all or any portion of the Option prior to the stated exercise date of the Option or any installment thereof. Any shares so purchased prior to the stated exercise date shall be subject to repurchase by the Corporation upon termination of Optionee's employment as contemplated by Paragraphs 5(3), 5(f) and 5(g) hereof prior to the exercise date stated in the Option and such other restrictions and conditions as the Board or Committee may deem advisable.

(m) *Other Provisions: The Option agreements authorized under this*

Plan shall contain such other provisions, including, without limitation, restrictions upon the exercise of the Options, as the Board or the Committee shall deem advisable. Shares shall not be issued pursuant to the exercise of an Option, if the exercise of such Option or the issuance of shares thereunder would violate, in the opinion of legal counsel for the Corporation, the provisions of any applicable law or the rules or regulations of any applicable governmental or administrative agency or body, such as the Act, the Securities Exchange Act of 1934, the rules promulgated under the foregoing or the rules and regulations of any exchange upon which the shares of the Corporation are listed.

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6. *Availability of Information*

During the term of the Plan and any additional period during which an Option granted pursuant to the Plan shall be exercisable, the Corporation shall make available, not later than one hundred and twenty (120) days following the close of each of its fiscal years, such financial and other information regarding the Corporation as is required by the bylaws of the Corporation and applicable law to be furnished in an annual report to the stockholders of the Corporation.

7. *Effectiveness of Plan; Expiration*

Subject to approval by the stockholders of the Corporation, this Plan shall be deemed effective as of the date it is adopted by the Board. The Plan shall expire on December 31, 1997, but such expiration shall not affect the validity of outstanding Options.

8. *Amendment and Termination of the Plan*

The Board may, insofar as permitted by law, from time to time, with respect to any shares at the time not subject to Options, suspend or terminate the Plan or revise or amend it in any respect whatsoever, except that without the approval of the stockholders of the Corporation, no such revision or amendment shall (i) increase the number of shares subject to the Plan, (ii) decrease the price at which Options may be granted, (iii) materially increase the benefits to Optionees, or (iv) change the class of persons eligible to receive Options under this Plan; provided, however, no such action shall alter or impair the rights and obligations under any Option outstanding as of the date thereof without the written consent of the Optionee thereunder. No Option may be granted while the Plan is suspended or after it is terminated, but the rights and obligations under any Option granted while the Plan is in effect shall not be impaired by suspension or termination of the Plan.

9. *Indemnification of Board*

In addition to such other rights or indemnifications as they may have as directors or otherwise, and to the extent allowed by applicable law, the members of the Board and the Committee shall be indemnified by the Corporation against the reasonable expenses, including attorneys' fees, actually and necessarily incurred in connection with the defense of any claim, action, suit or proceeding, or in connection with any appeal thereof, to which they or any of them may be a party by reason of any action taken, or failure to act, under or

in connection with the Plan or any Option granted thereunder, and against all amounts paid by them in settlement thereof (provided such settlement is approved by independent legal counsel selected by the Corporation) or paid by them in satisfaction of a judgment in any such claim, action, suit or proceeding, except in any case in relation to matters as to which it shall be adjudged in such claim, action, suit or proceeding that such Board member is liable for negligence or misconduct in the performance of his or her duties; provided that within sixty (60) days after institution of any such action, suit or Board proceeding the member involved shall offer the Corporation, in writing, the opportunity, at its own expense, to handle and defend the same.

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10. Application of Funds

The proceeds received by the Corporation from the sale of common stock pursuant to the exercise of Options will be used for general corporate purposes.

11. No Obligation to Exercise Option

The granting of an Option shall impose no obligation upon the Optionee to exercise such Option.

12. Notices

All notice, requests, demand, and other communications pursuant this Plan shall be in writing and shall be deemed to have been duly given on the date of service if served personally on the party to whom notice is to be given, or on the third day following the mailing thereof to the party to whom notice is to be given, by first class mail, registered or certified, postage prepaid.

* * * * *

The foregoing Incentive Stock Option Plan was duly adopted and approved by the Board of Directors on April 1, 1997, and approved by the shareholders of the Corporation effective April 1, 1997.

/s/

Najeeb U. Ghauri, Secretary

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EXHIBIT 24.2

CONSENT OF HOFFSKI & PISANO, P.C.

May 15, 1997

Horwitz & Beam
Attorneys at Law
Two Venture Plaza., Ste. 380
Irvine, CA 92618

ATTN: Lynne Bolduc

To whom it may concern:

We hereby consent to the use of our audit reports for Mirage Collection, A Partnership for the twelve months ended June 30, 1996 and the six months ended December 31, 1996 for use in the form SB 2 Registration Statements of Mirage Holdings, Inc.

Sincerely

/s/

Hoffski & Pisano, CPAs

EXHIBIT 28

SPECIMEN OF COMMON STOCK CERTIFICATE

OF MIRAGE HOLDINGS, INC.

SPECIMEN

MIRAGE HOLDINGS, INC.

AUTHORIZED: 25,000,000 SHARES COMMON STOCK

\$.001 PAR VALUE EACH

This Certifies that _____ is the registered holder of _____ Shares of the above named Corporation, transferable only on the books of the Corporation by the holder hereof in person or by Attorney upon surrender of this Corporation properly endorsed.

In Witness Whereof, the said Corporation has caused this Certificate to be signed by its duly authorized officers and its Corporate Seal to be hereunder affixed this _____ day of _____ A.D. _____

Secretary

President

For Value Received, _____ hereby sell, assign and transfer unto _____ Shares represented by the within Certificate, and do hereby irrevocably constitute and appoint _____ Attorney to transfer the said Shares on the books of the within named Corporation with full power of substitution in the premises.

Dated _____
In presence of _____