

F980000001173
BUCKINGHAM, DOOLITTLE & BURROUGHS, LLP

1375 E. 9th Street Suite 1700 Cleveland, Ohio 44114
216.621.5300 Fax 216.621.5440 www.bdblaw.com

Candace E. Campbell
(216) 615-7314

Akron
Belden Village
Canton
Cleveland
Columbus
Boca Raton
Naples

June 28, 1999

Secretary of State
Division of Corporations
409 East Gaines Street
Tallahassee, Florida 32399

FILED
99 AUG -2 PM 3:12
SECRETARY OF STATE
TALLAHASSEE, FLORIDA

RE: Articles and Plan of Merger and Agreement as Exhibit A

Dear Sir/Madam:

Enclosed please find an original and three copies of the Articles of Merger of Techknowquest, Inc. into DeCarlo, Paternite and Associates, Inc.. I have also enclosed a check in the amount of \$70.00 for the filing fees.

Please return three time stamped copies to the undersigned in the postage pre-paid envelope enclosed herein.

Thank you for your prompt assistance with this matter.

Very truly yours,

Candace E. Campbell / Sir

Candace E. Campbell

CEC:sir
Enclosures

«CL2:86727_1»

100002918381--0
-06/29/99-01038-003
*****70.00 *****70.00

Mengen

V. SHEPARD AUG 3 1999

ARTICLES OF MERGER
Merger Sheet

MERGING:

TECHKNOWQUEST, INC., a Florida corporation, P92000010902

into

DECARLO, PATERNITE & ASSOC., INC., an Ohio corporation F98000001173

File date: August 2, 1999

Corporate Specialist: Velma Shepard



FLORIDA DEPARTMENT OF STATE

Katherine Harris
Secretary of State

July 2, 1999

CANDACE E. CAMPBELL
BUCKINGHAM, DOOLITTLE & BURROUGHS, LLP
1375 E. 9TH ST., STE. 1700
CLEVELAND, OH 44114

SUBJECT: DECARLO, PATERNITE & ASSOC., INC.
Ref. Number: F98000001173

We have received your document for DECARLO, PATERNITE & ASSOC., INC. and your check(s) totaling \$70.00. However, the enclosed document has not been filed and is being returned for the following correction(s):

Our records indicate the current name of the entity is as it appears on the enclosed computer printout. Please correct the name throughout the document.

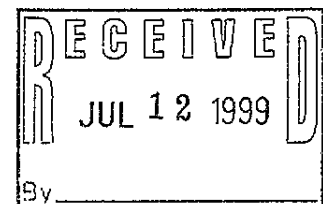
All we need is the articles and plan of merger. We do not need all the exhibits referred to in your original agreement and plan of merger as being attached which was not attached. Please see the attached form for filing articles and plan of merger this information is all we need.

Please return your document, along with a copy of this letter, within 60 days or your filing will be considered abandoned.

If you have any questions concerning the filing of your document, please call (850) 487-6909.

Velma Shepard
Corporate Specialist

Letter Number: 499A00034949



ARTICLES OF MERGER
of
TECHKNOWQUEST, INC.

into &
DECARLO, PATERNITE AND ASSOCIATES, INC. ~~XXXXXX~~, INC. SECRETARY OF STATE
TALLAHASSEE, FLORIDA

FILED

99 AUG -2 PM 3: 12

Pursuant to Section 607.1105, Florida Statutes, the undersigned corporations, Decarlo, Paternite and Associates, Inc. ("DPAI"), an Ohio corporation, and TechKnowQuest, Inc. ("TKQ"), a Florida corporation, adopt the following Articles of Merger for the purpose of merging (the "Merger") TKQ into DPAI:

1. Plan of Merger. The Agreement and Plan of Merger setting forth the terms and conditions of the merger of TKQ into DPAI is attached to these Articles as Exhibit A and incorporated herein by reference.

2. Adoption of Plan.

- (a) TKQ adopted the Plan of Merger on June 7, 1999, by unanimous written consent of its Board of Directors and all shareholders.
- (b) DPAI adopted the Plan of Merger on June 8, 1999, by unanimous written consent of its Board of Directors. Shareholder approval was not required for this corporation.

3. Effective Date. The Merger shall be effective on the filing of these Articles with the Florida Department of State; and the filing of a Certificate of Merger with the Ohio Secretary of State.

IN WITNESS WHEREOF, each of the undersigned corporations has caused these Articles of Merger to be signed as of June 8, 1999.

DECARLO, PATERNITE AND ASSOCIATES, INC. ~~XXXXXX~~

By: Frank S. Paternite
Frank S. Paternite, Executive Vice President

TECHKNOWQUEST, INC.

By: Richard Kemp
Richard Kemp, President

PLAN OF MERGER

The following plan of merger is submitted in compliance with section 607.1101, F.S. and in accordance with the laws of any other applicable jurisdiction.

FIRST: The name and jurisdiction of the surviving corporation are

Name: Decarlo, Paternite & Assoc., Inc.

Jurisdiction: Ohio

SECOND: The name and jurisdiction of the merging corporation is:

Name: TechKnowQuest, Inc.

Jurisdiction: Florida

THIRD: The terms and conditions of the merger are as follows:

1. **Articles of Incorporation and Code of Regulations of Surviving Corporation.**

The Articles of Incorporation and Code of Regulations of DPAI as in effect at the Effective Time (as defined below) shall be the Articles of Incorporation and the Code of Regulations of the Surviving Corporation until amended in accordance with the provisions of such Articles of Incorporation, Code of Regulations and Ohio law.

2. **Closing; Effective Time.** The Closing of the transactions contemplated hereby (the "Closing") will take place simultaneously with the execution and delivery of this Agreement. The Closing shall take place at the offices of Buckingham, Doolittle & Burroughs, LLP, 1375 E. 9th Street, Suite 1700, Cleveland, Ohio 44114 and Holland & Knight LLP, 200 S. Orange Avenue, Suite 2600, P.O. Box 1526, Orlando, Florida 32801 (the date and time of the Closing are hereinafter referred to as the "Closing Date"). At the time of the Closing, the parties will cause the Merger to be consummated by filing a Certificate of Merger with the Secretary of State of Ohio in such form as is required by and executed in accordance with the Ohio General Corporation law; and by the filing of the Articles of Merger with the Secretary of State of Florida, in such form as is required by and executed in accordance with the Florida Business Corporation Act. The date and time of the last of such filings will be the effective time (the "Effective Time").

3. **Directors and Officers of Surviving Corporation.** As of the Effective Time, DPAI's board of directors shall consist of the following, who shall also hold the offices set forth below:

Vincent T. DeCarlo	President/Treasurer
Frank S. Paternite	Executive Vice President/Secretary

Such directors shall serve until the next annual shareholders' meeting of DPAI and until their successors are elected or until their earlier death, resignation, disqualification, or removal.

4. **Effect of Merger.** At the Effective Time, as provided by law, the separate corporate existence of TKQ will cease, and DPAI shall succeed to all the rights and properties, and will be subject to all the debts and liabilities, of TKQ. All rights of creditors and all liens of both TKQ and DPAI shall be preserved unimpaired, but limited to the property affected by the liens immediately prior to the Merger. DPAI will carry on its business with the assets of TKQ as well as with its own assets.

5. **Shareholder and Director Approval.** This Agreement was approved by the Board of Directors of TKQ by unanimous written consent on June 7, 1999, and by the Board of Directors of DPAI by unanimous written consent on June 7, 1999. This Agreement was approved by the shareholders of TKQ by unanimous written consent on June 7, 1999.

6. **Filing of Ohio and Florida Merger Certificates.** Subject to the conditions contained in this Agreement, (a) the Certificate of Merger shall be filed with the Office of the Secretary of State of Ohio, as provided by Section 1701.78 *et seq.* of the General Corporation Law of the State of Ohio; and (b) the Articles of Merger shall be filed with the Office of the Secretary of State of Florida, as provided by Section 607.1105(1) of the Florida Business Corporation Act.

7. **Representations and Warranties of TKQ and the Kems.** Except as set forth in the TKQ Schedule, to be jointly prepared and delivered by TKQ, Richard Kemp and Christine Kemp simultaneously with the execution hereof, TKQ and Richard Kemp and Christine Kemp, jointly and severally, represent and warrant to DPAI that:

- (a) **Corporate Status.** TKQ is a corporation duly organized, validly existing and in good standing under the laws of the State of Florida and has the power and authority to own its properties and conduct its business as now being conducted.
- (b) **Capitalization.** TKQ's authorized capital stock consists of 7,500 shares of common stock, without par value, of which 100 shares are issued and outstanding. All such shares have been validly issued and are fully paid and non-assessable. TKQ does not have outstanding, and has not agreed to issue, sell or transfer, any options, rights, warrants, or other commitments, pursuant to which the holder thereof has or will have the right to purchase or otherwise acquire any of TKQ's capital stock or any other equity or other security of TKQ. TKQ will not, from the date of execution of this Agreement until the Effective Time, issue any stock, options, rights, warrants or convertible securities or enter into any such agreements.
- (c) **Ownership of Shares.** Christine Kemp and Richard Kemp are the owners of 67 and 33 shares, respectively, of the common stock of TKQ. As of the date hereof and at the Effective Time, the Kems have and will have good and marketable title to such shares, free and clear of all security interests, mortgages, liens, pledges and encumbrances of any kind or nature.

- (d) Authorization. This Agreement, and the consummation of the transactions contemplated hereby, have been unanimously approved by the Board of Directors of TKQ and by the Kemps, and all actions required to be performed by TKQ under any applicable law or otherwise with respect to such transactions have been appropriately authorized and accomplished.
- (e) Consent of Third Parties. This Agreement is legally binding upon TKQ and the Kemps. The consummation of the transactions contemplated hereby in accordance with the terms hereof does not require the consent of any third party. TKQ's execution of this Agreement and the consummation of the transactions contemplated hereby will not result in the violation of, or any default under, any contract to which TKQ is a party, or any order, judgment, injunction, arbitration, award or decree by which TKQ or any of its properties is bound.
- (f) TKQ's Financial Statements. The balance sheets, income statements and related schedules for the years ending December 1998 and 1997 and the three month period ending March 31, 1999 (the "Balance Sheet Date") (hereinafter, collectively the "Financial Statements") which have been delivered to DPAI were prepared in accordance with the internal books and records of TKQ and fairly present in all material respects the financial condition and results of operations of TKQ as of and at the respective dates and for the respective periods covered thereby. The Financial Statements were prepared on a cash basis and not in conformity with generally accepted accounting principles ("GAAP")
- (g) Absence of Certain Changes. Since the Balance Sheet Date, the business operations of TKQ have been conducted in the ordinary course of business consistent with past practices, and there has been no material change in the financial condition, results of operations, assets, liabilities, business, or business prospects of TKQ since the Balance Sheet Date; provided, however, the parties acknowledge that a significant number of TKQ's employees, including, but not limited to, the Kemps, have devoted substantial time to the transactions contemplated hereunder during the past four (4) to six (6) weeks.
- (h) Liabilities. As of the Balance Sheet Date, TKQ did not have any liabilities, whether absolute, accrued, contingent or otherwise, that were not disclosed on the March 31, 1999 Balance Sheet, and there is no basis, as of such date, for assertion of any liability against TKQ which is not disclosed on such Balance Sheet. Since the Balance Sheet Date, TKQ has not incurred any liabilities except in the ordinary course of business, and there is no basis for assertion of any such liability, nor has any person asserted the existence of such a liability.

- (i) Taxes. TKQ has duly and timely filed all tax returns required to be filed by it, and has paid all taxes due or claimed to be due by any governmental authority. There are no pending tax examinations or tax claims asserted against TKQ, and there is no basis for any such claim. TKQ has not extended the time for the filing of any tax returns beyond their normal due dates.
- (j) Title to Assets. TKQ has good and marketable title to all of its assets (real and personal), free and clear of all liens and encumbrances, except for certain scheduled liens and encumbrances and TKQ's use of any intangible assets has not infringed the rights of any other person. The rights, properties and other assets presently owned, leased or licensed by TKQ include all rights, properties and other assets necessary to permit TKQ to conduct its business in the manner its business is presently being conducted.
- (k) Contracts and Commitments of TKQ. Except for the contracts, leases and commitments scheduled, TKQ is not a party to any written or oral contract, lease or commitment, including any:
 - (1) management, employment, or consulting contracts;
 - (2) life insurance, health insurance, malpractice liability insurance, pension, profit sharing, retirement, deferred compensation or other employee benefit plans or arrangement;
 - (3) collective bargaining or other labor agreements;
 - (4) loan agreement, promissory note, or other type of agreement evidencing indebtedness;
 - (5) security agreement, mortgage, indenture, or other type of security document;
 - (6) lease with respect to real or personal property;
 - (7) sale or purchase contract, including unfilled sales or purchase orders;
 - (8) guarantee of the obligation of another or indemnity agreement; or
 - (9) license, know how or technology transfer agreement.

All of such contracts, leases and commitments are in full force and effect, and TKQ and the other parties thereto have performed all of the obligations required to be performed by them thereunder and are not in default thereof. Neither the execution of this Agreement, nor the

consummation of the transactions contemplated hereby, will constitute a default under any of the contracts, leases or commitments described herein.

- (l) Insurance Policies. All insurance policies and performance bonds scheduled and referenced herein are in full force and effect and all premiums due thereunder have been paid on a timely basis. TKQ has not been notified by any representative of any insurer of the existence of any ground for cancellation of said policies or performance bonds or for the reduction of coverages provided thereby.
- (m) Employment Matters. TKQ has provided to DPAI a complete schedule of the following:
 - (1) Compensation paid to all employees of TKQ (other than the Kemps);
 - (2) All of TKQ's employment manuals and other documents distributed to employees and retirees concerning the terms and conditions of their employment and benefits provided to them; and
 - (3) A summary description of all fringe benefits provided to TKQ's employees and retirees, including vacation, insurance, health, dental, travel, entertainment, retirement, education, and moving expense reimbursement benefits.
- (n) Workers' Compensation Matters. TKQ and the Kemps have not received any notice, either oral or written, of any claim under Florida's Workers Compensation Act ("Act"). There are no pending claims or investigations involving any claims under this Act. TKQ and the Kemps have not received notice from the State of Florida or any authorized agency regarding the Act.
- (o) Legal Proceedings. There are no legal or administrative proceedings of any nature pending or threatened against or affecting TKQ or the Kemps, and TKQ is not in default of any judgment, writ, injunction or order of any court or governmental agency.
- (p) Compliance with Laws. TKQ has not received any notice from any governmental entity asserting a violation by TKQ of, or ordering TKQ to comply with, any laws, regulations, or governmental orders of any type, and there are no pending claims or investigations involving asserted violations thereof. TKQ has duly complied with all statutes, regulations and governmental orders of all types and has acquired all licenses and permits required for the operation of its business.

- (q) Disclosure. TKQ and the Kemps have disclosed to DPAI all facts material to the business, assets, operations, financial condition, and prospects of TKQ. There is no matter known to TKQ or the Kemps not disclosed to DPAI which may have, or is having, a material adverse impact on TKQ. The information contained in the TKQ Schedule, the Exhibits attached and to be attached to this Agreement, and in all other documents delivered and to be delivered hereunder by TKQ or the Kemps to DPAI is and will be complete and accurate and no representation or warranty made or to be made herein or therein contains or will contain an untrue statement or omits or will omit to state a fact necessary to make the representations contained herein or therein not misleading.
- (r) Benefit Plans. Other than its SARSEP Plan, TKQ has not adopted and does not currently participate in or contribute funds to any employee benefit plans which are subject to regulation under the Employee Retirement Income Security Act of 1974.
- (s) Books and Records. All of TKQ's books and records of account have been accurately kept and are in all material respects complete and correct.
- (t) Corporate Name. TKQ is the owner of the name "TechKnowQuest" ("Corporate Name") and all variations thereof previously used in the operation of TKQ's business. TKQ is owner of all rights to the Corporate Name and has no knowledge of its use of the Corporate Name infringing on the rights of any third party.
- (u) DPAI Stock Not Registered. Each of the Kemps acknowledge that the DPAI stock to be received by them in connection with the Merger has not been registered under the Securities Act of 1933 and cannot be sold, transferred, pledged or otherwise distributed unless a registration statement registering such stock has been filed and becomes effective, or unless the stock is sold or distributed in a transaction in respect of which DPAI has previously received an opinion of counsel, in form and substance reasonably satisfactory to DPAI, as the issuer of stock, stating that such transaction is in conformity with the Securities Act of 1933 and the rules and regulations promulgated thereunder.
- (v) Legend. Any certificate or certificates representing DPAI common stock will bear the following legend unless and until removal thereof is permitted pursuant to the terms of this Agreement:

THE SHARES REPRESENTED BY THIS CERTIFICATE HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933 (THE "ACT") OR UNDER ANY APPLICABLE STATE SECURITIES LAW AND MAY NOT BE SOLD, TRANSFERRED OR ASSIGNED IN THE ABSENCE OF AN EFFECTIVE

REGISTRATION STATEMENT UNDER THE ACT FOR THESE SHARES, OR AN OPINION OF COUNSEL REASONABLY SATISFACTORY TO THE ISSUER THAT REGISTRATION IS NOT REQUIRED UNDER THE ACT AND THE RULES AND REGULATIONS PROMULGATED THEREUNDER, OR UNDER APPLICABLE STATE SECURITIES LAWS. SUCH SECURITIES ARE ADDITIONALLY SUBJECT TO CERTAIN RESTRICTIONS SPECIFIED IN THE BUY-SELL AGREEMENT DATED AS OF MAY 31, 1999 BETWEEN DECARLO, PATERNITE AND ASSOCIATES, INC. AND THE INITIAL HOLDER OF THE SHARES REPRESENTED BY THIS CERTIFICATE, A COPY OF WHICH WILL BE FURNISHED WITHOUT CHARGE TO THE HOLDER HEREOF UPON WRITTEN REQUEST, AND THE HOLDER HEREOF AGREES TO BE BOUND THEREBY.

- (w) Removal of Legend. Upon any permitted transfer, which transfer does not require the legend in Section (u) above, DPAI agrees to causes the removal of such legend for any DPAI stock so transferred upon their reissuance to the transferee.
- (x) Examination and Investment Representation. Each of the Kemps severally represents and warrants to DPAI that each of them:
 - (i) Is acquiring the DPAI stock for his or her own account for investment within the contemplation of the Securities Act of 1933 and not with a view to the transfer or resale thereof, except to the extent otherwise expressly permitted by the Securities Act;
 - (ii) Has been advised by legal counsel of the legal implications and effect of the foregoing Sections (t) - (v) under the Securities Act, and that the circumstances under which he or she may dispose of his or her DPAI common stock under the Securities Act;
 - (iii) Has sufficient knowledge and experience in business and financial matters so as to be capable of evaluating the merits and risks of an investment in DPAI;
 - (iv) Prior to signing this Agreement, was given access to and information regarding DPAI and the DPAI common stock (including business plans and financial statements) to the extent believed necessary in connection with the Kemps decision to invest in the DPAI stock, and was given the opportunity to ask detailed questions and receive satisfactory answers concerning the terms and conditions of this Agreement pursuant to which DPAI is offering to issue DPAI common stock to the Kemps, and the risk associated with DPAI and an investment in the DPAI common

stock. All such questions have been answered to the satisfaction of the Kemps and the Kemps have been supplied with all additional information and documents requested and deemed necessary by the Kemps, or their professional advisors, to make an investment decision with respect to the DPAI common stock being acquired pursuant to this Agreement; and

- (v) Prior to signing this Agreement, each of the Kemps had the opportunity to consult with their respective legal counsel, or other professional advisors, to the extent desired by them as to their investment in the DPAI common stock.

- (y) Survival of Representations and Warranties. All such representations and warranties shall survive for a period of two years after the Effective Time regardless of any investigation or lack of investigation by any party to this Agreement.

8. Representations and Warranties of DPAI. Except as set forth in DPAI's schedules, to be delivered by DPAI simultaneously with the execution hereof, DPAI represents and warrants to TKQ and the Kemps that:

- (a) Corporate Status. DPAI is a corporation duly organized, validly existing and in good standing under the laws of the State of Ohio and has the power and authority to own its properties and conduct its business as now being conducted.
- (b) Capitalization. DPAI's authorized capital stock consists of 3,000 shares of common stock, without par value, of which 2,280 shares are issued and outstanding. All such shares have been validly issued and are fully paid and non-assessable. DPAI does not have outstanding, and has not agreed to issue, sell or transfer, any options, rights, warrants, or other commitments, pursuant to which the holder thereof has or will have the right to purchase or otherwise acquire, any of DPAI's capital stock or any other equity or other security of DPAI.

Notwithstanding the foregoing, DPAI has disclosed to TKQ and the Kemps that DPAI intends to establish in the near future an incentive Stock Option Plan for the benefit of its officers and employees; that DPAI's present intention is that approximately 180 shares of DPAI common stock will be made available for issuance under such Plan; and that DPAI has entered into a Letter of Intent with Wizard Computer Systems, Inc. providing for the merger of Wizard Computer Systems, Inc. into a subsidiary of DPAI and pursuant to which approximately 420 shares of DPAI common stock may be issued to the sole shareholder at Wizard Computer Systems, Inc. DPAI makes no representation or warranty that the number of shares reserved for issuance under the incentive Stock

Option Plan, or which may finally be issued as a result of final negotiations with Wizard Computer Systems, Inc., may not be either greater or lesser than the amounts referred to in the previous sentences. DPAI will not, from the date of execution of this Agreement until the Effective Time, issue any stock, options, rights, warrants or convertible securities or enter into any such agreements.

- (c) Authorization. This Agreement, and the consummation of the transactions contemplated hereby, have been unanimously approved by the Board of Directors of DPAI, and all actions required to be performed by DPAI by any applicable law or otherwise with respect to such transactions have been appropriately authorized and accomplished.
- (d) Consent of Third Parties. This Agreement is legally binding upon DPAI and the consummation of the transactions contemplated hereby in accordance with the terms hereby does not require the consent of any third party. DPAI's execution of this Agreement and the consummation of the transactions contemplated herein will not result in the violation of, or any default under, any contract which DPAI is a party, or any order, judgment, injunction, arbitration, award or decree by which DPAI is bound.
- (e) DPAI's Financial Statements. The unaudited balance sheet of DPAI as of March 31, 1999 and related statements of income, retained earnings and cash flows, which have been delivered to TKQ were prepared in accordance with GAAP, consistently applied; DPAI's audited balance sheet as of December 31, 1998 and the related statements of income, retained earnings and cash flows for the year then ended, which have been delivered to TKQ, were prepared in accordance with GAAP, consistently applied; and DPAI's balance sheet (unaudited) as of December 31, 1997 and the related (unaudited) statements of income, retained earnings and cash flows for the year then ended, which have been delivered to TKQ, fairly reflect the financial condition of DPAI as of the dates indicated thereon, and the results of DPAI's operations for the respective periods then ended. The 1997 financial statements were not prepared in accordance with GAAP.
- (f) Absence of Certain Changes. Since December 31, 1998, the business operations of DPAI have been conducted in the ordinary course of business consistent with past practices, and there has been no material change in the financial condition, results of operations, assets, liabilities, business, or business prospects of DPAI.
- (g) Liabilities. As of December 31, 1998, DPAI did not have any liabilities whether absolute, accrued, contingent or otherwise that were not disclosed on the December 31, 1998 Balance Sheet, and there is no basis, as of such date, upon which any person could assert a liability against DPAI which is

not disclosed on such Balance Sheet. Since December 31, 1998, DPAI has not incurred any liabilities outside the ordinary course of business, and there is no basis upon which any person could assert such a liability, nor has any person asserted the existence of such a liability.

- (h) Taxes. DPAI has duly and timely filed all tax returns required to be filed by it and has paid all taxes due or claimed to be due by any governmental authority. There are no pending tax examinations or tax claims asserted against DPAI, and there is no basis for any such claim. DPAI has not extended the time for the filing of any tax returns beyond their normal due date.
- (i) Title to Assets. DPAI has good and marketable title to all of its assets (real and personal), free and clear of all liens and encumbrances, except for those liens and encumbrances scheduled. The rights, properties and other assets presently owned, leased or licensed by DPAI include all rights, properties and other assets necessary to permit DPAI to conduct its business in the manner as its business is presently being conducted.
- (j) Legal Proceedings. There are no legal or administrative proceedings of any nature pending or threatened against DPAI, and DPAI is not in default of any judgment, writ, injunction or order of any court or governmental agency.
- (k) Compliance with Laws. DPAI has not received any notice from any governmental entity asserting a violation by DPAI of, or ordering DPAI to comply with, any laws, regulations, or governmental orders of any type, and there are no pending claims or investigations involving asserted violations thereof. DPAI has duly complied with all statutes, regulations and governmental orders of all types and has acquired all licenses and permits required for the operation of its business.
- (l) Disclosure. DPAI has disclosed to TKQ all facts material to the business, assets, operations, financial condition, and prospects of DPAI. There is no matter known to DPAI not disclosed to TKQ which may have, or is having, a material adverse impact on DPAI. The information contained in the Exhibits attached and to be attached to this Agreement and in all other documents delivered and to be delivered hereunder by DPAI to TKQ is and will be complete and accurate and no representation or warranty made or to be made herein or therein contains or will contain an untrue statement or omits or will omit to state a fact necessary to make the representations contained herein or therein not misleading.
- (m) Books and Records. All of DPAI's books and records of account have been accurately kept and are in all material respects complete and correct.

- (n) **Survival of Representations and Warranties.** All such representations and warranties shall survive the Effective Time for a period of two years regardless of any investigation or lack of investigation by any party to this Agreement.

9. **Release of Guarantees.** The Surviving Corporation shall use commercially reasonable efforts to have the Kemps released, after the Closing Date, from any and all guarantees on any indebtedness personally guaranteed by either of them, and from any and all pledges of assets pledged by either of them to secure such indebtedness for the benefit of TKQ as set forth in Exhibit D to the TKQ Schedule. The Surviving Corporation shall indemnify and hold harmless the Kemps from the payment of any guarantees on any indebtedness or contractual obligations that the Kemps have incurred prior to the Effective Time; provided that such indebtedness or obligations are related to the business of TKQ as being conducted immediately prior to the Effective Time, and provided further, that such indebtedness or obligations are disclosed in TKQ's Financial Statements.

10. **Registration Rights.** TKQ and the Kemps agree and acknowledge that none of DPAI, or any of DPAI's officers, directors, employees or shareholders, has made any representation, warranty, promise or commitment to TKQ or the Kemps regarding the likelihood or timing of any possible initial public offering of the shares of DPAI. Notwithstanding the foregoing, if, at any time in the future, DPAI does engage in an initial public offering of its shares registered under the Securities Act of 1933, then and in such event the Kemps will have on a pro rata basis the same kinds of registration rights as are at that time afforded to other members of DPAI's management.

11. **Conditions Precedent to Closing.**

- (a) The obligations of DPAI to effect the Merger shall be subject to the satisfaction of each of the following conditions, unless waived in writing by DPAI:
- (i) The representations and warranties of TKQ, Richard Kemp and Christine Kemp contained herein shall be true as of the Effective Time and with the same effect as though made at such time.
 - (ii) Richard and Christine Kemp shall have entered into the Executive Employment Agreements.
 - (iii) The parties shall have entered into the Buy-Sell Agreement
- (b) The obligations of TKQ and the Kemps to effect the Merger shall be subject to the satisfaction of each of the following conditions, unless waived in writing by TKQ and the Kemps:

- (i) The representations and warranties of DPAI contained herein shall be true as of the Effective Time and with the same effect as though made at such time.
- (ii) DPAI shall have entered into the Executive Employment Agreements.
- (iii) The parties shall have entered into the Buy-Sell Agreement.
- (iv) DPAI shall have delivered the 120 shares of DPAI common stock to the Kemps.

12. **Termination.** This Agreement may be terminated at any time prior to the Merger becoming effective by the Boards of Directors of the Constituent Corporations.

13. **Indemnification.**

- (a) **By TKQ and the Kemps.** TKQ, Christine Kemp and Richard Kemp, jointly and severally, agree to indemnify and hold DPAI harmless from any liabilities or losses (including reasonable attorneys' fees and all costs of defense) resulting from or related or attributable to:
 - (i) The falsity or inaccuracy of any representations or warranties made herein by any of them;
 - (ii) The failure to completely perform any of their covenants or other obligations herein; or
 - (iii) The amount of any awards with respect to claims made under the Florida Workers' Compensation Act for any occurrence which occurred on or prior to the Closing Date; and the amount of any penalty, fine or assessment levied by the State of Florida regarding the Act for any period on or prior to the Closing Date.
- (b) **By DPAI.** DPAI agrees to indemnify and hold harmless TKQ and the Kemps from any liabilities or losses (including reasonable attorneys' fees and all costs of defense) resulting from or related or attributable to:
 - (i) The falsity or inaccuracy of any representations or warranties made herein by DPAI; or
 - (ii) The failure to completely perform any of DPAI's covenants or other obligations herein.
- (c) The party indemnified hereunder (the "Indemnified Party") shall notify in writing the indemnifying party (the "Indemnifying Party") within 30 days

after a claim is presented to the Indemnified Party, and the Indemnifying Party shall defend such claim at its expense. If the Indemnifying Party does not defend or settle such claim, the Indemnified Party may do so without the Indemnifying Party's participation, in which case the Indemnifying Party shall pay the expenses of such defense; provided, however, that the Indemnified Party may not settle or compromise such claim without the consent of the Indemnifying Party or a majority of the Indemnifying Parties, as the case may be, which consent shall not be unreasonably withheld. An Indemnifying Party's failure to object to the settlement of any claim within 15 days of receiving written notice thereof shall be deemed to constitute the Indemnifying Party's consent to such settlement. If the Indemnified Party fails to notify the Indemnifying Party, and if the Indemnifying Party is thereby materially prejudiced by such failure of notice in its defense of the claim, the Indemnifying Party's obligation of indemnity hereunder shall be extinguished with respect to such claim to the extent that the Indemnifying Party has been prejudiced by the failure to give such notice.

- (d) The obligation of TKQ and the Kemps to indemnify DPAI hereunder shall be limited to the actual consideration received by TKQ and the Kemps pursuant to this Agreement (the 120 shares of common stock of DPAI received by them hereunder).
- (e) Anything herein to the contrary notwithstanding, DPAI shall not make any claim against TKQ or the Kemps unless the dollar amount of all losses suffered or incurred by DPAI shall exceed, in the aggregate, the amount of \$50,000, but, if such amount is exceeded, the Indemnifying Party shall be required to pay the amount of such aggregate losses in excess of the \$50,000 threshold amount for which indemnification rights and obligations are provided under this Section.
- (f) Anything herein to the contrary notwithstanding, no party shall be liable to any other party under this Section for punitive or consequential damages, including lost profits, except to the extent contained in a settlement, award or judgment obtained by a third party.

FOURTH: The mode of carrying into effect the Merger of TKQ into DPAI, and the basis of converting shares of TKQ into shares of DPAI, shall be as follows:

- (a) each share of common stock of DPAI issued and outstanding at the Effective Time shall remain issued and outstanding; and
- (b) each share of TKQ common stock issued and outstanding at the Effective Time shall be cancelled and exchanged for the

right to receive 1.2 shares of unregistered, restricted DPAI
common stock.