

454778

SCHLUETER & ASSOCIATES, P.C.
1050 Seventeenth Street, Suite 1700
Denver, Colorado 80265
(303) 292-3883
FAX: (303) 296-8880

FILED
98 AUG 12 PM 3:29
SECRETARY OF STATE
TALLAHASSEE, FLORIDA

August 10, 1998

HAND DELIVERED

Florida Secretary of State
409 East Gaines Street
Tallahassee, Florida 32301

Merger

Re: Service Vending of Tallahassee, Inc./Sunn State Refreshments, Inc. Merger

Dear Sir or Madam:

Enclosed herewith for filing on behalf of the above-referenced companies, please find the following documents:

1. One originally signed and one conformed copy of Articles of Merger, each of which has annexed thereto a copy of the Plan of Merger; and
2. A check in the amount of \$122.50 payable to Florida Secretary of State in payment of the filing fee and the fee for a certified copy of the document.

Please send a certified copy of the Articles of Merger to the undersigned.

Do not hesitate to call the undersigned at the above Denver, Colorado, telephone if you have any questions or concerns regarding this filing.

Sincerely,

SCHLUETER & ASSOCIATES, P.C.

Celia Velletri

Celia Velletri

CV/cv
Enclosures

400002614364--0
-08/13/98--01002--005
****122.50 ****122.50

Don
8/12/98

ARTICLES OF MERGER
Merger Sheet

MERGING:

SUNN STATE REFRESHMENTS, INC., a Florida corporation P97000099999

INTO

SERVICE VENDING OF TALLAHASSEE, INC., a Florida corporation, 454778

File date: August 12, 1998

Corporate Specialist: Annette Hogan

**ARTICLES OF MERGER
OF
SERVICE VENDING OF TALLAHASSEE, INC.
AND
SUNN STATE REFRESHMENTS, INC.**

98 AUG 12 PM 3:29
FILED
SECRETARY OF STATE
TALLAHASSEE, FLORIDA

To the Secretary of State
State of Florida

Pursuant to the provisions of the Florida Business Corporation Act, the domestic corporations herein named do hereby adopt the following Articles of Merger.

1. Annexed hereto and made a part hereof is the Plan of Merger for merging Sunn State Refreshments, Inc., a Florida corporation, with and into Service Vending of Tallahassee, Inc., a Florida corporation, as approved and adopted by written consent of the sole shareholder of Sunn State Refreshments, Inc. given on July 15, 1998 in accordance with the provisions of Section 607.0704 of the Florida Business Corporation Act and as approved and adopted at a meeting by the shareholders of Service Vending of Tallahassee, Inc. on November 1, 1997.

2. Service Vending of Tallahassee, Inc. will continue its existence as the surviving corporation under its present name pursuant to the provisions of the Florida Business Corporation Act.

3. The merger shall be effective when these Articles of Merger shall have been filed with the Department of State of Florida.

Executed on August 10, 1998.

SERVICE VENDING OF TALLAHASSEE, INC.

By: /s/ D. Charles Beasley *D. Charles Beasley*
D. Charles Beasley, President

SUNN STATE REFRESHMENTS, INC.

By: /s/ D. Charles Beasley *D. Charles Beasley*
D. Charles Beasley, President

PLAN OF MERGER

THIS PLAN OF MERGER (hereinafter the "Merger Agreement"), made and entered into as of this 16th day of July, 1998, by and among SERVICE VENDING OF TALLAHASSEE, INC., a corporation established and governed under the laws of the State of Florida ("Service Vending"), SUNN STATE REFRESHMENTS, INC., a corporation established and governed under the laws of the State of Florida ("Merger Subsidiary"), Service Vending and Merger Subsidiary being hereinafter sometimes called the "Constituent Corporations" and Service Vending being hereinafter sometimes called the "Surviving Corporation," and REFRESHMENTS AMERICA, INC., a Delaware corporation ("RAI") (RAI joining as an additional party, not being a Constituent Corporation).

WITNESSETH

Merger Subsidiary and Service Vending have intended, since November, 1997, to merge and, as of the date hereof, have completed the required documentation consisting of this Merger Agreement (the "Merger Agreement"). Pursuant to this Merger Agreement, Merger Subsidiary will merge with and into Service Vending, with Service Vending as the surviving corporation (the "Merger"), pursuant to the applicable laws of the State of Florida, at the Effective Time, as defined herein, with the intent to qualify the transactions provided for herein as a reorganization within the meaning of Section 368(a) of the Internal Revenue Code of 1986, as amended (the "Code"). This Merger Agreement records the representations and warranties made by RAI, Merger Subsidiary and Service Vending in connection with the instant Merger, sets forth certain covenants and agreements of the parties, provides conditions to the obligations of the parties and sets forth other provisions relating to the Merger.

NOW, THEREFORE, RAI, Merger Subsidiary and Service Vending, in consideration of the agreements, covenants and conditions contained herein, hereby make the following representations and warranties, give the following covenants and agree as follows:

A G R E E M E N T

1. The Merger. At the Effective Time (as hereinafter defined) of the Merger, Merger Subsidiary shall be merged with and into Service Vending, by statutory merger; the separate existence of Merger Subsidiary shall cease and Service Vending shall be the surviving corporation, and on the following terms and conditions:

1.1. Effective Time. The Merger shall be effective (the "Effective Time") when this Merger Agreement and/or appropriate certificates of its approval and adoption and acknowledgments shall have been filed with the Department of State of Florida.

1.2. Conversion of Shares. At the Effective Time, by virtue of the Merger, and without any action on the part of the holders thereof:

1.2.1. The shares of Merger Subsidiary common stock which shall be outstanding immediately prior to the Effective Time of the Merger shall be converted into one hundred (100) shares of common stock of the Surviving Corporation.

1.2.2. Each of the shares of Service Vending common stock, preferred stock and debentures ("Service Vending Stock") held by Service Vending securityholders, as described in Schedule 1.2.2 (the "Service Vending Shareholders"), as well as accrued but unpaid dividends/interest thereon, which shall be outstanding immediately prior to the Effective Time (collectively "the Shares") and other than Shares which are dissenting shares, shall cease to be

outstanding and shall be converted into shares of common stock, \$.001 par value, of RAI ("RAI Common Stock") in accordance with the schedule set forth on Schedule 1.2.2. Holders of certificates which represent the Shares shall thereafter have no rights as shareholders of the Surviving Corporation. After the date of this Merger Agreement and prior to the Effective Time, neither RAI nor Service Vending shall declare or pay to its shareholders of record a stock dividend upon the RAI Common Stock or the Service Vending Stock, as the case may be, or subdivide, split up, reclassify or combine the RAI Common Stock or the Service Vending Stock, as the case may be, or make any other distribution of securities or property in respect of the RAI Common Stock or the Service Vending Stock, as the case may be, or otherwise effect any capital reorganization.

1.2.3. From and after the Effective Time, each holder of a certificate theretofore representing issued and outstanding Shares (but not including Shares which are dissenting shares within the meaning of the Florida 1989 Business Corporation Act, shall, upon the surrender of such certificates to RAI, be entitled to receive in exchange therefor a certificate or certificates representing the number of shares of RAI Common Stock into which the Shares theretofore represented by the certificate or certificates so surrendered shall have been converted pursuant to subsection 1.2.2 above. From and after the Effective Time, until so surrendered, each certificate theretofore representing Shares (except for certificates representing dissenting shares) shall be deemed for all corporate purposes to evidence the number of shares of RAI Common Stock into which such Shares shall have been converted.

1.2.4. Immediately after the Effective Time, the stock transfer books of the Surviving Corporation shall be closed except for registration of transfers incident to the conversion of Merger Subsidiary common stock into common stock of the Surviving Corporation pursuant to subsection 1.2.1 above and no transfer of record of Shares shall thereafter be made or consummated, unless specifically approved by the Board of Directors of RAI.

1.3. Restricted Securities. The RAI Common Stock to be issued in exchange for the Shares has not been registered under the Securities Act of 1933, as amended, by reason of an exemption therefrom, and may not be transferred or resold except pursuant to an effective registration statement or exemption from registration and each certificate representing the Shares will be endorsed with the following legend and any legend required to be placed thereon by applicable state securities laws:

"THE SECURITIES REPRESENTED BY THIS CERTIFICATE HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "ACT"). THE SHARES HAVE BEEN ACQUIRED FOR INVESTMENT AND MAY NOT BE SOLD, TRANSFERRED, ASSIGNED OR OTHERWISE DISPOSED OF IN THE ABSENCE OF A CURRENT AND EFFECTIVE REGISTRATION STATEMENT UNDER THE ACT WITH RESPECT TO SUCH SHARES, OR AN OPINION OF THE ISSUER'S COUNSEL TO THE EFFECT THAT REGISTRATION IS NOT REQUIRED UNDER THE ACT."

1.4. Articles of Incorporation. The Articles of Incorporation of Service Vending shall continue to be the Articles of Incorporation of the Surviving Corporation immediately after the Effective Time.

1.5. Bylaws. The Bylaws of Service Vending in effect immediately prior to the Effective Time shall continue to be the Bylaws of the Surviving Corporation immediately after the Effective Time.

1.6. Dissenters' Rights. RAI and Service Vending shall take all actions mandated by the Florida 1989 Business Corporation Act to permit and satisfy the exercise of rights of dissent and appraisal by holders of Service Vending Stock.

1.7. Directors and Officers. The directors and officers of Service Vending shall remain and be the directors and officers of the Surviving Corporation at and as of the consummation of the transactions contemplated herein.

2. Representations, Warranties and Agreements of Service Vending and Service Vending Shareholders. As an inducement to RAI and Merger Subsidiary to enter into this Merger Agreement and to consummate the transactions contemplated herein, Service Vending, and the Service Vending Shareholders as to Sections 2.12 and 2.14 only, represent and warrant to RAI and Merger Subsidiary and agree as follows:

2.1. Due Organization. Service Vending is a corporation duly incorporated and validly existing in good standing under the laws of the State of Florida, and has full corporate power and authority to own or lease its properties and to carry on its business as now conducted. Service Vending is duly licensed, qualified to do business and in good standing as a foreign corporation in each jurisdiction in which its failure to be so licensed or qualified would have a material adverse effect on its business taken as a whole.

2.2. Corporate Authority. The execution, delivery and performance by Service Vending of this Merger Agreement has been duly authorized and approved by its Board of Directors, subject to approval of the Merger contemplated herein by its shareholders pursuant to section 4.1 hereof, and neither the execution and delivery of this Merger Agreement nor the consummation of the transactions contemplated hereby, nor compliance with nor fulfillment of the terms and provisions herein, will: (i) conflict with or result in a breach of the terms, conditions or provisions of or constitute a default under the Articles of Incorporation or Bylaws of Service Vending, any material agreement, instrument or judgment to which it is a party or by which it is bound or any statute or regulatory provisions affecting Service Vending; (ii) give any party to or with rights under any such agreement, instrument or judgment the right to terminate, modify or otherwise change the material rights or obligations of Service Vending under such agreement, instrument or judgment; or (iii) require the approval, consent or authorization of any Federal, state or local court, governmental authority or regulatory body, other than in connection with or in compliance with the provisions of Sections 607.1301 through 607.1320 of the Florida 1989 Business Corporation Act and Federal or state securities or antitrust laws. Service Vending has, and will have at the Effective Time, full corporate power and corporate authority to complete the merger with Merger Subsidiary pursuant to this Merger Agreement and to do and perform all acts and things required to be done by Service Vending under the Merger Agreement, subject to compliance with the provisions of the Florida 1989 Business Corporation Act and Federal or state securities or antitrust laws.

2.3. Capitalization. The authorized capital stock of Service Vending consists of 2,000 shares of Class A Common Stock, of which 604 shares are issued and outstanding, 2,000 shares of Class B Common Stock, of which 57 shares are issued and outstanding, 2,000 shares of Class A Preferred Stock, of which no shares are issued and outstanding and 100,000 shares of Class B Preferred Stock, of which 195 shares are issued and outstanding as of the date of this Merger Agreement and as of the Effective Date. All of the issued and outstanding shares of Service Vending Common Stock are duly and validly issued and are fully paid and non-assessable. Except as set forth herein or on Schedule 2.3, Service Vending has not issued nor taken any action toward issuance of any other options, warrants, conversion privileges or other rights to purchase or acquire shares of Service Vending Stock, whether upon exchange for or conversion of other securities or otherwise, and no rescission or redemption rights exist with regard to existing shareholders.

2.4. Subsidiaries. Service Vending has no subsidiaries and no ownership interest in any other entities.

2.5. Financial Statements. Service Vending has furnished to RAI its audited balance sheet for the seven months ended July 31, 1997 (the "Balance Sheet").

2.6. No Undisclosed Liabilities. Except as set forth on the Balance Sheet or on Schedule 2.6 hereto, Service Vending has no material liabilities, fixed or contingent, other than liabilities incurred since July 31, 1997, in the ordinary course of business or as previously disclosed to RAI.

2.7. Title To Properties. Service Vending has good, valid and marketable title to all of the properties and assets reflected in the Service Vending July 31, 1997 Balance Sheet. All of Service Vending's assets serve as collateral for or secure indebtedness owed to certain of Service Vending's creditors.

2.8. Compliance with Laws; Litigation. Service Vending is not in default in any material respect under any material agreement, lease or other document to which it is a party, nor has Service Vending received written notice of or is, to the knowledge of any executive officer of Service Vending, in material violation of any law or order, writ, injunction or decree of any court or Federal, state, municipal or other governmental department, commission, board, bureau, agency or instrumentality and there are no material lawsuits, proceedings, claims or governmental investigations pending or, to the knowledge of any executive officer of Service Vending, threatened against Service Vending or against its properties or business, nor is there any reasonable basis known to Service Vending for any such action and there is no action, suit, proceeding or investigation pending, threatened or, to the knowledge of Service Vending, contemplated which questions the legality, validity or propriety of the transactions contemplated by this Merger Agreement.

2.9. Tax Returns. Service Vending has (i) filed or has caused to be filed all federal, state and local franchise, income, sales, gross receipts and all other tax returns and statements required to be filed by Service Vending or on its behalf and which were due prior to the date of this Merger Agreement (the "Tax Returns and Statements"); and (ii) except as set forth on Schedule 2.9 hereto, paid within the time and in the manner prescribed by law all taxes due prior to the date of this Merger Agreement. No tax assessment or deficiency has been made against Service Vending nor has any notice been given of any actual or proposed assessment or deficiency which has not been paid or for which an adequate reserve has not been set aside.

2.10. Full Disclosure. No representation or warranty by Service Vending in this Merger Agreement or any written information, documents or memoranda furnished or to be furnished by Service Vending or any of its authorized representatives to RAI or Merger Subsidiary or any of their representatives is false or misleading in any material respect or omits to state a material fact required to be stated therein or necessary in order to make any of the statements therein not misleading.

2.11. Board Action. The Board of Directors of Service Vending, by requisite vote, determined that the Merger is in the best interests of Service Vending and its shareholders, approved the Merger Agreement and recommended approval and adoption of the Merger Agreement by the shareholders of Service Vending.

2.12. Title to Target Shares. Each Service Vending Shareholder owns and holds title to, and will at the Effective Time own and hold title to, respectively, the Service Vending Stock (or shares) now (and at Effective Time to be) owned by him or her as set forth in Schedule 1.2.2, free and clear of any lien, charge or encumbrance of any kind.

2.13. Continuity of Business Enterprise. Service Vending operates at least one significant historic business line, or owns at least a significant portion of its historic business assets, within the meaning of Treasury Regulation §1.368-1(d) promulgated under the Internal Revenue Code.

2.14. No Intent to Sell. No Service Vending Shareholder has, or at the Effective Time will have, any present plan, intention or arrangement to sell, transfer or otherwise in any manner dispose of any of the RAI Common Stock to be issued to such Shareholder pursuant to the Merger.

3. Representations, Warranties and Agreements of RAI and Merger Subsidiary. As an inducement to Service Vending to enter into this Merger Agreement and to consummate the transactions contemplated herein, RAI and Merger Subsidiary hereby represent and warrant to Service Vending and its shareholders and agree as follows:

3.2. Organization of RAI and Merger Subsidiary. RAI is a corporation duly incorporated and validly existing in good standing under the laws of the State of Delaware; Merger Subsidiary is a corporation duly incorporated, validly existing and in good standing under the laws of the State of Florida and is a directly and wholly owned subsidiary of RAI; RAI and Merger Subsidiary each has full corporate power and authority to consummate the Merger as provided herein and RAI has full corporate power to own or lease its properties and to carry on its business as it is currently conducted. RAI is duly licensed, qualified to do business and in good standing as a foreign corporation in each jurisdiction in which its failure to be so licensed or qualified would have a material adverse effect on its business taken as a whole.

3.2. Corporate Authority. The execution, delivery and performance by RAI and Merger Subsidiary of this Merger Agreement have been duly authorized and approved by the Boards of Directors of RAI and Merger Subsidiary, subject to the approval of the shareholders of Merger Subsidiary and neither the execution nor delivery of this Merger Agreement nor the consummation of the transactions contemplated hereby, nor compliance with nor fulfillment of the terms and provisions herein will, (i) conflict with or result in a breach of the terms, conditions or provisions of or constitute a default under the Articles of Incorporation or Bylaws of RAI, the Articles of Incorporation or Bylaws of Merger Subsidiary or any material agreement, instrument or judgment to which RAI or Merger Subsidiary is a party or by which either is bound or any statute or regulatory provisions affecting RAI or Merger Subsidiary; (ii) give any party to or with rights under any such agreement, instrument or judgment the right to terminate, modify or otherwise change the material rights or obligations of RAI or Merger Subsidiary under such agreement, instrument or judgment; or (iii) require the approval, consent or authorization of any Federal, state or local court, governmental authority or regulatory body, other than in connection with or in compliance with the provisions of Sections 607.1301 through 607.1320 of the Florida 1989 Business Corporation Act and Federal or state securities or antitrust laws. Merger Subsidiary has, and will have at the Effective Time, full corporate power and corporate authority to merge with Service Vending pursuant to this Merger Agreement and RAI and Merger Subsidiary will have at the Effective Time, full corporate power and corporate authority to do and perform all acts and things required to be done by them under this Merger Agreement, subject to compliance with the provisions of the Florida 1989 Business Corporation Act and Federal or state securities or antitrust laws.

3.3. Capitalization. The authorized capital stock of RAI consists of 20,000,000 shares of RAI Common Stock, \$.001 par value, of which following the Merger 4,000,000 shares will be issued and outstanding. The shares of RAI Common Stock to be issued to the Service Vending Shareholders pursuant to this Merger Agreement will, when issued and delivered in accordance with the terms of this Merger Agreement, be validly issued, fully paid and non-assessable.

3.4. No Undisclosed Liabilities. RAI has no material undisclosed liabilities, either fixed or contingent.

3.5. Compliance with the Laws: Litigation. Neither RAI nor Merger Subsidiary is in default in any material respect under any material agreement, lease or other document to which it is a party, or has received written notice of or is, to the knowledge of any executive officer of RAI or Merger Subsidiary, in material violation of any law or order, writ, injunction or decree of any court or Federal, state, municipal or other governmental department, commission, board, bureau, agency or instrumentality. There are no material lawsuits, proceedings, claims or governmental investigations pending or, to the knowledge of any executive officer of RAI or Merger Subsidiary, threatened against RAI or Merger Subsidiary or against its properties or business, nor is there any reasonable basis known to RAI or Merger Subsidiary for any such action and there is no action, suit, proceeding or investigation pending, threatened or, to the knowledge of RAI or Merger Subsidiary, contemplated which questions the legality, validity or propriety of the transactions contemplated by this Merger Agreement.

3.6. Tax Returns. RAI has (i) filed or has caused to be filed all Federal, state and local franchise, income, sales, gross receipts and all other tax returns and statements required to be filed by RAI or on its behalf and which were due prior to the date of this Merger Agreement (the "Tax Returns and Statements"); and (ii) paid within the time and in the manner prescribed by law all taxes due prior to the date of this Merger Agreement. The Tax Returns and Statements are true, complete and accurate in all material respects. No tax assessment or deficiency has been made against RAI nor has any notice been given of any actual or proposed assessment or deficiency which has not been paid or for which an adequate reserve has not been set aside.

3.7. Full Disclosure. No representation or warranty by RAI and Merger Subsidiary to Service Vending under this Merger Agreement or any of the written information, documents or memoranda furnished or to be furnished by RAI or any of its authorized representatives to Service Vending or any of its representatives is false or misleading or omits to state a material fact required to be stated therein or necessary in order to make any of the statements therein not misleading.

3.8. Board Action. The Boards of Directors of RAI and Merger Subsidiary, by requisite vote, determined that the Merger is in the best interests of RAI and Merger Subsidiary and approved the Merger Agreement. The sole shareholder of Merger Subsidiary approved the Merger by Consent dated July 15, 1998.

4. Action Prior to the Effective Time. The parties covenant to take the following action between the date hereof and the Effective Time:

4.1. Accuracy of Representations and Warranties. Service Vending and RAI shall refrain from taking any action which would render any representation and/or warranty contained in paragraphs 2 and 3 of this Merger Agreement inaccurate as of the Effective Time. RAI will promptly notify Service Vending of any lawsuits, claims, proceedings or investigations that may be threatened, brought, asserted or commenced against RAI or its subsidiary or any of their officers or directors (i) involving in any way the Merger; or (ii) which might have a material adverse impact on the business, properties or assets of RAI, taken as a whole. Service Vending

will promptly notify RAI of any lawsuits, claims, proceedings or investigations that may be threatened, brought, asserted or commenced against Service Vending or its officers or directors (i) involving in any way the Merger; or (ii) which might have a material adverse impact on the business, properties or assets of Service Vending, taken as a whole.

4.2. Closing. The transactions contemplated in this Merger Agreement shall be closed at the offices of Service Vending and this Merger Agreement and Articles of Merger shall be filed promptly following such closing.

5. Conditions Precedent to Obligation of RAI and Merger Subsidiary. The obligation of RAI and Merger Subsidiary to effect the Merger is subject to satisfaction on or prior to the Effective Time of each of the following conditions:

5.1. No Adverse Change: Corporate Action. No material adverse change shall have occurred in the assets, liabilities, business, operations, properties, prospects or condition (financial or otherwise) of Service Vending. Service Vending shall have performed in all material respects all obligations and agreements and complied in all material respects with all covenants and conditions contained in this Merger Agreement to be performed and complied with by it at or prior to the Effective Time.

5.2. No Litigation. No order of any court or administrative agency shall be in effect which restrains or prohibits the transactions contemplated by this Merger Agreement and no suit, action, investigation, inquiry or proceeding by any governmental body or other person or legal or administrative proceeding shall have been instituted or threatened which questions the validity or legality of the transactions contemplated hereby.

5.3. Securities Laws. RAI shall have received all necessary permits and otherwise complied with any state Blue Sky, securities, tender offer or takeover laws applicable to the issuance of shares of RAI Common Stock in connection with the Merger. RAI agrees to use its best efforts promptly to accomplish the foregoing.

6. Conditions Precedent to Obligation of Service Vending. The obligation of Service Vending to effect the Merger is subject to the fulfillment at or prior to the Effective Time of each of the following conditions:

6.1. Accuracy of Representations and Warranties; Performance of Obligations. The representations and warranties of RAI and Merger Subsidiary contained in this Merger Agreement, or in any certificate or document delivered pursuant to the provisions hereof, shall be true and correct on and as of the Effective Time as though such representations and warranties were made at and as of such time. RAI shall have performed in all material respects all obligations and agreements and complied in all material respects with all covenants and conditions contained in this Merger Agreement to be performed and complied with by it at or prior to the Effective Time.

6.2. No Litigation. No order of any court or administrative agency shall be in effect which restrains or prohibits the transactions contemplated by this Merger Agreement and no suit, action, investigation, inquiry or proceeding by any governmental body or other person or legal or administrative proceeding shall have been instituted or threatened which questions the validity or legality of the transactions contemplated hereby.

7. Other Provisions.

7.1. Governing Law. This Merger Agreement shall be construed and interpreted according to the laws of the State of Florida and the Florida 1989 Business Corporation Act shall be applicable to approval of the Merger by the Board of Directors and shareholders of Service Vending and Merger Subsidiary and to the procedures relating to filing of the Merger Agreement and Articles of Merger with the Department of State of Florida.

7.2. Waiver. To the extent otherwise permitted by applicable law, any party may, at its option, waive in writing any and all of the conditions herein contained to which its obligations hereunder are subject.

7.3. Survival. The representations and warranties of Service Vending, Merger Subsidiary and RAI contained herein shall expire and be terminated and extinguished at the Effective Time or termination and abandonment of this Merger Agreement. The agreements in sections 1, 3.3, and 9 shall survive the Effective Time.

7.4. No Indemnification. Except as set forth in this Merger Agreement, there shall be no agreement, express or implied, to indemnify Service Vending, Merger Subsidiary or RAI with respect to the respective covenants, representations or warranties expressed herein.

8. Titles and Headings. The titles and headings contained in this Merger Agreement are inserted for convenience only and shall not affect in any way the meaning or interpretation of this Merger Agreement.

9. Notices. All notices, requests, demands and other communications given, or required to be given, pursuant to the terms of this Merger Agreement shall be in writing and may be delivered in person (by hand, messenger or other confirmable form of delivery) or be sent by registered or certified mail, return receipt requested, postage prepaid, addressed as follows, or by Federal Express or other nationally recognized overnight courier service, addressed as follows, or by facsimile transmission, to the following respective numbers, followed by a copy being delivered in person, by mail, or by overnight courier as specified herein:

If to Service Vending;	Service Vending of Tallahassee, Inc. 4864 Market Place Tallahassee, Florida 32303 Attn: D. Charles Beasley Facsimile: (850) 562-9225
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If to RAI or Merger Subsidiary:	Refreshments America, Inc. 4864 Market Place Tallahassee, Florida 32303 Attn: D. Charles Beasley Facsimile: (850) 562-9225
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Either party may, by written notice to the other, specify a different address or numbers for notice purposes. Any notice sent to the party to whom it is addressed in accordance with this paragraph will be deemed to have been given (i) when received, if personally delivered; (ii) if sent by registered or certified mail, return receipt requested, upon the date of delivery shown on the receipt card, or if no date is shown, the postmark thereon; (iii) if sent via Federal Express or other nationally recognized overnight courier, one (1) business day after deposit with such overnight courier; or (iv) if sent by facsimile transmission, on the day on which it is sent, if receipt of

transmission is confirmed by telephone. If notice is received on a Saturday, Sunday or legal holiday, it will be deemed to have been given and received on the next following business day.

10. Assignment. This Merger Agreement shall be binding upon and inure to the benefit of the parties named herein and their respective successors and assigns, provided that neither this Merger Agreement nor any of the rights, interests or obligations hereunder shall be assigned by any of the parties hereto without the prior written consent of the other parties hereto.

11. Counterparts. This Merger Agreement may be executed in two or more counterparts, each of which shall be deemed an original but all of which together shall constitute one and the same instrument.

12. Amendment. This Merger Agreement may be amended by the parties hereto at any time before or after approval hereof by the shareholders of Service Vending, but after any such approval by the shareholders of Service Vending, no amendment shall be made without further approval by the Board of Directors of Service Vending and Merger Subsidiary and by the shareholders of Service Vending, if such amendment would materially or adversely affect the shareholders, would amend the articles of incorporation or would affect the amount or kind of stock, securities or other consideration to be exchanged under this Agreement.

IN WITNESS WHEREOF, the undersigned directors and officers of each of the parties to this Merger Agreement, pursuant to authority duly given by their respective Boards of Directors, have caused this Merger Agreement to be duly executed.

Constituent Corporations:

SERVICE VENDING OF TALLAHASSEE, INC.,
a Florida corporation

By: D. Charles Beasley, President
D. Charles Beasley, President

SUNN STATE REFRESHMENTS, INC.,
a Florida corporation

By: D. Charles Beasley, President
D. Charles Beasley, President

Additional Party:

REFRESHMENTS AMERICA, INC.,
a Delaware corporation

By: D. Charles Beasley, President
D. Charles Beasley, President

SCHEDULE 1.2.2
to
Merger Agreement
by and among
Service Vending of Tallahassee, Inc.,
Sunn State Refreshments, Inc.
and
Refreshments America, Inc.

Exchange of Service Vending Securities for Refreshments America Common Stock

CLASS B COMMON, CLASS B PREFERRED AND DEBENTURES

<u>Shareholder</u>	<u>Number of Shares</u>
Armesto, Mark & Patti	6,361
Beasley, D. Charles and Debora	17,835
Carmichael, Larry or Kathleen	15,903
Carmichael, Larry or Kathleen*	31,616
Cauley, Kathleen	632
Chester, Ira	3,566
Clark, Carla Forman	1,265
Coffey, Bobbi	4,868
Dorchester Consultants	6,361
Dorchester Consultants*	12,170
Dorman, W.L. and Genieve	30,752
Earp, Joseph and Sarah	8,906
Everett, Geneive	7,507
Everett, Lisa	2,299
Everett, Pete and Virginia*	38,440
Fiordalisi, Joe or Amelia	6,149
Ford, Shawn	4,868
Hogenson, Selma	3,817
Joyce, Dorothy or William	3,181
Knowles, George	1,189
Lewis, Sam*	24,339
Link, George	36,446
Link, George*	11,069
McCall, Charles	2,628
Mercer, Grace	28,630
Miles, Bess	1,189
Neimes, Carl and Ann*	21,451
Neimes, Dan	6,149
Puckett, Eva	3,942
Samuel Solomon III Trust Ins.	12,408
Solomon, Harvey and Bernice	6,569
Spencer, Beverly	3,817
Vann, Freeda	6,149
Watkins, John	4,798
White, Douglas and Rhonda	13,138
Yon, Vernon	<u>17,628</u>
Total	408,035

SCHEDULE 1.2.2
Page 2

CLASS A COMMON

<u>Shareholder</u>	<u>Number of Shares</u>
Beasley, D. Charles and Debora	3,591,965

SCHEDULE 2.3
to
Merger Agreement
by and among
Service Vending of Tallahassee, Inc.,
Sunn State Refreshments, Inc.
and
Refreshments America, Inc.

Outstanding Rights to Acquire Shares of Service Vending

Convertible Debentures -

Aggregate Principal Amount - \$284,000
Due April 1, 2000
Convertible at option of holder into an "equivalent amount of Class A or Class B Common
Stock" of Service Vending of Tallahassee, Inc.
Number of Debenture holders - 7

Convertible Promissory Notes -

Aggregate Principal Amount - \$310,000
Due upon demand
Convertible at the option of the holder into "securities offered by the Company (or any
successor of the Company) in a private offering of debt and/or equity securities"
Number of Note holders - 18

SCHEDULE 2.6
to
Merger Agreement
by and among
Service Vending of Tallahassee, Inc.,
Sunn State Refreshments, Inc.
and
Refreshments America, Inc.

Liabilities Not Disclosed on July 31, 1997 Balance Sheet

1. Service Vending has, in addition to the convertible debentures listed in Note 4 to its audited Financial Statements at and for the period ended July 31, 1997, an additional \$20,000 principal amount of convertible debentures, due in 2000 with interest at 10%, payable quarterly.
2. Since July 31, 1997 (the date of the Balance Sheet), Service Vending has issued 10% Convertible Promissory Notes in an aggregate principal amount of \$310,000, to 18 holders. The Notes are payable upon demand and bear interest at 10% per annum. Interest is due and payable quarterly.

SCHEDULE 2.9
to
Merger Agreement
by and among
Service Vending of Tallahassee, Inc.,
Sunn State Refreshments, Inc.
and
Refreshments America, Inc.

Unpaid Taxes

Outstanding Warrant Issued by the State of Florida for Unpaid Sales Tax, issued in 1995 or 1996 for approximately \$8,900, secured by assets of Service Vending of Tallahassee, Inc. Audit stipulation agreement calls for monthly payments. The Company is behind by three payments.