

CSB THE CITY OF WEST PALM BEACH CORPORATION
59000000934

ACCOUNT NO. : 072100000032

REFERENCE : 833053 4344659

AUTHORIZATION :

Patricia Pyzdek

COST LIMIT : \$ 122.50

FILED
98 MAY 27 PM 12:55
SECRETARY OF STATE
TALLAHASSEE, FLORIDA

ORDER DATE : May 27, 1998

ORDER TIME : 11:42 AM

EFFECTIVE DATE
6/1/98

ORDER NO. : 833053-005

400002536954--3

CUSTOMER NO: 4344659

CUSTOMER: Andrew Dunstan, Legal Asst
Greenberg Traurig Hoffman
Suite 300 East Tower
777 S. Flagler Drive
West Palm Beach, FL 33401

ARTICLES OF MERGER

PS OF WEST PALM BEACH, INC.

INTO

PS AMERICA, INC.

PLEASE RETURN THE FOLLOWING AS PROOF OF FILING:

XX _____ CERTIFIED COPY
_____ PLAIN STAMPED COPY

RECEIVED
98 MAY 27 PM 12:05
DIVISION OF CORPORATION

CONTACT PERSON: Andrew Cumper

EXAMINER'S INITIALS:

Don
5/28/98

ARTICLES OF MERGER
Merger Sheet

MERGING:

PS OF WEST PALM BEACH, INC., a Florida corporation P94000047866

INTO

PS AMERICA, INC., a Pennsylvania corporation, F98000000934

File date: May 27, 1998, effective June 1, 1998

Corporate Specialist: Annette Hogan

Account number: 072100000032

Account charged: 122.50

EFFECTIVE DATE
6/1/98

FILED
98 MAY 27 PM 12:55
SECRETARY OF STATE
TALLAHASSEE, FLORIDA

ARTICLES OF MERGER
OF
PS OF WEST PALM BEACH, INC.
(a Florida corporation)
WITH AND INTO
PS AMERICA, INC.
(a Pennsylvania corporation)

Pursuant to provisions of the Florida Business Corporation Act, the domestic business corporation and the foreign business corporation herein named do hereby submit the following Articles of Merger.

1. The Agreement and Plan of Mergers and the Plan of Merger, (collectively, the "Merger Documents"), providing for the merger (the "Merger") of PS of West Palm Beach, Inc. with and into PS America, Inc., are attached hereto as Exhibit "A" and made a part hereof by reference.

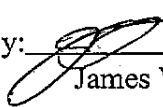
2. The stockholders of PS of West Palm Beach, Inc. entitled to vote on the aforesaid Merger Documents approved and adopted the Merger Documents by a Unanimous Written Consent of the Stockholders and Directors in Lieu of a Special Meeting dated April 30, 1998, in accordance with the provisions of Sections 607.0704 and 607.0821 of the Florida Business Corporation Act.

3. The Merger of PS of West Palm, Inc. with and into PS America, Inc. is permitted by the laws of the jurisdiction of organization of PS America, Inc. and has been authorized in compliance with said laws. The date of approval and adoption of the Merger Documents was April 30, 1998.

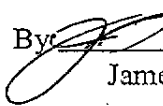
4. The effective time and date of the merger herein provided for in the State of Florida shall be 12:01 a.m. on June 1, 1998.

IN WITNESS WHEREOF, these Articles of Merger have been executed by a duly authorized officer of each of PS of West Palm Beach, Inc. and PS America, Inc. on this 30 day of April, 1998.

PS OF WEST PALM BEACH, INC.

By: 
James W. Traweck, Vice President

PS AMERICA, INC.

By: 
James W. Traweck, President

PS AMERICA/AGREEMENT AND PLAN OF MERGERS/EXECUTION A

EXHIBIT "A"

AGREEMENT AND PLAN ,

OF

MERGERS

among

PS AMERICA, INC.,

PS OF VOLANT, INC.

PS OF WEST PALM BEACH, INC.

PS OF HOUSTON, INC., and

PS TEXAS GROUP, INC.

Dated as of April 30, 1998

PS AMERICA/AGREEMENT AND PLAN OF MERGERS/EXECUTION A

AGREEMENT AND PLAN OF MERGERS

Agreement and Plan of Mergers, dated as of April 30, 1998, among PS AMERICA, INC., a Pennsylvania corporation ("PS America"), PS OF VOLANT, INC., a Delaware corporation ("PS Volant"), PS OF WEST PALM BEACH, INC., a Florida corporation ("PS West Palm Beach"), PS OF HOUSTON, INC., a Texas corporation ("PS Houston"), and PS TEXAS GROUP, INC., a Delaware corporation ("PS Texas") (collectively, the "Corporations").

PRELIMINARY STATEMENTS

The Corporations are engaged in operating ProSource designer showroom businesses in their respective locations.

Pursuant to the provisions and subject to the conditions hereof and the respective Plans of Merger attached hereto as Composite Exhibit "A" (the "Plans of Merger"), PS Volant, PS West Palm Beach, PS Houston and PS Texas will be merged with and into PS America (collectively the "Mergers"), whereby it is contemplated that each outstanding share of stock of (a) PS Volant will be converted into 1.45 shares of common stock of PS America ("PS America Common Stock"); (b) PS West Palm Beach will be converted into .38 shares of PS America Common Stock; (c) PS Houston will be converted into .74 shares of PS America Common Stock; and (d) PS Texas will be converted into 8.32 shares of PS America Common Stock. The parties hereto desire to enter into this Agreement and Plans of Merger for the purpose of setting forth certain representations, warranties, covenants and further agreements with respect to the Mergers.

In consideration of the mutual benefits to be derived from this Agreement and of the representations, warranties, covenants and agreements contained in it, each of the Corporations represent, warrant and agree as follows:

ARTICLE I

THE MERGERS

Subject to the termination provisions contained herein, as soon as practicable after the fulfillment of all conditions contained herein (other than such conditions as shall have been waived), the articles of merger (the "Articles of Merger") shall be filed with the Department of State of the State of Pennsylvania and the Mergers shall become effective in accordance with the terms of the respective Plans of Merger. The time and date of such filing is sometimes hereinafter referred to as the "Effective Time of Mergers."

ARTICLE II

REPRESENTATIONS AND WARRANTIES OF PS AMERICA

PS America hereby makes the following representations and warranties to each of PS Volant, PS West Palm Beach, PS Houston and PS Texas, each to the best of its knowledge, and subject to the disclosures set forth in the Disclosure Memoranda previously delivered to each of PS Volant, PS West Palm Beach, PS Houston and PS Texas, dated as of the date of this Agreement (collectively the "Disclosure Memoranda").

2.1 No Misstatements. The representations of PS America and the information supplied by PS America contained in this Agreement, the Exhibits and the documents incorporated into it by reference and the Disclosure Memoranda do not contain any untrue statement of a material fact or omit to state any fact necessary to make such representations or information not materially misleading.

2.2 Validity of Actions. PS America (i) is duly organized, validly existing and in good standing under the laws of the state of its organization, (ii) has all requisite corporate and other appropriate authorization to own, operate and lease its properties and to carry on its business in the manner in which it is currently operated, (iii) is qualified to do business in all jurisdictions in which such qualification is necessary for the operation of its business, other than those jurisdictions where the failure to so qualify would not have a material adverse effect upon its assets or operations, and (iv) has full power and authority to enter into this Agreement, and the Plans of Merger, and to carry out all acts contemplated by them. This Agreement has been duly executed and delivered on behalf of PS America, has received all necessary corporate authorization and is a legal, valid and binding obligation of PS America, enforceable against it in accordance with its terms, except as such enforcement may be limited by applicable bankruptcy, insolvency, merger, moratorium or similar laws affecting the enforcement or creditors' rights generally and general equitable principles regardless of whether such enforceability is considered in a proceeding at law or in equity. Entering into this Agreement and the consummation of the transactions contemplated by it will not (i) violate any provision of the Articles of Incorporation or Bylaws of PS America or (ii) conflict with or result in any breach in any material respect of any of the provisions of any material agreement to which PS America is a party or by which it or its assets are bound, or (iii) cause a breach of any applicable law, governmental regulation, order, or other decree of any court or governmental agency. The Articles of Incorporation, all amendments to it as of the date hereof and the Bylaws of PS America, as presently in effect, have previously been delivered as part of the Disclosure Memoranda.

2.3. Capitalization. The authorized capital stock of PS America consists of 50,000 shares of PS America Common Stock, par value \$10.00 per share, of which as of the date of this Agreement, there were 5,550 shares issued and outstanding and no shares were held in the treasury of PS America. Since January 1, 1994 there have

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been no changes in the authorized, issued, outstanding or treasury shares of PS America Common Stock. All outstanding shares of PS America Common Stock have been validly issued by PS America and are fully paid and nonassessable. There are no subscriptions, options, warrants, calls, rights, contracts, commitments, understandings or arrangements relating to the issuance, sale or transfer by PS America of any shares of its capital stock, including any right of conversion or exchange under any outstanding security or other instrument.

2.4 PS America Financial Statements.

(a) PS America unaudited balance sheets at December 31, 1996, and statements of income and retained earnings, and cash flows for the years then ended, and PS America unaudited balance sheet at December 31, 1997 and statements of income and retained earnings and cash flows for the year then ended, (the "PS America Annual Financial Statements") are included in the Disclosure Memoranda. PS America unaudited balance sheet at March 31, 1998, (the "Most Recent Balance Sheet") and statements of income and retained earnings for the three month period then ending (collectively, the "PS America Most Recent Financial Statements") are included in the Disclosure Memoranda. PS America Annual and Most Recent Financial Statements are collectively called the "PS America Financial Statements."

(b) PS America Financial Statements: (i) accurately represent the transactions appearing on the books and records of PS America, and (ii) fairly present in all material respects its financial condition and its results of operations at the dates and for the periods presented. PS America Financial Statements have been prepared on the accrual basis in accordance with generally accepted accounting principles consistently applied ("GAAP").

(c) There have been no material adverse changes in the financial condition or in the operations, properties or assets of PS America since the PS America Most Recent Balance Sheet.

2.5 Liabilities of PS America. PS America has no material liabilities, contingent or otherwise, including, without limitation, liabilities for state or Federal income, withholding, sales, or other taxes, except to the extent reflected, reserved against, or provided for, in the PS America Most Recent Balance Sheet except for taxes, trade payables and other obligations incurred after the date of PS America Most Recent Balance Sheet in amounts consistent in all material respects, with those incurred in prior periods in the ordinary course of business.

2.6 Assets of PS America. PS America has good title to all of its assets. Except as otherwise disclosed in the PS America Financial Statements or the related notes accompanying them all of its assets are owned free and clear of any adverse claims, security interests, or other encumbrances or restrictions, and liens for current taxes not yet due and payable, landlords' liens as provided for in the relevant leases or

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by applicable law, or liens or similar security interests granted as part of personal property financing agreements made in the ordinary course of business and which in the aggregate are not material.

2.7 Facility and Facility Operations.

(a) PS America's operations are conducted at facilities which are located throughout the United States of America (the "Facilities"). All of the tangible assets used in connection with PS America's operations are located at the Facilities. All of the improvements located at the Facilities are in good operating condition and repair, subject only to ordinary wear and tear. There is no pending or threatened condemnation proceeding with respect to the Facilities and the other property.

(b) The Disclosure Memoranda contains a depreciation schedule of certain of the furnishings, fixtures and equipment located on, or used in connection with, the operation of each Facility as further described therein.

(c) Each Facility is in compliance with all legal and regulatory requirements applicable to PS America, the conduct of its business, and the use of each Facility, and PS America has not received any actual notice to the contrary. PS America has paid for and obtained all licenses, permits, and other authorizations material to the conduct its business at the Facilities (the "Permits"). A listing of all Permits currently in effect and pertaining to the Facilities or PS America's activities at the Facilities are included in the Disclosure Memoranda. The representations contained in this subsection shall not apply to incidental instances of non-compliance occurring in the ordinary course of business which are immaterial to the operation of its business and capable of being cured without significantly disrupting its business operations.

(d) There are no Hazardous Substances¹ in, on or under the Facilities except for those which are used by PS America in compliance, in all material respects, with applicable law, and PS America is not now engaged in any litigation, proceedings or investigations, nor knows of any pending or threatened litigation, proceedings or

¹ The term "Hazardous Substance" shall include without limitation:

(i) Those substances included within the definitions of "hazardous substances," "hazardous materials," "toxic substances," or "solid waste" in CERCLA, RCRA, and the Hazardous Materials Transportation Act, 49 U.S.C. Sections 1801 et seq., and in the regulations promulgated pursuant to said laws;

(ii) Those substances defined as "hazardous wastes" in any statutes and in the regulations promulgated pursuant to any statutes;

(iii) Those substances listed in the United States Department of Transportation Table (49 CFR 172.101 and amendments thereto) or by the Environmental Protection Agency (or any successor agency) as hazardous substances (40 CFR Part 302 and amendments thereto);

(iv) Such other substances, materials and wastes which are or become regulated under applicable local, state or federal law, or which are classified as hazardous or toxic under federal, state, or local laws or regulations; and

(v) Any material, waste or substance which is (A) petroleum, (B) asbestos, (C) polychlorinated biphenyl, (D) designated as a "hazardous substance" pursuant to Section 311 of the Clean Water Act, 33 U.S.C. §§1251 et seq. or listed pursuant to Section 307 of the Clean Water Act, (E) flammable explosive, or (F) radioactive materials.

investigations regarding the presence of Hazardous Substances in, on or under the Facility.

2.8 Equipment Leases and Financing Agreements. A listing of all of the leases and financing agreements to which PS America is a party and which relate to the operations of its business are included in the Disclosure Memoranda (the "Financing and Related Agreements"). Copies of the Financing and Related Agreements are attached to such listing. Except as reflected in such listing, there have been no modifications to any of the Financing and Related Agreements; PS America is not in default in any material respect with respect to them; and none of the interests of PS America in any of them is subject to any restriction except as stated in the applicable document or as provided by applicable law.

2.9 Trademarks, etc. Attached as Schedule 2.9 to the Disclosure Memoranda is a list of all tradenames, trademarks, service marks, copyrights and the registrations for them owned or used by PS America in connection with its business operation. PS America has not infringed and is not now infringing, any trademark, tradename, service mark, or copyright belonging to any other person. Except as set forth on such exhibit, PS America is not a party to any license, agreement or arrangement, whether as licensor, licensee or otherwise, with respect to any trademark, tradename, service mark, or copyright. PS America's business may be conducted without license by others for the use of any tradename, trademark, service mark, or copyright.

2.10 Material Contracts. Attached as Schedule 2.10 to the Disclosure Memoranda is (i) a schedule identifying all material contracts relating to PS America's operations not otherwise specifically identified otherwise in this Agreement (the "Contracts"); (ii) a summary of all material provisions of the Contracts that are oral and not reduced to written documents; and (iii) a copy of all written Contracts. As of the date of this Agreement (i) all of the Contracts remain unmodified and in full force and effect, and (ii) PS America is not in default of any material nature (nor, does any state of facts exist which, with the giving of notice, the passing of time, or otherwise, would constitute a default of any material nature by PS America) with respect to any of the Contracts.

2.11 Maintenance and Employment Agreements. Attached as Schedule 2.11 to the Disclosure Memoranda is (i) a schedule of all written agreements between PS America and independent contractors, employees and agents who are employed or engaged in the PS America or operation of PS America or the Facilities; (ii) the names of all parties entitled to payments from PS America under any such agreements or arrangements; (iii) the amounts payable by PS America under the terms of all such agreements and arrangements, including without limitation, the terms of employment and compensation, including vacation and other employee benefit provisions and the cost of all employee benefits and payroll taxes; and (iv) a copy of all written contracts for such services. There are no material oral agreements in effect for any such services. As of the date of this Agreement: (x) there are no written agreements

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between any of such contractors, employees or agents and PS America; (y) there is no party entitled to compensation or remuneration for any such services after the Effective Date; and (z) PS America's agreements and arrangements providing for the services described on such schedule may be terminated by PS America at any time, with or without cause, and without any obligation to pay any of said parties any amounts whatsoever except as may be required by law (including, without limitation, severance pay or accrued vacation pay or other benefits).

2.12 Employee Benefit Plans. PS America maintains employee benefit plans as listed on Schedule 2.12 to the Disclosure Memoranda (the "Employee Benefit Plans") and copies of such plans are attached to such Disclosure Memoranda. PS America does not maintain any profit sharing, pension or other employee benefit plan related to its operations. PS America has no unfunded obligations pursuant to any insurance, retirement, pension, profit sharing or deferred compensation plan or program relating to its operations, other than its 401(k) contribution for periods subsequent to December 31, 1996.

2.13 Labor. There are no existing labor disputes with PS America. None of PS America's employees are covered by any union or collective bargaining agreement.

2.14 Insurance. A schedule of all of the policies of insurance maintained by PS America attached as Schedule 2.14 to the Disclosure Memoranda. The insurance coverage provided by such policies complies in all material respects, with all agreements to which PS America is a party, and applicable legal requirements to which it is subject. All such policies are currently in effect.

2.15 Taxes. PS America has filed timely all Federal, state and local tax returns which it is required to file, including without limitation, those relating to income, payroll, sales and use and ad valorem taxes, and has no outstanding liability for any Federal, state or local taxes or interest or penalties thereon, whether disputed or not, except taxes not yet payable which have been provided for in accordance with GAAP and are disclosed in PS America's Most Recent Balance Sheet, or have subsequently accrued in the normal course of business. PS America at all times has been duly qualified as a sub-chapter "S" corporation as provided for in the Internal Revenue Code.

2.16 Actions Pending. As of the date of this Agreement: (i) there are no actions, suits, proceedings, investigations or claims pending or threatened against PS America which, if determined adversely to PS America, would (A) have a material adverse effect on its operations, or (B) prevent or delay the consummation of any of the transactions contemplated by this Agreement; (ii) PS America, is not the subject of any pending or threatened investigation relating to any aspect of PS America's operations, by any Federal, state or local governmental agency or authority; (iii) PS America, is not and has not been the subject of any formal or informal complaint, investigation or inspection under the Equal Employment Opportunity Act or the Occupational Safety

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and Health Act (or their state or local counterparts) or by any other Federal, state or local authority.

2.17 No Guaranties. None of PS America's obligations or liabilities are guaranteed by any other person, firm or corporation, nor has PS America guaranteed the obligations or liabilities of any other person, firm or corporation.

2.18 Records. The books of account of PS America are complete and correct in all material respects, and there have been no transactions which properly should have been set forth therein which have not been accurately so set forth.

2.19 Transactions With Certain Persons. None of the shareholders of PS America, on the one hand, and the other parties to this Agreement, on the other, owe any amount to the other or have any contract with or commitment to the other except as reflected on the PS America Financial Statements. PS America has made no distributions to its shareholders subsequent to the date of the PS America Most Recent Balance Sheet except as permitted pursuant to Section 4.1 of this Agreement.

ARTICLE III

REPRESENTATIONS AND WARRANTIES OF PS VOLANT, PS WEST PALM BEACH, PS HOUSTON AND PS TEXAS

Each of PS Volant, PS West Palm Beach, PS Houston and PS Texas represents to PS America that, to the best of each of their knowledge:

3.1 No Misstatements. The representations and the information supplied by it contained in this Agreement and the documents incorporated by reference into it do not contain any untrue statement of a material fact or omit to state any fact necessary to make such representations or information not materially misleading.

3.2 Validity of Actions. It is duly organized, validly existing and in good standing under the laws of the state of its organization and has the authority to carry on its business as currently conducted, and is qualified to do business in all jurisdictions in which such qualification is necessary. It has full power and authority to enter into this Agreement and to carry out all acts contemplated by it. This Agreement and each of the documents provided for in it to be delivered as part of this transaction, have been duly executed and have or will be delivered pursuant to all appropriate corporate authorization on its behalf and is, or will be, its legal, valid and binding obligation and is enforceable against it in accordance with its terms, except as such enforcement may be limited by applicable bankruptcy, insolvency, merger, moratorium or similar laws affecting the enforcement or creditors' rights generally and general equitable principles regardless of whether such enforceability is considered in a proceeding at law or in equity. The execution and delivery of this Agreement, and each of the documents to be

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executed and delivered by it pursuant to its terms, and the consummation of the transactions contemplated by them will not violate any provision of their respective Certificates of Incorporation, and all amendments thereto, or Bylaws or, violate, conflict with or result in any breach of any of the terms, provisions of or conditions of, or constitute a default or cause acceleration of any indebtedness under, any indenture, agreement or instrument to which it is a party or by which it or its assets may be bound, or, upon filing the respective Plans of Merger with the appropriate governmental instrumentality, cause a breach of any applicable law or governmental regulation, or any applicable order, judgment, writ, award, injunction or decree of any court or governmental instrumentality.

3.3 Capitalization.

(a) PS Volant. The authorized capital stock of PS Volant consists of: (i) 1,000 shares of Common Stock, par value \$0.01 per share, of which as of the date of this Agreement, there were 1,000 shares issued and outstanding and no shares were held in the treasury of PS Volant. Since July 1, 1994 there have been no changes in the authorized, issued, outstanding or treasury shares of PS Volant Common Stock. All outstanding shares of PS Volant Common Stock have been validly issued by PS Volant and are fully paid, nonassessable and free of preemptive rights. There are no subscriptions, options, warrants, calls, rights, contracts, commitments, understandings or arrangements relating to the issuance, sale or transfer by PS Volant of any shares of its capital stock, including any right of conversion or exchange under any outstanding security or other instrument.

(b) PS West Palm Beach. The authorized capital stock of PS West Palm Beach consists of: (i) 1,000 shares of Common Stock, par value \$0.01 per share, of which as of the date of this Agreement, there were 1,000 shares issued and outstanding and no shares were held in the treasury of PS West Palm Beach. Since July 1, 1994 there have been no changes in the authorized, issued, outstanding or treasury shares of PS West Palm Beach Common Stock. All outstanding shares of PS West Palm Beach Common Stock have been validly issued by PS West Palm Beach and are fully paid, nonassessable and free of preemptive rights. There are no subscriptions, options, warrants, calls, rights, contracts, commitments, understandings or arrangements relating to the issuance, sale or transfer by PS West Palm Beach of any shares of its capital stock, including any right of conversion or exchange under any outstanding security or other instrument.

(c) PS Houston. The authorized capital stock of PS Houston consists of: (i) 1,000 shares of Common Stock, par value \$0.01 per share, of which as of the date of this Agreement, there were 1,000 shares issued and outstanding and no shares were held in the treasury of PS Houston. Since March 24, 1998 there have been no changes in the authorized, issued, outstanding or treasury shares of PS Houston Common Stock. All outstanding shares of PS Houston Common Stock have been validly issued by PS Houston and are fully paid, nonassessable and free of preemptive

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rights. There are no subscriptions, options, warrants, calls, rights, contracts, commitments, understandings or arrangements relating to the issuance, sale or transfer by PS Houston of any shares of its capital stock, including any right of conversion or exchange under any outstanding security or other instrument.

(d) PS Texas. The authorized capital stock of PS Texas consists of: (i) 1,000 shares of Common Stock, par value \$0.01 per share, of which as of the date of this Agreement, there were 100 shares issued and outstanding and no shares were held in the treasury of PS Texas. Since May 15, 1997 there have been no changes in the authorized, issued, outstanding or treasury shares of PS Texas Common Stock. All outstanding shares of PS Texas Common Stock have been validly issued by PS Texas and are fully paid, nonassessable and free of preemptive rights. There are no subscriptions, options, warrants, calls, rights, contracts, commitments, understandings or arrangements relating to the issuance, sale or transfer by PS Texas of any shares of its capital stock, including any right of conversion or exchange under any outstanding security or other instrument.

3.4 Actions Pending. There are no actions, suits, proceedings, investigations or claims pending or threatened against it which, if determined adversely to it would (A) have a material adverse effect on its operations, or (B) prevent or delay the consummation of any of the transactions contemplated by this Agreement.

ARTICLE IV

COVENANTS OF THE PARTIES

4.1 Conduct of PS America Prior to the Closing. Pending consummation of the Plans of Merger or prior to termination of this Agreement, PS America agrees, without prior written consent of the other parties to this Agreement, given in a letter which specifically refers to this Section of the Agreement:

(a) not to (i) perform any act or omit to take any act that would make any of the representations made in Article II above, inaccurate in any material respect or materially misleading as of the Effective Date, or (ii) make any payment or distribution except for the payment in the ordinary course of business of liabilities provided for in the PS America Financial Statements or incurred in the ordinary course of business.

(b) to conduct its business in the ordinary and regular course, maintain the Facilities, protect the Permits, and keep its books of account, records and files in substantially the same manner as at present.

4.2 Notice. Pending the consummation of the transactions contemplated in this Agreement or prior to termination of this Agreement, each party agrees that it will promptly advise the others of the occurrence of any condition or event which would

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make any of its representations contained in this Agreement inaccurate, incorrect, or materially misleading.

4.3 Access. Prior to the Closing, PS America shall afford to the other parties to this Agreement (and their respective officers, attorneys, accountants and other authorized representatives), upon reasonable notice, free and full access during usual business hours to its relevant offices, personnel, books and records and other data, financial or otherwise, so that each such party may have full opportunity to make such investigation as it shall desire of the assets and the business and operations of PS America, provided that such investigation shall not unreasonably interfere with PS America's operations. The scope of the investigation will include, but not be limited to, verification of the accounts, books and records of PS America upon which its Financial Statements are based, access to its auditors' work papers and a review of PS America's control procedures, regulatory compliance, the Facilities and material contracts and litigation. Duly authorized representatives shall also be entitled to discuss with officers of PS America, its counsel, employees and independent public accountants, all of its books, records and other corporate documents, contracts, pricing and service policies, commitments and future prospects. Representatives of PS America will furnish to the other parties to this Agreement and such other persons, copies of all materials relating to the business affairs, operations, Facilities, assets and liabilities of PS America which may be reasonably requested from time to time and will cause representatives and employees of PS America to assist in such investigation. All information obtained in connection with the transactions contemplated by this Agreement or in the course of their investigations, whether obtained before or after the date of this Agreement (the "Evaluation Material") shall be used only in connection with this Agreement and the subsequent operation of the combined entity and the other parties to this Agreement shall assure that all Evaluation Material will be otherwise kept strictly confidential by each of them and their respective representatives.

4.4 Additional Documents. At the request of any party, each party will execute and deliver any additional documents and perform in good faith such acts as reasonably may be required in order to consummate the transactions contemplated by this Agreement and to perfect the conveyance and transfer of any property or rights to be conveyed or transferred or perfect the assumption of any liabilities assumed under the terms of this Agreement.

4.5 Filing of Returns: Additional Information. PS America will file on a timely basis all tax returns, notices of sale and other documentation required by law in connection with the transactions provided for in this Agreement or otherwise required by law, regulation or pursuant to the terms of any agreement to which it is a party. PS America will supplement any previous filing made by it in accordance with legitimate requests made by applicable agencies or parties to the extent required by the relevant law, regulation or agreement.

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4.6 Compliance with Conditions to Closing. Subsequent to the execution and delivery of this Agreement and prior to the Closing Date, each of the parties to this Agreement will execute such documents and take such other actions as reasonably may be appropriate to fulfill the conditions to the Closing Date provided for in Article V of this Agreement.

4.7 Further Assurances. Consistent with the terms and conditions hereof, each party hereto will execute and delivery such instruments and take such other action as the other parties hereto may reasonably require in order to carry out this Agreement and the Plans of Merger and the transactions contemplated hereby and thereby.

4.8 Filing of Merger Documents. Subject to the terms and conditions of this Agreement, as soon as practicable following the approval of the Plans of Merger by the shareholders of PS America and the approval of the issuance of the shares of PS America Common Stock pursuant to this Agreement and the Plans of Merger by the Board of Directors each of PS Volant, PS West Palm Beach, PS of Houston and PS Texas shall cause a Certificate/Articles of Merger to be filed with the appropriate Department of State.

ARTICLE V

CONDITIONS TO THE OBLIGATIONS OF THE PARTIES

The obligation of each of PS Volant, PS West Palm Beach, PS Houston and PS Texas, on the one hand, and PS America on the other hand, to consummate the transactions contemplated by this Agreement shall be subject to compliance with or satisfaction of the following conditions by the other, to the extent applicable:

5.1 Bring Down. The representations and warranties set forth in this Agreement shall be true and correct in all material respects on and at the Closing as if then made by the relevant party (except for those representations and warranties made as of a given date, which shall continue to be true and correct as of such given date).

5.2 Compliance. Each party shall have complied with all of the covenants and agreements in this Agreement on its or their part, respectively, to be complied with as of or prior to the Closing Date.

5.3 No Material Adverse Changes. Since the date of this Agreement, there shall not have occurred any material adverse change in the condition or operations (financial or otherwise) of PS America, on the one hand, or any of the other parties to this Agreement, on the other.

5.4 Disappearing Corporations' Certificates. There shall be delivered to PS America:

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(a) a certificate executed by the President and Secretary or any Vice President of each of PS Volant, PS West Palm Beach, PS Houston and PS Texas, dated the Effective Date, certifying that the conditions to be fulfilled by each of them set forth in this Article V have been fulfilled;

(b) a certificate of incumbency for each of PS Volant, PS West Palm Beach, PS Houston and PS Texas executed by its President or any Vice President and by the Secretary or any Assistant Secretary of such entity, listing the officers of such entity authorized to execute (to the extent applicable) the Agreement and the other documents, certificates, schedules and instruments to be delivered on behalf of such entity, and their respective offices, and containing the genuine signature of each such person set forth opposite his name; and

(c) good standing certificates and certified charter documents of each of them of recent date, from the Secretary of the State of the jurisdiction of incorporation of such entity.

The certificates described in subsections (a), (b), and (c) above are hereafter referred to collectively as "Disappearing Corporations' Certificates."

5.5 PS America's Certificates. There shall be delivered to each of PS Volant, PS West Palm Beach, PS Houston and PS Texas, dated the Effective Date, certifying that the conditions to be fulfilled by each of them have been fulfilled.

(a) a certificate executed by the President and Secretary of PS America, dated the Closing Date, certifying that the conditions to be fulfilled by it as set forth in this Article V have been fulfilled;

(b) a certificate of incumbency for PS America executed by its President or any Vice President and by the Secretary or any Assistant Secretary of PS America, listing the officers of such entity authorized to execute (to the extent applicable) the Agreement and the other documents, certificates, schedules and instruments to be delivered on behalf of such entity, and their respective offices, and containing the genuine signature of each such person set forth opposite his name; and

(c) good standing certificates and certified charter documents of PS America of recent date, from the Secretary of the State of the jurisdiction of incorporation of such entity.

The certificates described in subsections (a), (b), and (c) above, are hereafter referred to collectively as "PS America' Certificates."

5.6 No Suits. No action or proceeding shall have been instituted in any court or before any Federal, state or local governmental agency against any party seeking to

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restrain or prohibit the consummation of the transactions contemplated by this Agreement, or which could have a material adverse effect on any of the parties, which shall not have been dismissed or withdrawn prior to the Effective Time of the Mergers.

5.7 Documents. All documents required to be delivered to each of the other parties to this Agreement or PS America pursuant to this Agreement, including but not limited to, the respective Disclosure Memoranda, at or prior to Closing shall have been so delivered.

5.8 Authority. There shall be in full force and effect on the resolutions of the Boards of Directors of each of the parties to this Agreement approving this Agreement the other documents executed and delivered by each of them in connection with this Agreement and the transactions contemplated in it. At or prior to the Closing, each party will deliver to the other a copy of the resolutions of its Board of Directors approving the execution and delivery of this Agreement and the other documents to be delivered pursuant to this Agreement and the consummation of all of the transactions contemplated hereby, duly certified by an appropriate officer.

5.9 Bankruptcy, Dissolution, etc. No petition or other commencement of proceedings in bankruptcy or proceedings for dissolution, termination, liquidation or an arrangement, merger or readjustment of any party's debts under any state or Federal law enacted for the relief of debtors or otherwise, whether instituted by or against a party, has been effected or commenced by or against any party.

ARTICLE VI

CLOSING

6.1 Time and Place; Effective Date. The closing of the transactions provided for in this Agreement shall take place as soon as practicable after the date on which the respective shareholders of each of the parties to this Agreement have adopted this Agreement and the Plan of Mergers and the board of directors of PS America shall have approved the issuance of the shares of Common Stock pursuant to this Agreement, or such other date as the parties may agree upon.

6.2 Deliveries at Closing. At the Closing, each of PS Volant, PS West Palm Beach, PS Houston and PS Texas shall deliver to PS America and PS America shall deliver to each such corporation the certificates and other documents and instruments provided to be delivered under Articles IV and V hereof, and each of PS Volant, PS West Palm Beach, PS Houston and PS Texas shall cause the Articles of Merger to be filed in accordance with the provisions of the Pennsylvania Corporation Act (or such other jurisdiction as may be applicable) and shall take any other lawful actions and do any other lawful things necessary to effect the Mergers and to enable the Mergers to become effective.

ARTICLE VII

TERMINATION AND RIGHTS AND REMEDIES ON DEFAULT

7.1 Termination. This Agreement may be terminated and the transactions contemplated hereby abandoned prior to the Closing: (i) by the mutual consent of the parties to this Agreement; (ii) by each of PS Volant, PS West Palm Beach, PS Houston and PS Texas, if any condition to their obligations to close set forth in Article V hereof becomes impossible of performance or has not been satisfied in full (in each case other than as a result of a breach of such party's obligations under this Agreement) or previously waived by the other parties to this Agreement in writing at or prior to the Termination Date; (iii) by PS America if any condition to its obligations to close set forth in Article V hereof becomes impossible of performance or has not been satisfied in full (in each case other than as a result of a breach of such party's obligations under this Agreement) or previously waived by the other parties to this Agreement in writing at or prior to the Termination Date; or (iv) by any party (other than a party that is in breach of its obligations under this Agreement) if the Closing shall not have occurred on or before the Termination Date. The Termination Date shall be May 31, 1998. If this Agreement is terminated pursuant to clause (i) of this Article VII all obligations of the parties hereunder shall terminate without any further liability or obligation of either party to the other except as limited by the preceding sentence, the exercise by any party of the right to terminate this Agreement shall not terminate or limit any remedy that such party may have pursuant to applicable law, including any rights with respect to damages or specific performance.

7.2 Nature of Remedies Cumulative. Except as otherwise provided in this Agreement, all rights and remedies granted in this Agreement or available under applicable law shall be deemed concurrent and cumulative and not alternative or exclusive remedies, to the full extent permitted by law and this Agreement, and any party may proceed with any number of remedies at the same time or in any order. The exercise of any one right or remedy shall not be deemed a waiver or release of any other right or remedy, and any party, upon the occurrence of an event of default by another party under this Agreement, may proceed at any time, under any agreement, in any order and with any available remedy.

ARTICLE VIII

FINDERS FEES

Each of the parties represents and warrants to the other that such party has not employed any finder or broker in connection with transactions contemplated by this Agreement. Each party agrees to indemnify and hold harmless the others from and

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against any claim, damages, liabilities, and expenses (including without limitation, attorneys' fees and disbursements) arising from any claim or demand asserted by any person or entity on the basis of its employment as a finder or broker by the respective party.

**ARTICLE IX
NOTICES**

All notices or other communications required or permitted under the terms of this Agreement shall be made in writing and shall be deemed given upon (i) hand delivery or (ii) three days after deposit of same in the Certified Mail, Return Receipt Requested, first class postage and registration fees prepaid and correctly addressed to the parties at the following addresses:

If to	PS America, Inc. P.O. Box 175 One Potter Run Road Volant, Pennsylvania 16156 Attn: Jim Traweek
If to	PS Volant, Inc. P.O. Box 175 One Potter Run Road Volant, Pennsylvania 16156 Attn: John Marett
If to	PS of West Palm Beach, Inc. P.O. Box 175 One Potter Run Road Volant, Pennsylvania 16156 Attn: John Marett
If to	PS of Houston, Inc. P.O. Box 175 One Potter Run Road Volant, Pennsylvania 16156 Attn: Jim Traweek
If to	PS Texas Group, Inc. P.O. Box 175 One Potter Run Road Volant, Pennsylvania 16156 Attn: Jim Traweek

or to such other address as any of the parties hereto may designate by notice to the others.

ARTICLE X

MISCELLANEOUS

10.1 Miscellaneous Provisions

(a) Successors. This Agreement shall be binding upon, and inure to the benefit of, the parties hereto and their respective successors and permitted assigns. This Agreement may not be assigned prior to Closing without the prior written consent of the other parties hereto.

(b) Expenses. Except as otherwise provided in this Agreement, each of the parties to this Agreement shall be responsible for any and all of the respective fees, costs and expenses incurred by each, in connection with the negotiation, preparation or performance of this Agreement.

(c) Entire Agreement. This Agreement incorporates by this reference the Plans of Merger, all Exhibits hereto and all documents executed and/or delivered at Closing. This Agreement and the documents so incorporated into it contain the parties' entire understanding and agreement with respect to the subject matter hereof; and any and all conflicting or inconsistent discussions, agreements, promises, representations and statements, if any, between the parties or their representatives that are not incorporated in this Agreement shall be null and void and are merged into this Agreement.

(d) Amendments Only in Writing. No amendment, modification, waiver or discharge of this Agreement or any provision of this Agreement shall be effective against any party, unless such party shall have consented thereto in writing.

(e) Counterparts. This Agreement may be executed in one or more counterparts, each of which shall constitute an original, but all of which together shall constitute a single agreement.

(f) Cooperation. Each of the parties to this Agreement, when requested by another party, shall give all reasonable and necessary cooperation with respect to any reasonable matters relating to the transactions contemplated by this Agreement.

(g) Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of Delaware, exclusive of its choice of law provisions.

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(h) Headings. The various section headings are inserted for purposes of reference only and shall not affect the meaning or interpretation of this Agreement or any provision hereof.

(i) Gender; Number. All references to gender or number in this Agreement shall be deemed interchangeably to have a masculine, feminine, neuter, singular or plural meaning, as the sense of the context requires.

(j) Severability. The provisions of this Agreement shall be severable, and any invalidity, unenforceability or illegality of any provision or provisions of this Agreement shall not affect any other provision or provisions of this Agreement, and each term and provision of this Agreement shall be construed to be valid and enforceable to the full extent permitted by law.

(k) Survival. Except as otherwise expressly provided in this Agreement, the liabilities and obligations of each party with respect to any and all of its representations, warranties, covenants and agreements set forth in this Agreement and/or in any document incorporated into it shall not be merged into, affected or impaired by the Closing under this Agreement. All of the representations, warranties, covenants and agreements set forth in this Agreement shall survive the Closing for the period thereafter until two (2) years from the date first above written.

(l) No Third Party Beneficiaries. This Agreement has been entered into solely for the benefit of the parties that have executed it, and not to confer any benefit or enforceable right upon any other party or entity. Accordingly, no party or entity that has not executed this Agreement shall have any right to enforce any of the provisions of it.

IN WITNESS WHEREOF, the undersigned have caused this Agreement to be executed by an officer duly authorized to do so, all as of the day and year first above written.

PS AMERICA, INC.

By: _____
Authorized Signatory

PS OF VOLANT, INC.

By: _____
Authorized Signatory

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PS OF WEST PALM BEACH, INC.

By: _____
Authorized Signatory

PS OF HOUSTON, INC.

By: _____
Authorized Signatory

PS TEXAS GROUP, INC.

By: _____
Authorized Signatory

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EXHIBITS

Composite Exhibit "A" - Plans of Merger

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Composite Exhibit "A"
PLAN OF MERGER

Plan of Merger (the "Plan"), dated as of April 30, 1998, between PS AMERICA, INC., a Pennsylvania corporation ("PS America"), and PS of West Palm Beach, Inc., a Florida corporation (the "Disappearing Corporation") (PS America and PS of West Palm Beach, Inc. are sometimes referred to herein as the "Constituent Corporations").

PS America, Inc., is a corporation duly organized and validly existing under the laws of the State of Pennsylvania with authorized capital stock consisting of: (i) 50,000 shares of common stock, par value \$10.00 per share ("PS America Common Stock"), of which as of the date of this Plan of Merger there were 5,550 shares issued and outstanding and no shares were held in the treasury of PS America.

The Disappearing Corporation is a corporation duly organized and validly existing under the laws of the State of Florida with authorized capital stock consisting of 1,000 shares of common stock, par value \$.01 per share (the "Disappearing Corporation Common Stock"), all of which shares are issued and outstanding.

The respective Boards of Directors of PS America and the Disappearing Corporation deem it advisable that PS America be merged with and into the Disappearing Corporation (the "Merger") as provided herein and in the Agreement and Plan of Mergers dated as of April 30, 1998 (the "Agreement and Plan"), which sets forth certain representations, warranties and agreements in connection with the Merger and related transactions.

PS America and the Disappearing Corporation, in order to effectuate the foregoing, have adopted a plan of merger in accordance with the provisions of Section 368(a) of the Internal Revenue Code, as amended.

In consideration of the mutual benefits to be derived from this Plan, the Agreement and Plan and the mutual agreements hereinafter contained, PS America and the Disappearing Corporation on the terms and conditions contained herein, and in connection herewith, agree as follows:

ARTICLE I

SURVIVING CORPORATION

In accordance with the applicable provisions of the business corporation laws of the State of Florida ("Corporation Laws"), the Disappearing Corporation shall be merged with and into PS America.

ARTICLE II

EFFECTIVENESS OF THE MERGER

Section 2.1 *Effective Time of the Merger.* Subject to the provisions of this Plan and the Agreement and Plan, as soon as practicable on or after the Closing Date (as defined in Article VI of the Agreement and Plan), a certificate/articles of merger (the "Certificate of Merger"), together with this Plan, shall be executed by PS America and the Disappearing Corporation and delivered to the Department of State of the State of Florida and to the Department of State of Pennsylvania for filing as provided in the Corporation Laws. The Merger shall become effective upon completion of the filing of Certificate/Articles of Merger with the Department of State of the State of Florida and with the Secretary of State of the State of Pennsylvania (the "Effective Time of the Merger").

Section 2.2 *Effects of the Merger.* At the Effective Time of the Merger: (i) the separate existence of the Disappearing Corporation shall cease and the Disappearing Corporation shall be merged with and into PS America; (ii) the Articles of Incorporation of the Surviving Corporation shall be as set forth in Article IV hereof; and (iii) the Merger shall, from and after the Effective Time of the Merger, have all the effects provided by applicable Florida law.

Section 2.3 *Additional Actions.* If, at any time after the Effective Time of the Merger, PS America shall consider or be advised that any further assignments or assurances or any other acts are necessary or desirable: (a) to vest, perfect or confirm, of record or otherwise, in PS America, title to and possession of any property or right of the Disappearing Corporation acquired or to be acquired by reason of, or as a result of, the Merger; or (b) otherwise to carryout the purposes of this Plan, the Disappearing Corporation and its proper officers and directors shall be deemed to have granted to PS America an irrevocable power of attorney to execute and deliver all such proper deeds, assignments and assurances and to do all acts necessary or proper to vest, perfect or confirm title to and possession of such property or rights in PS America and otherwise to carryout the purposes of this Plan; and the proper officers and directors of PS America are fully authorized in the name of the Disappearing Corporation or otherwise to take any and all such action.

ARTICLE III

EFFECT OF MERGER ON CAPITAL STOCK OF THE CONSTITUENT CORPORATIONS

Section 3.1 *Conversion of Stock of the Disappearing Corporation and PS America.* At the Effective Time of the Merger, each share of the Disappearing Corporation Common Stock then issued and outstanding shall, by virtue of the Merger and without any action on the part of the holder thereof, be converted into .38 shares of

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PS America Common Stock, par value \$.01 per share ("PS America Common Stock"), subject to the provisions of Article 7 of the Agreement and Plan of Merger.

Section 3.2 *Exchange of Certificates.* After the Effective Time of the Merger, each holder of a certificate or certificates theretofore evidencing outstanding shares of Disappearing Corporation Common Stock, upon surrender of the same to Greenberg, Traurig, Hoffman, Lipoff, Rosen & Quentel, P.A. ("Greenberg") as agent for the PS America or such other agent or agents as shall be appointed by the Disappearing Corporation shall be entitled to receive in exchange therefor a certificate or certificates representing the number of full shares of PS America Common Stock for which the shares of Disappearing Corporation Common Stock theretofore represented by the certificate or certificates so surrendered shall have been converted as provided in this Article III. As soon as practicable after the Effective Time of the Merger, Greenberg or such other agent(s), as the case may be, shall mail to each holder of record of an outstanding certificate which immediately prior to the Effective Time of the Merger evidences shares of Disappearing Corporation Common Stock (a "Certificate"), and which is to be exchanged for the PS America Common Stock as provided in Section 3.1 hereof, a form of letter of transmittal (which shall specify that delivery shall be effected, and risk of loss and title to the Certificates shall pass, only upon delivery of the Certificates to Greenberg), advising such shareholder of the terms of the exchange effected by the Merger and the procedure for surrendering to Greenberg or such other agent(s), as the case may be, such Certificate in exchange for certificates evidencing the PS America Common Stock. Until so surrendered, each outstanding Certificate will be deemed for all corporate purposes of PS America to evidence ownership of the number of full shares of PS America Common Stock and the right to receive the cash value of any fraction of a share into which the shares of the Disappearing Corporation Common Stock represented thereby were converted; *provided, however*, until such outstanding Certificates are surrendered, no dividend payable to holders of record of PS America Common Stock as of any record date subsequent to the Effective Time of the Merger or cash payable in lieu of fractional shares pursuant to Section 3.3 hereof shall be paid to the holder of such outstanding Certificates in respect thereof. After the Effective Time of the Merger, there shall be no further registration of transfers on the records or stock transfer books of the Disappearing Corporation of shares of the Disappearing Corporation Common Stock and, if a Certificate representing such shares is presented, it shall be canceled and exchanged for certificates representing shares of PS America Common Stock as herein provided. Subject to the provisions of this Section 3.2 and to applicable law, upon surrender of Certificates there shall be paid to the record holder of the certificates of PS America Common Stock issued in exchange therefor: (i) at the time of such surrender, the amount of any dividends or distributions theretofore paid with respect to such full shares of PS America Common Stock as of any record date subsequent to the Effective Time of the Merger and the amount of any cash payable to such holder in lieu of fractional shares pursuant to Section 3.3 hereof to the extent the same has not yet been paid to a public official pursuant to abandoned property laws; and (ii) at the appropriate payment date or as soon as practicable thereafter, the amount of dividends or distributions with a record date after the Effective

Time of the Merger but prior to surrender and a payment date subsequent to surrender payable with respect to such full shares of PS America Common Stock. All such dividends or distributions, and all cash to be paid pursuant to Section 3.3 hereof in lieu of fractional shares, if held by Greenberg, or such other agent(s), as the case may be, for payment or delivery to the holders of unsurrendered Certificates and unclaimed at the end of one year from the Effective Time of the Merger, shall at such time be paid or redelivered by Greenberg or such other agent(s), as the case may be, to PS America acting solely in its corporate capacity, and after such time any holder of a Certificate who has not surrendered such Certificate to Greenberg or such other agent(s), as the case may be, shall, subject to applicable law, look as a general creditor only to PS America for payment or delivery of such dividends or distributions or cash, as the case may be. No interest shall be payable with respect to the payment of such dividends, distributions or cash in lieu of fractional shares on surrender of outstanding Certificates. All shares of the Disappearing Corporation Common Stock and rights to receive cash, if any, into and for which shares of PS America Common Stock shall have been converted and exchanged pursuant to this Section 3.2 shall be deemed to have been issued in full satisfaction of all rights pertaining to such converted and exchanged shares of PS America Common Stock.

Section 3.3 *No Fractional Shares.* No certificates or scrip for fractional shares of the Disappearing Corporation Common Stock will be issued, no PS America stock split or dividend shall relate to any fractional share interest, and no such fractional share interest shall entitle the owner thereof to vote or to any rights of or as a shareholder of PS America. In lieu of such fractional shares, any holders of the Disappearing Corporation Common Stock who would otherwise be entitled to a fraction of a share of PS America Common Stock (or any other person who is the record holder of certificates for shares of the Disappearing Corporation Common Stock into which such shares of PS America Common Stock have been converted) will, upon surrender of his Certificate or Certificates, be paid the cash value of such fraction which shall be determined by the Accountants of PS America.

Section 3.4 *Certificates in Other Names.* If any certificate evidencing shares of PS America Common Stock is to be issued in a name other than that in which the Certificate surrendered in exchange therefor is registered, it shall be a condition of the issuance thereof that the Certificate so surrendered shall be properly endorsed and otherwise in proper form for transfer and that the person requesting such exchange pay to Greenberg or such other agent(s), as the case may be, or PS America acting solely in its corporate capacity, as the case may be, any transfer or other taxes required by reason of the issuance of a certificate for shares of PS America Common Stock in any name other than that of the registered holder of the Certificate surrendered or otherwise required or establish to the satisfaction of Greenberg or such other agent(s), as the case may be, or PS America acting solely in its corporate capacity, as the case may be, that such tax has been paid or is not payable.

ARTICLE IV

ARTICLES OF INCORPORATION OF PS AMERICA

The Articles of Incorporation of PS America shall continue to be its Articles of Incorporation from and after the Effective Time of the Merger until changed in accordance with applicable law.

ARTICLE V

MISCELLANEOUS

Section 5.1 *Termination.* This Plan shall terminate in the event of and upon the termination of the Agreement and Plan.

Section 5.2 *Headings.* The descriptive headings of the several Articles and Sections of this Plan are inserted for convenience only and do not constitute a part of this Plan.

Section 5.3 *Notices.* Any notices or other communications required or permitted hereunder shall be sufficiently given if sent by certified or registered mail, postage prepaid, addressed as follows:

- (a) If to PS America:
P.O. Box 175
One Potter Run Road
Volant, Pennsylvania 16156
- (b) If to the Disappearing Corporation:
P.O. Box 175
One Potter Run Road
Volant, Pennsylvania 16156

or such other addresses as shall be furnished in writing by either party, and any such notice of communication shall be deemed to have been given as of the date so mailed.

Section. 5.4 *Assignment.* This Plan and all of the provisions hereof shall be binding upon and inure to the benefit of the parties hereto and their respective successors and permitted assigns, but neither this Plan nor any of the rights, interest, or obligations hereunder shall be assigned by any of the parties hereto without the prior written consent of the other parties, except that PS America may assign all of its rights, interests and obligations hereunder to another wholly-owned subsidiary of PS America, provided that such subsidiary agrees in writing to be bound by all of the terms, conditions and provisions contained herein.

Section 5.5 *Complete Agreement.* This Plan, and the Agreement and Plan, including the schedules, exhibits or other writings referred to therein or delivered pursuant thereto, contain the entire understanding of the parties hereto with respect to the Merger and the related transactions and supersede all prior arrangements or understandings with respect thereto and all letters and other agreements relating to the protection of Confidential Information (as defined in the Agreement and Plan) of PS America and the Disappearing Corporation. There are no restrictions, agreements, promises, warranties, covenants or undertakings between the parties hereto other than those expressly set forth herein or in the Agreement and Plan.

Section 5.6 *Modifications, Amendments and Waivers.* At any time prior to the Effective Time of the Merger (notwithstanding any shareholder approval), if authorized by their respective Boards of Directors and to the extent permitted by law: (i) the parties hereto may, by written agreement, modify, amend or supplement any term or provision of this Plan and (ii) any term or provision of this Plan may be waived by the party which is, or whose shareholders are, entitled to the benefits thereof. Any written instrument or agreement referred to in this section shall be validly and sufficiently authorized for the purposes of this Plan if signed on behalf of PS America and the Disappearing Corporation by a person authorized to sign this Plan.

Section 5.7 *Counterparts.* This Plan may be executed by facsimile in two or more counterparts all of which shall be considered one and the same agreement and each of which shall be deemed an original.

Section 5.8 *Governing Law.* This Plan shall be governed by the laws of the State of Florida (regardless of the laws that might be applicable under principles of conflicts of law) as to all matters, including but not limited to matters of validity, construction, effect and performance.

IN WITNESS WHEREOF, PS America and the Disappearing Corporation have caused this Plan of Merger to be executed by their duly authorized officers, respectively.

PS AMERICA, INC.

ATTEST:

Secretary

BY: _____

President

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PS OF WEST PALM BEACH, INC.

ATTEST:

Secretary

BY: _____

President

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