



THE UNITED STATES
CORPORATION
COMPANY

K98438

ACCOUNT NO. : 072100000032

REFERENCE : 496910 4311473

AUTHORIZATION : Patricia Piquito

COST LIMIT : \$ 70.00

ORDER DATE : August 14, 1997

ORDER TIME : 10:47 AM

ORDER NO. : 496910-005

CUSTOMER NO: 4311473

CUSTOMER: Mr. Michael I. Keyes
Stearns Weaver Miller Weissler
Museum Tower, Suite 2200
150 West Flagler Street
Miami, FL 33130

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100002268291--7

ARTICLES OF MERGER

TIMS ACQUISITION, INC.

8/15/97
INTO
ISC OF MIAMI, INCORPORATED
10/11

PLEASE RETURN THE FOLLOWING AS PROOF OF FILING:

☐ CERTIFIED COPY
☒ PLAIN STAMPED COPY

CONTACT PERSON: Carina L. Dunlap

EXAMINER'S INITIALS: _____

FILED
97 AUG 15 PM 2:38
TALLAHASSEE, FLORIDA
RECEIVED
97 AUG 15 AM 11:25
DIVISION OF CORPORATION

K98438

ARTICLES OF MERGER
Merger Sheet

MERGING: -----

TIMS ACQUISITION, INC., a Florida corporation P97000060155

INTO

ISC OF MIAMI, INCORPORATED, a Florida corporation, K98438.

File date: August 15, 1997

Corporate Specialist: Annette Hogan

Account number: 072100000032

Account charged: 70.00

**ARTICLES OF MERGER
OF
TIMS ACQUISITION, INC.
INTO
ISC OF MIAMI, INCORPORATED**

97 AUG 15 PM 2:38
FILED
SECRETARY OF STATE
TALLAHASSEE, FLORIDA

Pursuant to the provisions of Section 607.1105 of the Florida Business Corporation Act, the undersigned Florida corporations adopt the following Articles of Merger pursuant to which TIMS Acquisition, Inc, a Florida corporation, shall be merged (the "Merger") with and into ISC of Miami, Incorporated, a Florida corporation:

1. The name of the surviving corporation of the Merger is ISC of Miami, Incorporated, a Florida corporation ("Surviving Corporation"). The name of the merging corporation is TIMS Acquisition, Inc., a Florida corporation ("Merging Corporation").

2. The Articles of Incorporation of ISC of Miami, Incorporated, a Florida corporation, shall continue in full force and effect as the Articles of Incorporation of the Surviving Corporation until amended and changed pursuant to the provisions of the Florida Business Corporation Act.

3. A copy of the Plan of Merger, dated as of July 10, 1997, setting forth the terms of the Merger (the "Plan of Merger") is attached hereto as Exhibit A and incorporated herein by reference.

4. The Merger shall become effective on the date and time these Articles of Merger are filed with the Secretary of State of the State of Florida.

5. The Plan of Merger was duly adopted on August 11, 1997 by the shareholders of the Surviving Corporation entitled to vote thereon by written consent without a meeting in the manner prescribed by the Florida Business Corporation Act pursuant to Section 607.0704. The Plan of Merger was duly adopted on July 10, 1997 by the sole shareholder of the Merging

Corporation by written consent without a meeting in the manner prescribed by the Florida Business Corporation Act pursuant to Section 607.0704.

IN WITNESS WHEREOF, these Articles of Merger have been executed as of the 13th day of August, 1997.

TIMS ACQUISITION, INC.

By: Alex Neubert
Alex Neubert
Vice President

ISC OF MIAMI, INCORPORATED

By: Don M. Breeden
Don M. Breeden
President

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EXHIBIT A

PLAN OF MERGER

THIS PLAN OF MERGER (the "Agreement") is entered into as of the 10th day of July 1997, by and among TRANSAMERICA INTELLITECH, INC., a Delaware corporation (the "Buyer"), TIMS ACQUISITION, INC., a Florida corporation and wholly-owned subsidiary of Buyer ("Acquisition"), and ISC OF MIAMI, INCORPORATED, a Florida corporation (the "Company"), and DON M. BREEDEN, TARA A. BREEDEN, EVAN S. BENRUBI and LORI G. BENRUBI (collectively, the "Shareholders").

WITNESSETH:

WHEREAS, the parties desire that the Company be acquired by Buyer through the merger (the "Merger") of Acquisition with and into the Company, all upon the terms and conditions contained herein and in accordance with applicable law;

WHEREAS, the Boards of Directors of Buyer, Acquisition and the Company have each determined that the Merger is in the best interests of their respective stockholders and have each adopted a resolution approving this Agreement and the transactions contemplated hereby;

WHEREAS, the Shareholders own all of the issued and outstanding shares of Class A Common Stock, par value of \$.001 per share, and own in the aggregate in excess of 64% of the outstanding shares of Class A voting and Class B non-voting common stock, par value \$.001 per share (collectively, the "Company Common Stock"), and each agree to vote their shares of Company Common Stock in favor of this Agreement and the transactions contemplated hereby.

NOW, THEREFORE, for and in consideration of the premises and the mutual agreements, representations, warranties and covenants herein contained and for the purpose of prescribing the terms and conditions of the Merger, the parties, intending to be legally bound, hereby agree as follows:

ARTICLE I **DEFINITIONS**

In addition to terms defined elsewhere in this Agreement, the following terms when used in this Agreement shall have the meanings indicated below:

"Affiliate" means as to any Person, any Person which directly or indirectly through one or more intermediaries, is in control of, is controlled by, or is under common control with, such Person, and any officer or director of such Person. For purposes of this definition, an entity shall be deemed to be "controlled by" a Person if the Person possesses, directly or indirectly, power either to (i) vote 10% or more of the securities (including convertible securities) having ordinary voting power or (ii) direct or cause the direction of the management or policies of such Person whether by contract or otherwise; and, as to a Person who is a natural Person, such Person's spouse, parents, siblings and lineal descendants.

"Articles of Merger" has the meaning set forth in Section 2.2 hereof.

"Code" means the Internal Revenue Code of 1986, as amended.

"Commitment" has the meaning set forth in Section 5.13 hereof.

"Company Subsidiary" means a Subsidiary of the Company and "Company Subsidiaries" means all of the Subsidiaries of the Company.

"Current Liabilities" means accounts payable and other liabilities due within twelve (12) months of the Effective Date and accrued severance time, sick time, personal time, vacation time, and other accrued employee benefit costs of the Company and the Company Subsidiaries.

"Dissenting Share" has the meaning set forth in Section 3.9 hereof.

"Earn-Out Payments" has the meaning set forth in Section 3.3 hereof.

"Earn-Out Period" means the period beginning with the commencement of the First Earn-Out Period and ending on the expiration of the Second Earn-Out Period, each as defined in Section 3.3 hereof.

"Effective Date" has the meaning set forth in Section 2.2 hereof.

"Effective Time" has the meaning set forth in Section 2.2 hereof.

"Environmental Laws" means all federal, state and local laws relating to pollution or protection of the environment such as laws relating to emissions, discharges, releases or threatened releases of hazardous, toxic or other pollutants, contaminants, chemicals or industrial material, into the natural environment, including without limitation, into ambient air, surface water, ground water, land survey or subsurface strata or otherwise relating to the manufacture, processing, distribution, use, treatment, storage, disposal, transport or handling of hazardous, toxic or other pollutants, contaminants, chemicals or industrial materials, substances or wastes, together with all regulations, rules, codes, plans, decrees, judgments, injunctions, notices and demand letters issued, entered, promulgated or approved thereunder.

"Exchange Agent" has the meaning set forth in Section 3.8 hereof.

"Excluded Employees" shall mean human resources personnel, accounting and finance personnel, and product development personnel focused on new product development.

"Financial Statements" has the meaning set forth in Section 5.10 hereof.

"First Earn-Out Period" has the meaning set forth in Section 3.3 hereof.

"Florida BCA" means the Business Corporation Act of the State of Florida, as amended.

"Holdback Amount" has the meaning set forth in Section 3.8(b) hereof.

"HSR Act" means the Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended, and the rules and regulations promulgated thereunder.

"Intellectual Property" means (a) all inventions (whether patentable or unpatentable and whether or not reduced to practice), all improvements thereto, and all patents, patent applications, and patent disclosures, together with all reissuances, continuations, continuations-in-part, revisions, extensions, and reexaminations thereof, (b) all trademarks, servicemarks, trade dress, logos, trade names, and corporate names, together with all translations, adaptations, derivations, and combinations thereof and including all goodwill associated therewith, and all applications, registrations, and renewals in connection therewith, (c) all copyrightable works, all copyrights,

and all applications, registrations, and renewals in connection therewith, (d) all trade secrets and confidential business information (including ideas, research and development, know-how, formulas, compositions, manufacturing and production processes and techniques, technical data, designs, drawings, specifications, customer and supplier lists, pricing and cost information, and business and marketing plans and proposals), (e) all computer software (including data and related documentation), (f) all other intellectual property rights, and (g) all copies and tangible embodiments thereof (in whatever form or medium) owned, used or controlled by the Company or the Company Subsidiaries.

"Investment" means, with respect to any Person, advances, loans or extensions of credit to any other Person, any purchases or commitments to purchase any stock, bonds, notes, debentures or other securities of any other Person, and any other investment in any other Person, including partnerships, joint ventures or other similar arrangements with any Person.

"Knowledge" or "known" means, with respect to any representation or warranty or other statement in this Agreement qualified by the knowledge of any party, that such party has made a due and diligent investigation as to the matters that are the subject of such representation, warranty or other statement. Where reference is made to the knowledge of the Shareholders, such reference shall be deemed to include the directors, officers and executive level employees of the Company and each Company Subsidiary as well as each of the Shareholders, all of whom shall be deemed to have conducted the investigation required by this definition. Any knowledge of any Shareholder shall be imputed to all the Shareholders.

"Letter Agreement" shall have the meaning set forth in Section 8.1(k) hereof.

"Liens" means any liens, claims, charges, pledges, security interests or other encumbrance of any nature whatsoever.

"Merger Consideration" has the meaning set forth in Section 3.1 hereof.

"Net Working Capital" means the amount of cash and accounts receivable of the Company and the Company Subsidiaries less the amount of all Current Liabilities.

"Options" shall have the meaning set forth in Section 3.10 hereof.

"1999 Earn-Out Payment" has the meaning set forth in Section 3.3 hereof.

"Per Share Fixed Amount" means the quotient obtained by dividing the Fixed Amount by the total number of shares of Company Common Stock outstanding on the Effective Date (assuming the full exercise of all Options). Any distribution of the Per Share Fixed Amount to a holder of Company Common Stock prior to the final determination of the Net Working Capital of the Company shall be reduced by a portion of the Holdback Amount allocable to such holder's shares.

"Per Share 1999 Earn-Out Amount" means the quotient obtained by dividing the 1999 Earn-Out Payment by the total number of shares of Company Common Stock outstanding on the Effective Date (assuming the full exercise of all Options).

"Per Share 2002 Earn-Out Amount" means the quotient obtained by dividing the 2002 Earn-Out Payment by the total number of shares of Company Common Stock outstanding on the Effective Date (assuming the full exercise of all Options).

"Person" means any natural person, corporation, unincorporated organization, partnership, association, joint stock company, joint venture, trust or government, or any agency or political subdivision of any government, or any other entity.

"Second Earn-Out Period" has the meaning set forth in Section 3.3 hereof.

"Subsidiary" of any Person means any Person, whether or not capitalized, in which such Person owns, directly or indirectly, an equity interest of fifty percent (50%) or more, or any Person which may be controlled, directly or indirectly, by such Person, whether through the ownership of voting securities, by contract, or otherwise.

"Tax" means any federal, state, local or foreign income, gross receipts, franchise, estimated, alternative minimum, add-on minimum, sales, use, transfer, registration, value added, excise, natural resources, severance, stamp, occupation, premium, windfall profit, environmental, customs, duties, real property, personal property, capital stock, social security, unemployment, disability, payroll, license, employee or other withholding, or other tax or governmental charge, of any kind whatsoever, including any interest, penalties or additions to tax or additional amounts in respect of the foregoing; the foregoing shall include any transferee or secondary liability for a Tax and any liability assumed by agreement or arising as a result of being (or ceasing to be) a member of any affiliated group (or being included (or required to be included) in any tax return relating thereto).

"2002 Earn-Out Payment" has the meaning set forth in Section 3.3 hereof.

ARTICLE II THE MERGER

2.1 Merger. At the Effective Date and subject to and upon the terms and conditions of this Agreement and the Florida BCA, Acquisition shall be merged with and into the Company, with the Company as the surviving corporation (the "Merger"). The Company, as the surviving corporation after the Merger, is hereinafter sometimes referred to as the Surviving Corporation; however, references herein to the Company relating to a time after the Effective Time shall be deemed to refer to the Company as the Surviving Corporation.

2.2 Consummation of the Merger; Effective Date. The consummation of the transactions contemplated by this Agreement shall take place at the offices of Stearns Weaver Miller Weissler Alhadeff & Sitterson, P.A., 150 West Flagler Street, Miami, FL 33130, at such time as shall be fixed by mutual agreement of Buyer and the Company as promptly as practicable after the satisfaction or waiver of the conditions precedent set forth in this Agreement. Subject to the satisfaction or waiver of conditions precedent to the consummation of the transactions contemplated by this Agreement, the parties shall cause the Merger to become effective on the date of the Closing by filing Articles of Merger, in such form as required by the Florida BCA ("Articles of Merger"), with the Secretary of the State of Florida (the time of such filing being the "Effective Time" and the date of such filing the "Effective Date").

2.3 Effect of the Merger. At the Effective Time, the effect of the Merger shall be as provided in the applicable provisions of the Florida BCA. Without limiting the generality of the foregoing, and subject thereto, at the Effective Time all of the property, rights, privileges, powers and franchises of the Company and Acquisition shall vest in the Surviving Corporation, and all debts, liabilities and duties of the Company and Acquisition shall become the debts, liabilities and duties of the Surviving Corporation.

2.4 Articles of Incorporation and By-laws. The articles of incorporation and by-laws of the Company immediately prior to the Effective Time shall be the articles of incorporation and by-laws, respectively, of the Surviving Corporation immediately after the Effective Time.

2.5 Board of Directors and Officers. As of the Effective Time, the Board of Directors of the Surviving Corporation shall be the Board of Directors of Acquisition immediately prior to the Effective Time. As of the Effective Time, the officers of the Surviving Corporation shall be the same officers of the Company as were in office immediately prior to the Effective Time.

ARTICLE III MERGER CONSIDERATION: CONVERSION OF SHARES

3.1 Merger Consideration. The aggregate consideration to be paid in connection with the Merger (the "Merger Consideration") in exchange for all of the outstanding shares of Company Common Stock shall be equal to the following aggregate amounts:

(a) Eight Million Dollars (\$8,000,000) subject to adjustment in accordance with the provisions of Section 3.2 hereof (the "Fixed Amount"); and

(b) subject to the terms and conditions of this Agreement, the Earn-Out Payments in accordance with Section 3.3 hereof.

3.2 Closing Date Balance Sheet.

(a) Within thirty (30) days after the Effective Date, Buyer, with the assistance of the Company, will cause to be prepared and delivered to the Shareholders a balance sheet (the "Closing Date Balance Sheet") for the Company as of the close of business on the Effective Date. Buyer will prepare the Closing Date Balance Sheet on an accrual basis from the books and records of the Company in accordance with generally accepted accounting principles ("GAAP") and in a manner consistent with the accounting principles applied in the preparation of the Financial Statements (as defined in Section 5.10 hereof), except to the extent that the Financial Statements were previously prepared on a cash basis. Other than as set forth in Section 3.2(b), Buyer shall be responsible for any third party costs incurred in connection with Buyer's preparation of the Closing Date Balance Sheet.

(b) If the Shareholders have any objections to the Closing Date Balance Sheet, they will deliver a statement describing their objections to Buyer within ten (10) days after receiving the Closing Date Balance Sheet and the Shareholders shall designate an authorized representative for resolving such objections. The parties will use reasonable efforts to resolve any such objections themselves. If the parties do not reach a final resolution within ten (10) days after Buyer has received the statement of objections, Buyer and the Shareholders will select an accounting firm mutually acceptable to them (after excluding their respective regular outside accounting firms) to resolve any remaining differences. If Buyer and the Shareholders are unable to agree on the choice of an accounting firm, they will select a "Big Six" accounting firm by lot. The determination of any accounting firm so selected will be set forth in writing and will be conclusive and binding upon the parties. Buyer will revise the Closing Date Balance Sheet as appropriate to reflect the resolution of any objections thereto. In the event that the parties submit any unresolved objections to an accounting firm for resolution as provided in this Section 3.2, the fees and expenses of the accounting firm shall be allocated and paid by Buyer and the Shareholders, or divided between them, on a basis determined by such accounting firm to be fair, taking into account the correctness of the positions asserted by each of them with respect to the

disputed matters resolved by such accounting firm. Unless at least two of the Shareholders object in writing to the Closing Date Balance Sheet within the ten (10) day period specified in the first sentence of this Section 3.2(b), then the determination of the Net Working Capital as reflected on the Closing Date Balance Sheet shall be final and binding on the parties.

(c) The Fixed Amount of the Merger Consideration will be adjusted on the basis of the amount of Net Working Capital as reflected on the Closing Date Balance Sheet. In the event that Net Working Capital is less than zero (a "Deficit"), then the Fixed Amount shall be reduced by an amount in cash equal to the Deficit up to the Holdback Amount. In the event that the Net Working Capital is greater than zero (a "Surplus"), then the Fixed Amount shall be increased by an amount in cash equal to the Surplus. Such Deficit or Surplus, as the case may be, will be payable in accordance with Section 3.8(b). In the event that the amount of any Deficit exceeds the Holdback Amount, the Shareholders shall pay to Buyer in cash the amount by which the Deficit exceeds the Holdback Amount.

3.3 Earn-Out Payments.

(a) Subject to the terms and conditions of this Agreement, the holders of Company Common Stock shall be entitled to receive from the Company as Merger Consideration hereunder (a) a contingent payment (the "1999 Earn-Out Payment") with respect to the two (2) year period beginning on the Effective Date and ending on the day two (2) years after the Effective Date (the "First Earn-Out Period") equal to the product of (i) 3.66 multiplied by (ii) the excess, if any, of Net Income during the First Earn-Out Period over \$5,187,077 and (b) a contingent payment (the "2002 Earn-Out Payment") with respect to the three (3) year period beginning after the expiration of the First Earn-Out Period and ending on the day three (3) years thereafter (the "Second Earn-Out Period") equal to the product of (i) .99 multiplied by (ii) the excess, if any, of Net Income during the Second Earn-Out Period over \$13,537,041. The aggregate of the 1999 Earn-Out Payment and the 2002 Earn-Out Payment is referred to herein as the "Earn-Out Payments". Notwithstanding anything herein to the contrary, the 1999 Earn-Out Payment shall in no event exceed Ten Million Dollars (\$10,000,000) and the 2002 Earn-Out Payment shall in no event exceed Fifteen Million Dollars (\$15,000,000).

(b) Payment of Earn-Out Payments. Subject to the terms and conditions of this Agreement, Buyer and the Company, jointly and severally, agree to pay to the Exchange Agent for the benefit of the holders of Company Common Stock the 1999 Earn-Out Payment and the 2002 Earn-Out Payment, if any, on the earlier of (i) three (3) days after the date that the calculation of Net Income is deemed final and binding on the parties pursuant to Section 3.3(d) below or (ii) three (3) days after the date that the parties otherwise reach an agreement as to the amount of Net Income for the relevant Earn-Out Period.

(c) Operation of Business During Earn-Out Period. Buyer covenants and confirms that during the Earn-Out Period, the business of the Company shall be operated in a commercially reasonable manner. Further, during the First Earn-Out Period, the employees of the Company under the current organizational structure of the Company, other than the Excluded Employees, will report directly or indirectly through others to Don Breeden who will in turn report directly to the designated representatives of Buyer.

(d) Computation of Net Income. "Net Income" shall be computed in accordance with the provisions of Schedule 3.3 hereof; provided, however, in no event shall any severance payments payable to a Shareholder in the event of a termination of his or her employment pursuant to the Letter Agreement be taken into account in connection with the computation of Net Income.

(e) The calculation of Net Income shall be based on the financial statements of the Company and the Company Subsidiaries and relevant financial data of Buyer necessary to calculate Net Income for the periods comprising the relevant Earn-Out Period (with the further adjustments as set forth on Schedule 3.3). Buyer shall use its best efforts to cause a financial statement setting forth the calculation of Net Income in accordance with this Agreement to be delivered to the Shareholders as soon as practicable after the end of the applicable Earn-Out Period, but in no event more than forty-five (45) days after the end of such Earn-Out Period. Unless at least two of the Shareholders object in writing to the calculation of Net Income within ten (10) days after receipt of such financial statement, the calculation of Net Income contained in such financial statement shall be final and binding on the parties. If at least two of the Shareholders object in writing to the calculation of Net Income within such ten (10) day period, then the Shareholders shall designate an authorized representative for purposes of resolving such disagreement and the parties, together with their respective accountants, shall attempt to resolve such disagreement. If the disagreement is not settled within fifteen (15) days after the receipt of the disagreement notice, then such disagreement shall be submitted to a disinterested firm of independent certified public accountants selected by mutual agreement of Buyer and Shareholders (or, absent such agreement, a "Big Six" accounting firm other than Buyer's or any Shareholder's accountant chosen by lot), and the determination of such firm shall be final and binding on the parties. The fees of the arbitrating accounting firm shall be allocated and paid by Buyer or the Shareholders, or divided between them, on a basis determined by the arbitrating accounting firm to be fair, taking into account the correctness of the positions asserted by each of them with respect to the disputed matters resolved by such firm.

(f) Buyer shall provide the Shareholders during the Earn-Out Period with monthly reports setting forth reasonably available financial information relating to the components of Net Income. The Shareholders acknowledge that such monthly reports are solely for informational purposes and the delivery of such reports will not give rise to any rights or obligations.

3.4 Conversion of Company Common Stock. On the Effective Date and as a result of the Merger, each issued and outstanding share of Company Common Stock, other than Dissenting Shares, if any, shall, without further action, cease to be an issued and outstanding share of Company Common Stock, and shall become and be converted into a right to receive an amount equal to the quotient of the Merger Consideration and the total number of shares of Company Common Stock outstanding on the Effective Date (assuming the full exercise of all Options) (the "Per Share Amount").

3.5 Effect of Conversion of Company Common Stock. After the Effective Date and until surrendered for payment, each outstanding stock certificate which, prior to the Effective Date, represented shares of Company Common Stock shall be deemed for all purposes to represent the right to receive the portion of the Merger Consideration payable with respect to the number of shares of Company Common Stock represented by such stock certificate and all outstanding shares of Company Common Stock shall no longer be outstanding and shall automatically be canceled and retired and each holder of shares of Company Common Stock shall cease to have any rights with respect thereto, except the right to receive the Merger Consideration payable in exchange therefor pursuant to the terms and conditions of this Agreement. In any matters relating to such stock certificates, the Exchange Agent may rely conclusively upon the record of stockholders maintained by the Company containing the names and addresses of the holders of record of Company Common Stock on the Effective Date.

3.6 Total Merger Consideration. Notwithstanding anything herein to the contrary, except to the extent payments made to holders of Dissenting Shares, if any, exceed the Per Share

Amount, in no event shall the aggregate Merger Consideration paid by Buyer hereunder to the holders of Company Common Stock exceed the amount calculated pursuant to Section 3.1 hereof.

3.7 Conversion of Acquisition Common Stock. At the Effective Time, each share of common stock, par value \$.01 per share, of Acquisition, that is issued and outstanding immediately prior to the Effective Time shall be converted without any action on the part of the holder thereof into one share of Class A common stock, \$.001 par value, of the Surviving Corporation.

3.8 Payment of Merger Consideration.

(a) As soon as practicable after the final determination of the Net Working Capital of the Company in accordance with Section 3.2 hereof, First Union National Bank (the "Exchange Agent") shall deliver to each holder of Company Common Stock (except holders of Dissenting Shares, if any) who has surrendered to the Exchange Agent the stock certificate or certificates representing shares of Company Common Stock converted into the right to receive the Per Share Amount, together with any other documentation that reasonably may be required by the Exchange Agent, a check for an amount equal to the product of the Per Share Fixed Amount and the number of shares of Company Common Stock represented by the stock certificate or certificates so surrendered; provided, however, that prior to the final determination of the Net Working Capital of the Company the Exchange Agent may deliver to each such holder a check for an amount equal to the product of the Per Share Fixed Amount and the number of shares of Company Common Stock so surrendered less the portion of the Holdback Amount allocable to the shares so surrendered. Holders of Company Common Stock who receive a portion of the Fixed Amount prior to the final determination of the Net Working Capital of the Company shall be entitled to receive the remainder of the allocable portion of the Fixed Amount, if any, pursuant to Section 3.2 after the final determination of the Net Working Capital of the Company. Further, the Exchange Agent shall deliver to each such holder a check for an amount equal to the product of the Per Share 1999 Earn-Out Amount and the product of the Per Share 2002 Earn-Out Amount multiplied in each case by the number of shares of Company Common Stock represented by stock certificate or certificates theretofore surrendered by such holder as soon as practicable after the cash amount representing such payments have been deposited with the Exchange Agent. Interest accruing on the funds held by the Exchange Agent, less the applicable fees of the Exchange Agent, shall be payable from time to time to the holders of Company Common Stock proportionately in accordance with the Per Share Amount. Promptly after the Effective Date, the Exchange Agent will mail to each record holder of Company Common Stock a form of letter of transmittal which, among other matters, shall specify how surrender of the stock certificates shall be effected and how shareholders must notify the Exchange Agent of any change in address for payment of subsequent amounts. There shall be no obligation to deliver the Per Share Amount in respect of any shares of Company Common Stock until (and then only to the extent that) the holder thereof surrenders the stock certificate or certificates representing the shares of Company Common Stock for exchange as provided in this Section 3.8, or, in lieu thereof, delivers to the Exchange Agent an appropriate affidavit of loss and an indemnity agreement and/or a bond as may be required in any such case by the Exchange Agent. If any payment for shares of Company Common Stock is to be made in a name other than that in which the stock certificate for Company Common Stock surrendered for exchange is registered, it shall be a condition to the payment that the stock certificate so surrendered shall be properly endorsed or otherwise in proper form for transfer and that the person requesting the payment shall either (i) pay to the Exchange Agent any transfer or other taxes required by reason of the payment to a person other than the registered holder of the stock certificate surrendered or (ii) establish to the satisfaction of the Exchange Agent that such taxes have been paid or are not payable. From and after the Effective Date, there shall be no transfers on the transfer books of the Company of any shares of Company Common Stock

outstanding immediately prior to the Effective Date and any such shares of Company Common Stock presented to the Exchange Agent shall be canceled in exchange for the aggregate consideration payable with respect thereto as provided in this Article 3.

(b) Buyer shall deposit with the Exchange Agent at the Closing an amount of cash equal to Eight Million Dollars (\$8,000,000) less an amount equal to the portion of such Eight Million Dollars (\$8,000,000) allocable to the number of Dissenting Shares, if any. A portion of the amount so deposited with the Exchange Agent equal to Two Hundred Fifty Thousand Dollars (\$250,000) (the "Holdback Amount") shall be held by the Exchange Agent, and shall not be distributed to any holders of Company Common Stock, until the Exchange Agent has been notified that the parties have reached a final determination of the amount of Net Working Capital of the Company pursuant to Section 3.2. In the event that a Deficit is determined to exist pursuant to Section 3.2 hereof, the Exchange Agent shall, upon receipt of a notice from Buyer setting forth the amount of such Deficit, return to Buyer an amount of cash equal to the amount of the Deficit up to the Holdback Amount with the balance of the Deficit, if any, to be paid directly to the Buyer by the Shareholders. In the event that a Surplus is determined to exist pursuant to Section 3.2 hereof, the Buyer shall deposit with the Exchange Agent immediately upon determination thereof an amount of cash equal to the amount of the Surplus. Earn-Out Payments will be deposited with the Exchange Agent as contemplated by Section 3.3 hereof. The parties agree and acknowledge that the Exchange Agent shall be instructed that any funds deposited with the Exchange Agent for the payment of the Per Share Amount remaining unclaimed for two (2) years after such deposit shall be paid to Buyer.

3.9 Dissenting Shares. The holder of any Dissenting Share shall have the rights, subject to the limitations provided by the Florida BCA. A "Dissenting Share" shall mean any share of Company Common Stock for which the holder thereof has duly perfected dissenters' rights in accordance with the Florida BCA.

3.10 Stock Options. For purposes of the Merger, all holders of issued and outstanding options to acquire shares of Company Common Stock immediately prior to the Effective Date, whether or not currently exercisable (the "Options"), shall be deemed to have exercised such Options and shall be entitled to receive their Per Share Amount (less the exercise price payable in connection with such Options) as if such holders had exercised such Options in their entirety immediately prior to the Effective Date. In connection with the Merger, such Options shall be canceled and the holders thereof shall only be entitled to receive a portion of the Merger Consideration as provided herein.

ARTICLE IV REPRESENTATIONS AND WARRANTIES OF BUYER

In order to induce the Company and the Shareholders to enter into this Agreement and to consummate the transactions contemplated hereby, Buyer makes the representations and warranties set forth below to the Shareholders.

4.1 Organization. Buyer is a corporation duly organized, validly existing and in good standing under the laws of the State of Delaware. Acquisition is a corporation duly organized, validly existing and in good standing under the laws of the State of Florida. Buyer and Acquisition each has all requisite right, power and authority to execute, deliver and perform this Agreement and to consummate the transactions contemplated hereby.

4.2 Authorization; Enforceability. The execution, delivery and performance of this Agreement by Buyer and Acquisition and the consummation by each of them of the transactions contemplated hereby have been duly authorized by all requisite corporate action. This Agreement has been duly executed and delivered by Buyer and Acquisition, and, upon due execution by the Company and the Shareholders, will constitute the legal, valid and binding obligation of Buyer and Acquisition, enforceable in accordance with its terms, except to the extent that its enforcement is limited by bankruptcy, insolvency, reorganization or other laws relating to or affecting the enforcement of creditors' rights generally and by general principles of equity.

4.3 No Violation or Conflict. The execution, delivery and performance of this Agreement by Buyer and Acquisition and the consummation by each of the transactions contemplated hereby: (a) do not and will not violate or conflict with any provision of law or regulation, or any writ, order, judgment or decree of any court or governmental or regulatory authority, or any provision of Buyer's Certificate of Incorporation or Bylaws or Acquisition's Articles of Incorporation or By-laws; and (b) do not and will not, with or without the passage of time or the giving of notice, result in the breach of, or constitute a default, cause the acceleration of performance, or require any consent under, or result in the creation of any Lien upon any property or assets of Buyer or Acquisition pursuant to any instrument or agreement to which Buyer or Acquisition is a party or by which Buyer or Acquisition or their respective properties may be bound or affected, other than instruments or agreements as to which consent from the applicable contracting party shall have been obtained at or prior to the Closing.

4.4 Consent of Governmental Authorities. Other than in connection with filing Articles of Merger with the Secretary of State of the State of Florida or the HSR Act, no consent, approval or authorization of, or registration, qualification or filing with any United States or foreign, federal, state or local governmental or regulatory authority is required to be made by Buyer or Acquisition in connection with the execution, delivery or performance by Buyer or Acquisition of this Agreement or the consummation by Buyer or Acquisition of the transactions contemplated hereby.

4.5 Brokers. Neither Buyer nor Acquisition has incurred nor will incur any broker's, finder's, investment banking or similar fees, commissions or expenses, in connection with this Agreement or the transactions contemplated by this Agreement which would be payable by the Company or the Shareholders.

4.6 WARN Act. Neither Buyer nor Acquisition have any current intention to take any actions that would give rise to the applicability of any requirements under the WARN Act.

4.7 Historical Performance of Buyer. Revenues attributable to the Florida and Georgia counties serviced by Buyer for the fiscal years ending December 31, 1995 and 1996 in each case increased by at least 35% over the revenues of the immediately preceding fiscal year.

4.8 Full Disclosure. No representation or warranty of Buyer or Acquisition contained in this Agreement, and none of the statements or information concerning Buyer or Acquisition contained in this Agreement or the exhibits and the schedules hereto, contains or will contain any untrue statement of a material fact nor will such representations, warranties, covenants or statements taken as a whole omit a material fact required to be stated therein or necessary in order to make the statements therein, in light of the circumstances under which they were made, not misleading.

ARTICLE V
REPRESENTATIONS AND WARRANTIES OF THE SHAREHOLDERS

In order to induce Buyer and Acquisition to enter into this Agreement and to consummate the transactions contemplated hereby, the Shareholders, jointly and severally, make the representations and warranties set forth below, on behalf of themselves and the other holders of Company Common Stock and the holders of Options, to Buyer, Acquisition and the Company.

5.1 Organization. The Company and each of the Company Subsidiaries is a corporation duly organized, validly existing and in good standing under the laws of their respective jurisdictions of incorporation. The Company and each of the Company Subsidiaries are duly qualified to transact business as a foreign corporation in all jurisdictions where the ownership or leasing of its properties or the conduct of its business requires such qualification; each jurisdiction in which the Company or any Company Subsidiary is so qualified and each location where the Company or any Company Subsidiary has an office or place of business is listed on Schedule 5.1. The Company and each of the Company Subsidiaries has all requisite right, power and authority to (a) own or lease and operate its properties, (b) conduct its business as presently conducted, and (c) engage in and consummate the transactions contemplated hereby and the Company has the requisite right, power and authority to execute, deliver and perform this Agreement and to consummate the transactions contemplated hereby.

5.2 Authorization; Enforceability. Each of the Shareholders has the capacity to execute, deliver and perform this Agreement. The execution, delivery and performance of this Agreement by the Company and the consummation by the Company of the transactions contemplated hereby have been duly authorized by all requisite corporate action. This Agreement and all other documents to be executed and delivered by the Company or the Shareholders pursuant to this Agreement have been duly executed and delivered and, upon due execution by Buyer and Acquisition, will constitute the legal, valid and binding obligations of the Company and the Shareholders, enforceable in accordance with their terms, except to the extent that their enforcement is limited by bankruptcy, insolvency, reorganization or other laws relating to or affecting the enforcement of creditors' rights generally and by general principles of equity.

5.3 No Violation or Conflict. The execution, delivery and performance of this Agreement by the Company and the Shareholders and the consummation by the Company and the Shareholders of the transactions contemplated hereby: (a) do not and will not violate or conflict with any provision of law or regulation, or any writ, order, judgment or decree of any court or governmental or regulatory authority, or any provision of the Company's or any Company Subsidiary's Articles of Incorporation or Bylaws or analogous organizational documents; and (b) do not and will not, with or without the passage of time or the giving of notice, result in the breach of, or constitute a default, cause the acceleration of performance or require any consent under, or result in the creation of any Lien upon any property or assets of any Shareholder, the Company or any Company Subsidiary pursuant to any instrument or agreement to which any of the Shareholders, the Company or any Company Subsidiary is a party or by which any of the Shareholders, the Company or any Company Subsidiary or their respective properties may be bound or affected, other than instruments or agreements as to which consent shall have been obtained at or prior to the Closing, each of which instruments or agreements is listed on Schedule 5.3 hereto.

5.4 Consent of Governmental Authorities. Except for the filing of Articles of Merger with the Secretary of State of the State of Florida or as required by the HSR Act, no consent, approval or authorization of, or registration, qualification or filing with any United States or foreign, federal, state or local governmental or regulatory authority, is required to be made by any

of the Shareholders, the Company or any Company Subsidiary in connection with the execution, delivery or performance of this Agreement by the Shareholders and the Company, or the consummation by the Company and the Shareholders of the transactions contemplated hereby.

5.5 Brokers. No financial advisor, broker or finder, is entitled to any broker's, finder's, investment banking or similar fees, commissions or expenses in connection with this Agreement or the transactions contemplated by this Agreement based upon arrangements made by or on behalf of the Shareholders, the Company or the Company Subsidiaries.

5.6 Corporate Records. The stock records and minute books of the Company and each Company Subsidiary fully reflect all issuances, transfers and redemptions of their respective capital stock, correctly show the total number of shares of their respective capital stock issued and outstanding as of the date hereof, contain copies of their respective articles of incorporation and all amendments thereto, and contain their respective by-laws, as amended, if applicable, and currently in force. Such minute books also contain complete and accurate records of all meetings and other corporate actions of the board of directors, committees of the board of directors, incorporators and shareholders of the Company and each Company Subsidiary from the date of their incorporation to the date hereof. All matters requiring the authorization or approval of the board of directors, a committee of the board of directors, the incorporators, or the shareholders of the Company or any Company Subsidiary have been duly and validly authorized and approved by them.

5.7 Capitalization. The authorized capital stock of the Company consists solely of 1,200,000 shares of Class A Common Stock, of which 1,000,000 shares are issued and outstanding, and 1,300,000 shares of Class B non-voting Common Stock, of which 1,049,653 shares are issued and outstanding. The Company has no treasury shares. All shares of the Company's and each Company Subsidiary's outstanding capital stock have been duly authorized, are validly issued and outstanding, and are fully paid and nonassessable. No securities issued by the Company or any Company Subsidiary from the date of its incorporation to the date hereof were issued in violation of the preemptive rights of any shareholder. There are no dividends which have accrued or been declared but are unpaid on the capital stock of the Company or any Company Subsidiary. All Taxes required to be paid in connection with the issuance and any transfers of the Company's or any Company Subsidiary's capital stock have been paid. All authorizations required to be obtained from or registrations required to be effected in connection with the issuances of securities of the Company or any Company Subsidiary from the date of such entity's incorporation to the date hereof have been obtained or effected and all securities of the Company and each Company Subsidiary have been issued and are held in accordance with the provisions of all applicable securities and other laws. The shares of Company Common Stock owned in the aggregate by the Shareholders constitute at least 64% of the issued and outstanding shares of Company Common Stock and are legally and beneficially owned in their entirety by the Shareholders free and clear of any Liens, including, without limitation, claims or rights under any voting trust agreements, shareholder agreements or other agreements, except as otherwise set forth in Schedule 5.8 hereto. Schedule 5.7 sets forth a true and correct list of all shareholders of the Company together with the respective number of shares of Company Common Stock owned by each such shareholder.

5.8 Rights, Warrants, Options. Except as provided in Schedule 5.8 hereto, there are no outstanding: (a) securities or instruments convertible into or exercisable for any of the capital stock or other equity interests of the Company or any Company Subsidiary; (b) options, warrants, subscriptions or other rights to acquire capital stock or other equity interests of the Company or any Company Subsidiary; (c) debt securities with any voting rights or convertible into securities with voting rights or the Company or any Company Subsidiary; or (d) commitments, agreements

or understandings of any kind, including employee benefit arrangements, relating to any capital stock or other equity interests of the Company or any Company Subsidiary, or the issuance or repurchase by the Company or any Company Subsidiary of (x) any capital stock or other equity interests of the Company or any Company Subsidiary or (y) any such securities or instruments convertible into or exercisable for capital stock or other equity interests of the Company or any Company Subsidiary. Neither the Company nor any Company Subsidiary has any outstanding stock appreciation, phantom stock rights or any similar rights plan.

5.9 Subsidiaries. Each Subsidiary of the Company is listed on Schedule 5.9. All of the shares of the capital stock of the Company Subsidiaries which are issued and outstanding are owned by the Company free and clear of all Liens. Other than as reflected on Schedule 5.9, the Company has no Subsidiaries or Investments.

5.10 Financial Statements. Attached as Schedule 5.10A are true and complete copies of the consolidated statements of assets, liabilities and stockholders' equity arising from cash transactions of the Company and the Company Subsidiaries for the fiscal years ended December 31, 1996 and 1995, and the related consolidated statements of revenue collected and expenses paid and retained earnings arising from cash transactions of the Company and the Company Subsidiaries for the fiscal years ended December 31, 1996 and 1995, and consolidated statement of cash flows of the Company and the Company Subsidiaries for the year ended December 31, 1996, including any related notes, compiled by but not audited or reviewed by the Company's independent certified public accountants (collectively, the "Financial Statements"). The Company shall also deliver to Buyer any further quarterly or monthly financial statements prepared by the Company as soon as such statements become available. All such financial statements, including the Financial Statements: (a) have been prepared in accordance with the books of account and records of the Company and the Company Subsidiaries; (b) fairly present, and are true, correct and complete statements in all material respects of the consolidated financial condition and the results of operations of the Company and the Company Subsidiaries at the dates and for the periods specified in those statements; and (c) have been prepared in accordance with GAAP consistently applied with prior periods. Schedule 5.10B sets forth a true and complete itemized schedule of all of the assets of the Company and the Company Subsidiaries as of the date indicated on Schedule 5.10B, setting forth with respect to each such asset the date of purchase or acquisition, the purchase price, the accumulated depreciation and the net book value.

5.11 Absence of Undisclosed Liabilities. Other than as disclosed in the statement of assets, liabilities and stockholders' equity arising from cash transactions for the fiscal year ended December 31, 1996 contained in the Financial Statements (the "1996 Balance Sheet") or as set forth in Schedule 5.11, neither the Company nor the Company Subsidiaries have any liabilities, commitments or obligations of any nature whatsoever, whether unaccrued, contingent or otherwise or any unrealized or anticipated losses from any commitments, and there is no basis for assertion against the Company or any Company Subsidiary of any such liability, commitment, obligation or loss.

5.12 Company Debt. All indebtedness of the Company and the Company Subsidiaries for borrowed money is either reflected on the 1996 Balance Sheet or set forth on Schedule 5.12 and, except as indicated on Schedule 5.12, all such amounts can be repaid in full by the Company at or prior to the Effective Date for the face amount thereof, together with accrued and unpaid interest thereon, and without incurring any prepayment penalties, yield maintenance premiums or any material additional amounts.

5.13 Contracts. Schedule 5.13 sets forth a true and complete list and a summary description of all contracts, agreements and other instruments involving monetary amounts in

excess of Ten Thousand Dollars (\$10,000) or with a remaining term in excess of one (1) year to which the Company or any Company Subsidiary is a party or otherwise relating to or affecting any of their respective assets, properties or operations, including, without limitation, all written or oral, express or implied, (i) contracts, agreements and commitments not made in the ordinary course of business including any employment agreements and any agreements or arrangements with the Shareholders or Affiliates of the Shareholders; (ii) purchase and supply contracts; (iii) leases and subleases of real or personal property; (iv) contracts, agreements or understandings with respect to the development, license, sale or use of computer software programs or applications; (v) agreements and other arrangements for the sale of any assets other than in the ordinary course of business or for the grant of any options or preferential rights to purchase any assets, property or rights; (vi) documents granting any power of attorney with respect to the affairs of the Company or any Company Subsidiary; (vii) suretyship contracts, working capital maintenance or other forms of guaranty agreements; (viii) contracts or commitments limiting or restraining the Company or any Company Subsidiary from engaging or competing in any lines of business or with any person, firm, or corporation; (ix) partnership and joint venture agreements; (x) documents, agreements or arrangements relating to the issuance by the Company or any Company Subsidiary of any of its capital stock or other securities; (xi) indenture, mortgage, promissory note, loan agreement, guarantee or other agreement or commitment for the borrowing or lending of money or encumbrance of assets; (xii) contract or commitment which involves a payment or receipt of more than Ten Thousand Dollars (\$10,000) or has a term or requires performance over a period of more than one (1) year; (xiii) any other contract, agreement, instrument or commitment that is material to the condition (financial or otherwise), results of operations, assets, properties, liabilities, business or prospects of the Company and the Company Subsidiaries taken as a whole other than as referenced in Schedule 5.21A hereto; and (xiv) all amendments, modifications, extensions or renewals of any of the foregoing (the foregoing contracts, agreements, documents and instruments are hereinafter referred to collectively as the "Commitments" and individually as a "Commitment"). Each Commitment is valid, binding and enforceable against the parties thereto in accordance with its terms, and is in full force and effect on the date hereof. The Company and the Company Subsidiaries have performed all obligations required to be performed by each to date under, are not in default in respect of, any Commitment, and no event has occurred which, with due notice or lapse of time or both, would constitute such a default. Except as disclosed on Schedule 5.3, no consent of or notice to third parties is required relating to any Commitment as a consequence of this Agreement or the transactions contemplated herein. To the knowledge of the Shareholders, no other party to any Commitment (i) is in default in respect thereof and no event has occurred which, with due notice or lapse of time or both, would constitute such a default or (ii) has indicated an intention to terminate any Commitment. Shareholders have delivered to Buyer or its representatives true and complete originals or copies of all Commitments.

5.14 Real Properties. Schedule 5.14 describes all real estate owned or leased by the Company or the Company Subsidiaries. All such real property, if owned by the Company or any Company Subsidiary, is owned under marketable title, free and clear of all Liens, except as disclosed in the 1996 Balance Sheet and except statutory liens securing payments not yet due. Except as set forth in Schedule 5.14: (i) all of the real property of the Company or any Company Subsidiary (the "Real Property") is free from any zoning laws, ordinances and regulations, and from all special taxes or assessments, except those generally applicable to other properties in the tax districts in which the Real Property is located; (ii) the Company or a Company Subsidiary has the exclusive right of possession of each tract comprising the Real Property; (iii) all improvements on such Real Property and the operations therein conducted conform in all material respects to all applicable health, fire, environmental, safety, zoning and building laws, ordinances and administrative regulations, except for possible nonconforming uses or violations which do not and will not interfere with the use, operation or maintenance thereof by the Company or a Company Subsidiary as now used, operated or maintained or access thereto; and (iv) all buildings,

structures, improvements and fixtures owned, leased or used by the Company or any Company Subsidiary in the conduct of its business conform in all material respects to (or are otherwise exempt from) all applicable codes and rules adopted by national and local associations and boards of insurance underwriters to the extent any such non-conformance could have a material adverse affect on the Company or a Company Subsidiary; and all such buildings, structures, improvements and fixtures are in satisfactory operating condition and repair, normal wear and tear excepted.

5.15 Real Property Leases. All leases pursuant to which the Company or any Company Subsidiary is lessee or lessor of any real property (the "Leases") are listed in Schedule 5.15. All such Leases are valid, legally binding, in full force and effect, and enforceable in accordance with their terms. There is not under any of the Leases: (i) any default or any claim of default which with notice or lapse of time, or both, would constitute a default by the Company or any Company Subsidiary or (ii) to the knowledge of the Shareholders, any default or claim of default by any lessee of the Company or any Company Subsidiary, or any event of default or event which with notice or lapse of time, or both, would constitute a default by any such lessee. Copies of the Leases heretofore furnished by the Company to Buyer are true, correct and complete. None of the property subject to a Lease is subject to any sublease, license or other agreement granting to any person any right to the use, occupancy or enjoyment of such property or any portion thereof, except where such sublease, license or other agreement would not materially and adversely affect the use, occupancy or enjoyment of such real property as it is currently being used, occupied or enjoyed.

5.16 Personal Property. Schedule 5.16 sets forth a complete and correct list of each item of machinery, equipment, furniture, fixtures and other tangible personal property owned, leased or used by the Company or any Company Subsidiary (i) in which the Company or any Company Subsidiary had an unamortized basis, as of December 31, 1996, of Ten Thousand Dollars (\$10,000) or more or (ii) having an aggregate lease cost to the Company or any Company Subsidiary exceeding Ten Thousand Dollars (\$10,000) (collectively, the "Personal Property"). Except as set forth in Schedule 5.16, the Company and the Company Subsidiaries own and have good title, free and clear of all title defects and Liens (other than the lien of current property taxes and assessments not in default, if any) to the Personal Property shown on Schedule 5.16 as owned by it and to all the machinery, equipment, furniture, fixtures, inventory, receivables and other tangible or intangible personal property reflected on the 1996 Balance Sheet and all such property acquired since the date thereof, except for sales and dispositions in the ordinary course of business since such date. None of the title defects or Liens, if any, listed on Schedule 5.16 adversely affects the value of any of the items of the Personal Property to which it relates or interferes with its use in the conduct of business of the Company and the Company Subsidiaries. The Company and the Company Subsidiaries hold good and transferable leaseholds in all of the Personal Property shown on Schedule 5.16 as leased by it, in each case under valid and enforceable leases. Neither the Company nor any Company Subsidiary is in breach of or default (and no event has occurred which, with due notice or lapse of time or both, may constitute such a breach or default) under any lease of any items of Personal Property leased by it.

5.17 Investigations; Litigation. There is no investigation by any federal, state or local governmental agency, or any action, suit, proceeding or claim pending, or to the Shareholders' knowledge, threatened, against or adversely affecting the Company or any Company Subsidiary (including, without limitation, any investigation, action, or proceeding with respect to Taxes), or the assets or business of the Company or the Subsidiaries. Neither the Company nor the Company Subsidiaries nor any director, officer, employee or agent of the Company or the Company Subsidiaries in their respective capacities as such, is a party to any, and there are no pending, or to the Shareholders' knowledge, threatened, legal, administrative, arbitral or other proceedings, claims, suits, actions or governmental investigations of any nature against the Company or any

Company Subsidiary, or any director, officer, employee or agent of the Company or any Company Subsidiary in their respective capacities as such, or involving any property or assets of the Company or any Company Subsidiary and there is no outstanding order, writ, injunction or decree of any court, government or governmental agency against, or affecting the Company, any Company Subsidiary or their respective assets or businesses.

5.18 Insurance. The Company and the Company Subsidiaries have in effect insurance coverage with insurers which have a Best's rating of at least A which, in respect to amounts, types and risks insured, is reasonably adequate for the businesses in which the Company and the Company Subsidiaries are engaged. All policies of fire, product or other liability, worker's compensation and other similar forms of insurance owned or held by the Company and the Company Subsidiaries are in full force and effect, all premiums with respect thereto covering all periods up to and including the date as of which this representation is being made have been paid (other than retrospective premiums which may be payable with respect to worker's compensation insurance policies), and no notice of cancellation or termination has been received with respect to any such policy. The insurance policies to which the Company or any Company Subsidiary is a party are sufficient for compliance with all requirements of law and of all agreements to which the Company or any Company Subsidiary is a party and provide reasonably adequate insurance coverage for the assets and operations of the Company and the Company Subsidiaries. Neither the Company nor any of the Company Subsidiaries have been refused any insurance with respect to any assets or operations, nor has any coverage been limited in any material respect by any insurance carrier to which it has applied for any such insurance or with which it has carried insurance during the last five (5) years. Schedule 5.18 lists each insurance policy and bond maintained by the Company or any Company Subsidiary or under which any of its business, assets, operations or personnel are insured.

5.19 Compliance with Laws, Regulations. The Company and the Company Subsidiaries have all permits, licenses, certificates of authority, orders and approvals of, and have made all filings, applications and registrations with, federal, state, local or foreign governmental or regulatory bodies or other Persons that are required in order to permit each to carry on its business as presently conducted and the absence of which could have a material adverse affect on the Company or the Company Subsidiaries. All such permits, licenses, certificates of authority, orders and approvals are in full force and effect, and, to the knowledge of Shareholders, no suspension or cancellation of any of them is threatened; and all such filings, applications and registrations are current. Neither the Company nor any Company Subsidiary is in default under any order, license, regulation or demand of any federal, state, local or other governmental agency or with respect to any order, writ, injunction or decree of any court. Except as otherwise disclosed on Schedule 5.19, (a) no federal, state, local or other governmental authority has issued any order or decree or affecting the Company or the Company Subsidiaries or their respective assets which place any material restrictions on the Company or the Company Subsidiaries, and (b) the Company and the Company Subsidiaries have conducted their respective businesses in compliance with all applicable federal, foreign, state and local laws, regulations and orders including, without limitation, those relating to employment, buildings, zoning, safety and health, intellectual property and environmental matters.

5.20 Employee Benefit Plans.

(a) Schedule 5.20 lists all employee benefits plans, including but not limited to any plan, program, practice, policy or other arrangement, whether or not written, providing pension, profit-sharing, stock option, stock bonus, deferred compensation, supplemental retirement, severance, health care, hospitalization, medical, dental, disability, life insurance, salary continuation or other benefits to employees or former employees of the Company or any

Company Subsidiary (the "Plans"). The Company has delivered to Buyer true and complete copies of all of the Plans and all documents relating thereto, including, but not limited to, summary plan descriptions, trust agreements, insurance contracts, the most recent Annual Report (Form 5500 Series) and IRS determination letter and accountant or trustee reports, if any.

(b) Except as set forth on Schedule 5.20, each Plan has been maintained and administered in all respects in accordance with its terms and with all applicable laws, including the Employee Retirement Income Security Act of 1974, as amended ("ERISA"), and the Code, and the regulations promulgated thereunder. All contributions required to be made to any Plan have been made, and there does not exist any accumulated funding deficiency (within the meaning of Section 302 of ERISA or Section 412 of the Code) with respect to any Plan. No Plan is subject to Title IV of ERISA, and there are no circumstances pursuant to which the Company or any Company Subsidiary could be liable to the Pension Benefit Guaranty Corporation or a multi-employer plan (as defined in Section 3(37) of ERISA) (a "Multiemployer Plan") with respect to any plan not listed on Schedule 5.20.

(c) Except as set forth on Schedule 5.20, the Company and the Company Subsidiaries neither maintain nor have entered into any document, plan or agreement which contains, directly or indirectly, any change in control provisions which would cause an increase or acceleration of benefits or benefit entitlements to employees or former employees of the Company or any Company Subsidiary or its respective beneficiaries or other event which would cause an increase in liability to Buyer or the Company as a result of the transactions contemplated by this Agreement. Except as set forth on Schedule 5.20, each of the Plans can be terminated by the Company within thirty (30) days following the Effective Date, without any additional contribution to such Plan or the payment of any additional compensation, premium or any other amount or the additional vesting or acceleration of any benefits.

(d) The Internal Revenue Service has issued a favorable determination letter with respect to each Plan that is intended to be a "qualified plan" under Section 401(a) of the Code, and there are no existing circumstances nor any events that have occurred that could adversely affect the qualified status of any such Plan.

(e) No Plan is a Multiemployer Plan or a plan that has two or more contributing sponsors at least two of whom are not under common control within the meaning of Section 4063 of ERISA (a "Multiple Employer Plan"). Neither the Company nor any Company Subsidiary nor any entity under common control with the Company or any Company Subsidiary, at any time within the last six (6) years, has contributed to, or been obligated to contribute to, any Multiemployer Plan or Multiple Employer Plan.

(f) Except for health continuation coverage as required by Section 4980B of the Code or Part 6 of Title I of ERISA, or as identified on Schedule 5.20, neither the Company nor any Company Subsidiary has any liability for life, health, medical or other welfare benefits to former employees or beneficiaries or dependents thereof. All Plans that are group health plans, within the meaning of Section 5000(b)(1) of the Code or Section 607(l) of ERISA, have been operated in compliance with the provisions of Section 4980B and Sections 9801 through 9806 of the Code and Sections 601 through 734 of ERISA, and no liability under Sections 4980B or Sections 9801 of the Code or Sections 601 through 734 of ERISA has been incurred by the Company.

(g) Except as set forth in Schedule 5.20, there are no pending or to the Shareholders' knowledge, threatened claims (other than claims for benefits in the ordinary course), lawsuits or arbitrations which have been asserted or instituted against the Plans or any fiduciaries

thereof with respect to their duties to the Plans. There has not occurred a nonexempt "prohibited transaction" (within the meaning of Section 4975 of the Code or Sections 406 or 407 of ERISA) with respect to the Company or any Plan.

5.21 Labor Matters. Neither the Company nor any Company Subsidiary is a party to nor has in effect any organized labor contract or collective bargaining agreement. Except as set forth on Schedule 5.21A, there are no employment, consulting, severance or indemnification arrangements, agreements, or understandings between the Company or the Company Subsidiaries, and any officer, director, consultant or employee (the "Employment Agreements"). The Company has delivered to Buyer true and complete copies of all of the Employment Agreements. Except as set forth in Schedule 5.21A, the terms of employment or engagement of all directors, officers, employees, agents, consultants and professional advisers of the Company or the Company Subsidiaries are such that their employment or engagement may be terminated upon not more than two (2) weeks notice given at any time without liability for payment of compensation or damages and neither the Company nor any Company Subsidiary has entered into any agreement or arrangement for the management of its business or any part thereof other than with its directors or employees. Schedule 5.21B contains a list of all officers and employees of the Company or any Company Subsidiary (including any employees on leave of absence) and sets forth with respect to each such officer or employee the total compensation paid during 1996 and payable during 1997, all accrued severance time, sick time, personal time and vacation time and the rate at which such time will accrue during 1997.

5.22 Environmental Liability. The Company and the Company Subsidiaries are in all material respects in compliance with all terms and conditions of the Environmental Laws, and are also in compliance in all material respects with all other limitations, restrictions, conditions, standards, prohibitions, requirements, obligations, schedules and timetables contained in the Environmental Laws. The Company has provided Buyer with complete copies of all notices known to Shareholders of whatever form (all of which disclosures are set forth on Schedule 5.22) received by any previous owner or operator of any real property owned and/or operated by the Company or any Company Subsidiary (the "Properties") or any business currently owned or operated by the Company or any Company Subsidiary within the five (5) years preceding the date of this Agreement or alleging noncompliance with any Environmental Law. With regard to any of the Properties, to the Shareholders' knowledge, there are no past, present or known or anticipated future events, conditions, circumstances, or plans which may interfere with or prevent compliance or continued compliance with the Environmental Laws, or which may give rise to any common law or other legal liability, including, but not limited to, liability under the Comprehensive Environmental Response, Compensation and Liability Act.

5.23 Tax Matters. The Company has delivered to Buyer true, correct and complete copies of each of the federal, state, local and foreign, if any, income tax returns filed by the Company or the Company Subsidiaries for the five (5) fiscal years 1992 through 1996. All Tax returns and other documents required to be filed with respect to the Company or the Company Subsidiaries have been timely filed with the appropriate governmental authorities in all jurisdictions in which such returns and documents are required to be filed, all of the foregoing as filed are true, correct and complete and reflect accurately all liability for Taxes of the Company and the Company Subsidiaries for the periods to which such returns and documents relate, and all amounts shown as owing thereon have been paid. All Taxes, if any, collectible or payable by the Company or the Company Subsidiaries or relating to or chargeable against any of their respective assets, revenues or income through December 31, 1996, were fully collected and paid by such date or provided for by adequate reserves in the 1996 Balance Sheet, and all similar items due through the Effective Date will have been fully paid by that date or provided for by adequate reserves. No taxing authority has audited the records of the Company or the Company Subsidiaries or notified

the Company or the Company Subsidiaries of its intention to audit such records in the past five (5) years. No claims or deficiencies have been asserted against the Company or the Company Subsidiaries with respect to any Taxes or other governmental charges or levies which have not been paid or otherwise satisfied or for which accruals or reserves have not been made in the 1996 Balance Sheet, and there exists no reasonable basis for the making of any such claims. Neither the Company nor the Company Subsidiaries have waived any restrictions on assessment or collection of Taxes or consented to the extension of any statute of limitations relating to taxation.

5.24 Absence of Certain Changes. Except as disclosed on Schedule 5.24 hereto, since December 31, 1996, the Company and the Company Subsidiaries have conducted their businesses in the ordinary and usual course consistent with past practices and there has not occurred any material adverse change in the condition (financial or otherwise), results of operations, properties, assets, liabilities, business or prospects of the Company and the Company Subsidiaries. Without limiting the generality of the foregoing, except as disclosed on Schedule 5.24, since December 31, 1996, neither the Company nor any Company Subsidiary has: (a) amended its Articles of Incorporation or Bylaws; (b) issued, sold or authorized for issuance or sale, shares of any class of its securities (including, but not limited to, by way of stock split or dividend) or any subscriptions, options, warrants, rights or convertible securities or entered into any agreements or commitments of any character obligating it to issue or sell any such securities; (c) redeemed, purchased or otherwise acquired, directly or indirectly, any shares of its capital stock or any option, warrant or other right to purchase or acquire any such shares; (d) declared or paid any dividends or other distribution (whether in cash, stock or other property) with respect to its capital stock; (e) suffered any damage, destruction or loss, whether or not covered by insurance, in excess of Ten Thousand Dollars (\$10,000) in value; (f) voluntarily or involuntarily sold, transferred, surrendered, abandoned or disposed of any of its assets or property rights (tangible or intangible), other than in the ordinary course of business consistent with past practices at a price substantially consistent with prior operating practices; (g) granted or made any mortgage or pledge or subjected itself or any of its properties or assets to any Lien, except liens for taxes not currently due; (h) created, incurred or assumed any liability or indebtedness, except in the ordinary course of business consistent with past practices, but in no event in an aggregate amount exceeding Ten Thousand Dollars (\$10,000) more than is shown on the 1996 Balance Sheet; (i) made or committed to make any capital expenditures in excess of Ten Thousand Dollars (\$10,000) in the aggregate; (j) applied any of its assets to the direct or indirect payment, discharge, satisfaction or reduction of any amount payable directly or indirectly to or for the benefit of any Shareholder or Affiliate thereof or to the prepayment of any such amounts except for compensation payable as salary by the Company to the Shareholders in the ordinary course of its business and consistent with past practice; (k) entered into any agreement which would be a Commitment, or amended or terminated any existing Commitment, except as disclosed in Schedules 5.13 or 5.21A; (l) altered the manner of keeping its books, accounts or records, or changed in any manner the accounting practices therein reflected; (m) increased the compensation, bonuses or benefits of any kind to any of its directors, officers, employees or agents over the amounts being paid to them on December 31, 1996 in such capacities; or (n) experienced any event, change or condition of any character whatsoever which has or could have, individually or in the aggregate, a material adverse effect on the condition (financial or otherwise), results of operations, properties, assets, liabilities, business or prospects of the Company and the Company Subsidiaries.

5.25 Related Parties. Except to the extent set forth on Schedule 5.25 hereof, none of the Shareholders nor any director, officer, agent or attorney of the Company or any Company Subsidiary (individually a "Related Party" and collectively the "Related Parties") or any Affiliate of any of the Shareholders or any Additional Party: (a) owns, directly or indirectly, any interest in any Person which is a competitor, potential competitor, supplier or customer of the Company or any Company Subsidiary; (b) owns, directly or indirectly, in whole or in part, any property,

asset or right, real, personal or mixed, tangible or intangible (including, but not limited to, any of the Intellectual Property) which is utilized in the operation of the business of the Company or any Company Subsidiary; or (c) has an interest in or is, directly or indirectly, a party to any contract, agreement, lease, extension of credit or other arrangement or relationship (whether or not in writing) pertaining or relating to the business or operations of the Company or any Company Subsidiary.

5.26 Intellectual Property. Set forth on Schedule 5.26 is a list and description of all Intellectual Property owned, used or controlled by the Company and the Company Subsidiaries. The Intellectual Property is in all material respects adequate for the operation of the business of the Company and the Company Subsidiaries as presently conducted. Except as set forth on Schedule 5.26: (a) the Company or the Company Subsidiaries are the sole and exclusive owners of all right, title and interest in and to all of the Intellectual Property and have the exclusive right to use and license the same, free and clear of any claim or conflict with the rights of others; (b) no royalties, honorariums or fees are payable by the Company or any Company Subsidiary to any Person by reason of the ownership or use of any of the Intellectual Property; (c) there have been no claims made against the Company or any Company Subsidiary asserting the invalidity, abuse, misuse, or unenforceability of any of the Intellectual Property, and to the Shareholders' knowledge, no grounds for any such claims exist; (d) neither the Company nor any Company Subsidiary has made any claim of any violation or infringement by others of its rights in the Intellectual Property, and to the Shareholders' knowledge, no grounds for any such claims exist; (e) neither the Company nor any Company Subsidiary has received any notice that it is in conflict with or infringing upon the asserted rights of others in connection with the Intellectual Property and neither the use of the Intellectual Property by the Company or any Company Subsidiary nor the operation of its business is infringing or has infringed upon any rights of others; (f) the consummation of the transactions contemplated hereby will not alter or impair any of the Intellectual Property; (g) no interest in any of the Company's or any Company Subsidiary's rights to any Intellectual Property has been assigned, transferred, licensed or sublicensed to third parties or (h) to the extent that any item constituting part of the Intellectual Property has been registered with, filed in or issued by, as the case may be, any government or other regulatory authority, such registrations, filings or issuances are listed on Schedule 5.26 and were duly made and remain in full force and effect. Except as set forth on Schedule 5.26, to the extent any of the Intellectual Property constitutes proprietary or confidential information, the Company has adequately safeguarded such information from disclosure in a reasonable manner.

5.27 Major Customers and Suppliers.

(a) Set forth on Schedule 5.27 is a true, correct and complete copy of the form of subscribers agreement utilized by the Company and the Company Subsidiaries in connection with the sale of its products and services. The Shareholders have no reason to believe that any material number of subscribers will cancel their subscriptions or substantially reduce their volume of business after the date of this Agreement. Upon termination of a subscriber's subscription or the failure of a subscriber to timely pay amounts due to the Company thereunder, the Company has the right to terminate the delivery of its products and services and such customer will not retain any access to the Company's products, services or information systems.

(b) Set forth on Schedule 5.27 is a list of the twenty largest customers and five largest suppliers (measured by dollar volume) of the Company and the Company Subsidiaries during the time period specified on Schedule 5.27, and with respect to each, the name, dollar volume involved and nature of the relationship. No single customer of the Company or any Company Subsidiary accounts for more than five percent (5%) of the Company's consolidated revenues. Except as set forth on Schedule 5.27, since January 1, 1996, no customer or supplier

of the Company whose purchases or sales of products or services have exceeded \$10,000 since January 1, 1995 has (i) canceled, suspended or otherwise terminated its relationship with the Company or the Company Subsidiaries or (ii) advised the Company or any of the Company Subsidiaries of its intention to cancel, suspend or terminate its relationship or to significantly decrease its purchases from or sales to the Company or the Company Subsidiaries or to materially and adversely change the terms upon which it purchases or sells products or services to or from the Company or the Company Subsidiaries. The Shareholders have no reason to believe that any of such Persons will cancel, suspend or terminate its relationship with the Company or substantially decrease its purchases, sales or volume of business because of the transactions contemplated hereby.

5.28 Notes and Accounts Receivable. All notes and accounts receivable of the Company and the Company Subsidiaries are reflected properly on their books and records, are valid receivables subject to no setoffs or counterclaims, are current and collectible, and will be collected in accordance with their terms at their recorded amounts, subject only to the reserve for bad debts set forth on the face of the 1996 Balance Sheet (rather than in any notes thereto) as adjusted for the passage of time through the Effective Date in accordance with past practices.

5.29 Product Warranty. Neither the Company nor any Company Subsidiary has any liability (whether accrued or unaccrued, contingent or otherwise) and to the Shareholders' knowledge, there is no basis for any present or future action, suit, proceeding, hearing, investigation, charge, complaint, claim or demand against it giving rise to any such liability relating to any product sold or services provided by them, or any other damages in connection therewith. Except as indicated on Schedule 5.29, no product sold or services provided by the Company or any Company Subsidiary is subject to any guaranty, warranty, or other indemnity. True and correct copies of the standard terms and conditions of sale, including any discounts or other concessions provided to customers, utilized by the Company and the Company Subsidiaries (containing applicable guaranty, warranty, and indemnity provisions) have been delivered to Buyer by the Company and the Company Subsidiaries. Information contained in any products provided or services made available to the Company's and the Company Subsidiaries' customers accurately reflect in all material respects the information which it is represented to contain.

5.30 Customer Lists. Neither the Company, the Company Subsidiaries nor the Shareholders have sold, disclosed, transferred or otherwise compromised all or part of any list of the borrowers of the Company or the Company Subsidiaries, and to the knowledge of the Shareholders, no third party is in possession of such information.

5.31 Full Disclosure. No representation or warranty of the Shareholders contained in this Agreement, and none of the statements or information concerning the Company and the Company Subsidiaries contained in this Agreement or the exhibits and the schedules hereto, contains or will contain any untrue statement of a material fact nor will such representations, warranties, covenants or statements taken as a whole omit a material fact required to be stated therein or necessary in order to make the statements therein, in light of the circumstances under which they were made, not misleading.

ARTICLE VI COVENANTS

During the period from the date of this Agreement and until the Effective Date, each of the Company and the Shareholders, jointly and severally, and Buyer, as applicable, agree to perform

the covenants set forth below and the Company and the Shareholders, jointly and severally, agree to cause the Company Subsidiaries to perform the covenants set forth below applicable to them:

6.1 Ordinary Course, Insurance, Preservation of Business, Et Cetera. Except as otherwise agreed to in writing by Buyer, each of the Company and the Company Subsidiaries shall:

(a) carry on its business in the ordinary course and consistent with past practices;

(b) except as they may terminate in accordance with their respective terms, keep in full force and effect, and not cause a default of any of its obligations under, any Commitments and keep in full force and effect the insurance coverage in effect on the date hereof; and

(c) maintain, renew, keep in full force and effect and preserve its business organization and material rights and franchises, permits and licenses and use its best efforts to retain its present employee force and to use its best efforts to maintain the continuance of its general customer and supplier relationships.

6.2 Prohibited Action Without Approval. Except with the prior written consent of Buyer and as otherwise required or permitted by this Agreement, each of the Company and the Company Subsidiaries shall not, directly or indirectly, do any of the following:

(a) amend its Articles of Incorporation or Bylaws;

(b) issue, sell or authorize for issuance or sale, shares of any class of its securities (including, but not limited to, by way of stock split or dividend) or any subscriptions, options, warrants, rights or convertible securities;

(c) redeem, purchase or otherwise acquire, directly or indirectly, any shares of its capital stock or debt securities or any option, warrant or other right to purchase or acquire any such shares;

(d) acquire any material assets, except acquisitions made in the ordinary course of business as reasonably necessary to enable the Company or any Company Subsidiary to conduct its business in a manner consistent with past practices;

(e) voluntarily sell, transfer, surrender, abandon or dispose of any of its assets or property rights (tangible or intangible), other than in the ordinary course of business consistent with past practices at a price substantially consistent with prior operating practices;

(f) grant or make any mortgage or pledge or subject itself or any of its properties or assets to any Lien, except liens for Taxes not currently due;

(g) grant any license or sublicense of any rights under or with respect to any Intellectual Property;

(h) enhance, expand, modify, replace or alter any computer or data processing system owned, leased or licensed by the Company or the Company Subsidiaries (including any software associated with any such computer or system), except customary enhancements and modifications consistent with past practice;

(i) create, incur or assume any liability or indebtedness, except in the ordinary course of business consistent with past practice;

(j) make or commit to make any capital expenditures in excess of Ten Thousand Dollars (\$10,000) in the aggregate;

(k) other than as contemplated by this Agreement, apply any of its assets to the direct or indirect payment, discharge, satisfaction or reduction of any amount payable directly or indirectly to or for the benefit of any Shareholder or any Affiliate thereof or to the prepayment of any such amounts;

(l) grant any increase in the compensation payable or to become payable to directors, officers or employees (including, without limitation, any such increase pursuant to any Plan or otherwise); provided, however, that the Company and the Company Subsidiaries may grant to its employees (other than its officers and directors) salary increases in the ordinary course of business consistent with past practice.

(m) hire any person that the Company does not have the unconditional right to terminate without liability at any time on or after the Effective Date;

(n) adopt any new employee benefit plan or make any material change in or to any existing employee benefit plan other than any such change that is required by law or this Agreement;

(o) alter the manner of keeping its books, accounts or records, or change in any manner the accounting practices therein reflected;

(p) enter into any agreement which would be a Commitment other than in the ordinary course of business but in any event shall not enter into any Commitment in excess of Ten Thousand Dollars (\$10,000);

(q) enter into any Commitment or transaction other than in the ordinary course of business consistent with past practices;

(r) take or omit to take any action which would in any material respect render any of the Shareholders' representations or warranties untrue or misleading, or which would be a breach of any of the Shareholders' or the Company's covenants;

(s) take any action which could have a material adverse effect on the condition (financial or otherwise), results of operations, properties, assets, liabilities, business or prospects of the Company and the Company Subsidiaries; or

(t) agree, whether in writing or otherwise, to do any of the foregoing.

6.3 Access and Inspection. The Company and the Shareholders shall allow Buyer and its authorized representatives full access during normal business hours from and after the date hereof and prior to the Effective Date to all of the Company's and the Company Subsidiaries' properties, books, contracts, Commitments and records for the purpose of making such investigation as Buyer may desire, and shall cause the Company Subsidiaries to furnish Buyer and its authorized representatives, such information concerning their affairs as Buyer may reasonably request. The Company and the Shareholders shall cause the Company's personnel to assist Buyer in making such investigation, shall use their best efforts to cause the counsel, accountants, and

other non-employee representatives of the Company and the Company Subsidiaries to be reasonably available to Buyer for such purposes and shall prepare the required information, financial or otherwise, required in connection with the preparation and delivery of the Company's audited financial statements as contemplated by Section 8.1(l).

6.4 Confidential Treatment of Information. Until the Effective Date, or if this Agreement is abandoned or terminated, the parties hereto and their representatives shall hold in confidence all data and information obtained with respect to the other parties or their businesses, and shall not use such data or information or disclose the same to others, except such data or information as is already known to such party (other than as disclosed by one party to the other party prior to the date hereof in connection with a Confidentiality Agreement) or is published or is a matter of public record, or as otherwise required by law. In the event this Agreement is abandoned or terminated, each party shall promptly return to the other(s) any statements, documents, schedules, exhibits or other written information obtained from them in connection with this Agreement, and shall not retain any copies thereof.

6.5 Public Announcements. The parties will notify each other before issuing any press releases or otherwise making any public statement with respect to this Agreement or any of the transactions contemplated hereby and will not issue any such press release or make any such public statement without the prior written consent of the other parties, except as may be required by applicable law.

6.6 Notification. Each party to this Agreement shall promptly notify the other parties in writing of the occurrence, or threatened occurrence, of any event that would constitute a breach or violation of this Agreement by any party or that would cause any representation or warranty made by the notifying party in this Agreement to be false or misleading in any respect.

6.7 Consent of Governmental Authorities and Others. Each of Buyer and the Company and the Shareholders agrees to file, submit or request (or cause to be filed, submitted or requested) promptly after the date of this Agreement and to prosecute diligently any and all (a) applications or notices required to be filed or submitted to any governmental authorities, as specified in Sections 4.4 and 5.4; provided that the Buyer, on the one hand, and the Company and the Shareholders, on the other, each agree to make all initial filings under the HSR Act within fifteen (15) business days after the date of this Agreement and (b) in the case of the Shareholders and the Company, requests for consents and approvals of individual Persons required to be obtained, as specified in Section 5.3. Each of Buyer, the Company and the Shareholders shall promptly make available to the other such information as each of them may reasonably request relative to its business, assets and property as may be required by each of them to prepare and file or submit such applications and notices and any additional information requested by any governmental authority, and shall update by amendment or supplement any such information given in writing. Each of Buyer and the Company and the Shareholders represents and warrants to the other that such information, as amended or supplemented, shall be true and accurate. The Buyer shall bear all applicable filing fees in connection with the HSR Act.

6.8 Acquisition Proposals; No Solicitation. Except for the transactions contemplated by this Agreement, unless and until this Agreement shall have been terminated, none of the Shareholders or the Company shall, nor will they permit any Company Subsidiary or any of their respective directors, officers, employees or agents to, directly or indirectly (i) solicit, encourage, initiate or participate in any negotiations or discussions with respect to any offer or proposal (a "Competing Transaction") to acquire all or substantially all of the business, properties or capital stock of the Company or the Company Subsidiaries, or (ii) except as required by law, disclose to any Person any confidential information concerning the business and properties of the Company

and the Company Subsidiaries, afford to any Person other than Buyer and its designees and the Company's and the Company Subsidiaries' directors, officers and employees access to the properties, books or records of the Company and the Company Subsidiaries or otherwise assist or encourage any Person in connection with any of the foregoing. If any Shareholder, the Company or any Company Subsidiary shall receive any offer or proposal, written or otherwise, with respect to a Competing Transaction, the Shareholders shall promptly inform Buyer of such offer or proposal and furnish Buyer with a copy thereof if such offer or proposal is in writing.

6.9 Best Efforts. Subject to the terms and conditions provided in this Agreement, each of the parties shall use its best efforts in good faith to take or cause to be taken as promptly as practicable all reasonable actions that are within its power to cause to be fulfilled those conditions precedent to its obligations or the obligations of the other parties to consummate the transactions contemplated by this Agreement that are dependent upon its actions.

6.10 Certain Liabilities. Notwithstanding anything herein to the contrary, the Company and the Shareholders shall cause certain liabilities of the Company and the Company Subsidiaries to be paid on or prior to the Effective Date so that at the Effective Date the liabilities of the Company shall consist only of those liabilities set forth on Schedule 6.10 hereto.

6.11 Company Common Stock Owned by Shareholders. Unless and until this Agreement shall have been validly terminated in accordance with its terms, each Shareholder agrees (i) to vote all shares of Company Common Stock owned by such Shareholder in favor of this Agreement and the Merger, in favor of any other matter relating to the consummation of the transactions contemplated by this Agreement and against any Competing Transaction; and (ii) not to sell, transfer or otherwise dispose of or encumber or permit the sale, transfer or other disposition or encumbrance of any shares of Company Common Stock owned by such Shareholder except pursuant to this Agreement. All references in this Section 6.11 to a Shareholder's shares of Company Common Stock shall be deemed to include any shares of Company Common Stock subsequently acquired by such Shareholder.

6.12 Shareholder Approval. The Company and the Shareholders shall promptly upon execution of this Agreement take all steps necessary to effect the requisite shareholder approval of the holders of Company Common Stock by written consent in lieu of a meeting in accordance with the Company's Articles of Incorporation and Bylaws and the Florida BCA. As soon as practicable following such approval by written consent, the Company will prepare and mail to the holders of Company Common Stock appropriate materials (the "Notice Materials") describing this Agreement, the transactions contemplated hereby, the approval thereof by the shareholders executing the written consent and the right of the Company's shareholders to exercise dissenters' rights in connection with the Merger. The Notice Materials shall comply in all respects with the Company's Articles of Incorporation and By-laws and the Florida BCA. Prior to submitting the Notice Materials and any amendment, supplement or revision thereof to the shareholders of the Company, the Company shall submit such materials to Buyer and its counsel and shall provide Buyer and its counsel with a reasonable opportunity to review and comment upon such materials. The Company and the Shareholders covenant to Buyer that the Notice Materials will not contain any statement which, at the time and in the light of the circumstances under which it is made, is false or misleading with respect to any material fact, or omit to state any material fact necessary in order to make the statements therein not false or misleading.

6.13 Employee Matters. Buyer acknowledges that it currently intends, subject to the applicable provisions of the benefit programs, to provide employees of the Company with an opportunity to participate in the employee benefit programs offered to Buyer's employees as of January 1, 1998 and, with respect to vacation benefits, will utilize as the credited service date for

determination of vacation benefits, the date on which the employee commenced his or her employment with the Company.

6.14 Insurance Matters. The Company shall promptly report to the appropriate carrier and notify Buyer of all known claims and notices of occurrences covered by any applicable insurance coverage and shall use all reasonable efforts to purchase an "extended reporting period" endorsement for claims-made policies, if any, with respect to insurance policies which Buyer has requested to be canceled or non-renewed as of the Effective Date.

6.15 Disclosure Schedules. The parties acknowledge that they are executing this Agreement prior to the delivery of all of the disclosure schedules which are to be delivered by the Shareholders to Buyer pursuant to this Agreement (the "Disclosure Schedules"). The Shareholders agree and covenant that they will prepare and complete the Disclosure Schedules and deliver the same (together with all documents referred to therein) to Buyer and its counsel no later than five (5) business days after the date of this Agreement other than Schedule 5.10B which shall be delivered prior to the Effective Date.

ARTICLE VII ADDITIONAL AGREEMENTS

7.1 Survival of the Representations, Warranties, Covenants and Agreements. All of the representations, warranties, covenants and agreements of Buyer and the Shareholders shall survive the Effective Date and Closing hereunder until the date which is ninety (90) days after the expiration of the Earn-Out Period.

7.2 Investigation. Notwithstanding any provisions contained herein to the contrary, the representations, warranties, covenants and agreements of this Agreement shall not be affected or diminished in any way by the receipt of any notice pursuant to Section 6.6 or by any investigation (or failure to investigate) at any time by or on behalf of the party for whose benefit such representations, warranties, covenants and agreements were made. All statements relating to the Shareholders, the Company, the Company Subsidiaries, the Buyer or Acquisition contained herein or in any schedule, certificate, or exhibit delivered pursuant hereto shall be deemed to be representations and warranties for purposes of this Agreement.

7.3 Indemnification.

(a) The Shareholders, jointly and severally, agree to indemnify and hold harmless Buyer, the Company, the Company Subsidiaries and their respective directors, officers, shareholders, employees and agents and their respective assigns from, against and in respect of, the full amount of any and all liabilities, damages, claims, deficiencies, fines, assessments, losses, Taxes, penalties, interest, costs and expenses, including, without limitation, reasonable fees and disbursements of counsel (collectively, the "Indemnified Losses") arising from, in connection with, or incident to (i) any breach or violation of any of the representations, warranties, covenants or agreements of the Shareholders contained in this Agreement (without regard to any materiality thresholds contained therein), (ii) any and all claims, actions, suits or proceedings asserted in whole or in part in respect of any transaction, event, status, condition or situation in any way relating to the Shareholders, the Company or the Company Subsidiaries existing, arising or occurring on or prior to the Effective Date, regardless of whether asserted before or after the Effective Date; and (iii) any and all actions, suits, proceedings, demands, assessments or judgments, costs and expenses incidental to any of the foregoing; provided, however, the parties agree and acknowledge that no Shareholder shall have any obligation under the indemnification

provisions set forth herein with respect to a breach of the representations and warranties contained herein, (i) unless notice of a claim for indemnity in respect of any matter has been given in writing on or before the date which is ninety (90) days after the expiration of the Earn-Out Period, (ii) until the aggregate of all Indemnified Losses exceed Fifty Thousand Dollars (\$50,000) (the "Basket Limitation"), provided that once the Indemnified Losses exceed such amount, the Shareholders shall be responsible for the Indemnified Losses without regard to the Basket Limitation, and (iii) to the extent that any portion of any Indemnified Loss, when added to all other Indemnified Losses paid by the Shareholders under this Agreement, exceeds the aggregate amount (such amount, the "Indemnity Limit") of the Merger Consideration paid or payable in connection with the Merger provided that if the Shareholders become responsible for any portion of any Indemnified Loss which, when added to all other Indemnified Losses previously paid by the Shareholders, exceeds the amount of the Merger Consideration previously delivered to the Exchange Agent under this Agreement (including any amount set-off pursuant to Section 10.2 hereof), the Shareholders shall not be obligated to pay such excess portion of the Indemnified Loss at that time but Buyer shall be entitled pursuant to Section 10.2 hereof to set-off such excess portion of the Indemnified Loss against any future Earn-Out Payments. Notwithstanding any provision contained herein to the contrary, none of the foregoing limitations shall limit in any respect a party's right to indemnification in connection with any action based upon a breach by any party owing indemnification hereunder of any covenant contained in this Agreement or in connection with any action based upon intentional or fraudulent actions, misrepresentations or breaches of the party owing indemnification. Further, Buyer agrees and acknowledges that the liability of the Shareholders for breaches of the covenants contained in Sections 7.4 and 7.5 shall be several and not joint, except that the liability of Don M. Breeden and Tara A. Breeden shall be joint and several and the liability of Evan S. Benrubi and Lori G. Benrubi shall be joint and several.

(b) Buyer agrees to indemnify and hold harmless the Shareholders and their respective agents and assigns from, against and in respect of, the full amount of any and all Indemnified Losses arising from, in connection with, or incident to (i) any breach or violation of any of the representations, warranties, covenants or agreements of Buyer contained in this Agreement (without regard to any materiality thresholds contained therein), and (ii) any and all actions, suits, proceedings, demands, assessments or judgments, costs and expenses incidental to any of the foregoing; provided, however, the parties agree and acknowledge that Buyer shall have no obligation under the indemnification provisions set forth herein with respect to a breach of the representations and warranties contained herein, (i) unless notice of a claim for indemnity in respect of any matter has been given in writing to Buyer on or before the date which is ninety (90) days after the expiration of the Earn-Out Period and (ii) until the aggregate of all Indemnified Losses exceed Fifty Thousand Dollars (\$50,000) (the "Basket Limitation"); provided, however, that once the Indemnified Losses exceed such amount, Buyer shall be responsible for the Indemnified Losses without regard to the Basket Limitation. Notwithstanding any provision contained herein to the contrary, none of the foregoing limitations shall limit in any respect a party's right to indemnification in connection with any action based upon a breach by Buyer of any of its covenants contained in this Agreement or in connection with any action based upon intentional or fraudulent actions, misrepresentations or breaches by Buyer.

(c) A party or parties hereto agreeing to be responsible for or to indemnify against any matter pursuant to this Agreement is referred to herein as the "Indemnifying Party" and the other party or parties claiming indemnity is referred to as the "Indemnified Party". An Indemnified Party under this Agreement shall, with respect to claims asserted against such party by any third party, give written notice to each Indemnifying Party of any liability which might give rise to a claim for indemnity under this Agreement promptly (and in any event within twenty (20) business days) upon the receipt of any written claim from any such third party, and with respect to other matters for which the Indemnified Party may seek indemnification, give prompt

written notice to each Indemnifying Party of any liability or loss which might give rise to a claim for indemnity; provided, however, that any failure to give such notice on a timely basis will not waive any rights of the Indemnified Party except to the extent the rights of the Indemnifying Party are materially prejudiced. As to any claim, action, suit or proceeding by a third party, the Indemnifying Party may assume the defense of such matter, including the employment of counsel reasonably satisfactory to the Indemnified Party and the payment of all expenses relating thereto. The Indemnifying Party shall give written notice to each Indemnified Party of its assumption of the defense of any action, suit or proceeding within fifteen (15) days of receipt of notice from the Indemnified Party with respect to such matter. The Indemnified Party shall have the right to employ its or their own counsel in any such matter, but the fees and expenses of such counsel shall be the responsibility of such Indemnified Party unless (i) the Indemnifying Party shall not have reasonably promptly employed counsel reasonably satisfactory to such Indemnified Party or (ii) the Indemnified Party shall have reasonably concluded that the conduct of such proceedings by the Indemnifying Party and counsel of its choosing will prejudice the rights of the Indemnified Party. The Indemnified Party shall provide such cooperation and such access to its books, records and properties as the Indemnifying Party shall reasonably request with respect to such matter; and the parties hereto agree to cooperate with each other in order to ensure the proper and adequate defense thereof.

An Indemnifying Party shall not make any settlement of any claim without the written consent of the Indemnified Party, which consent shall not be unreasonably withheld. Without limiting the generality of the foregoing, it shall not be deemed unreasonable to withhold consent to a settlement involving consideration or relief other than the payment of money. After settlement and payment thereof, the Indemnifying Party shall have no right to dispute or object to the amount of the settlement or a claim for indemnification based thereon.

With regard to claims of third parties for which indemnification is payable hereunder, such indemnification shall be paid by the Indemnifying Party upon the earlier to occur of: (i) the entry of a judgment against the Indemnified Party and the expiration of any applicable appeal period, or if earlier, five (5) days prior to the date that the judgment creditor has the right to execute the judgment; (ii) the entry of an unappealable judgment or final appellate decision against the Indemnified Party; (iii) a settlement of the claim; or (iv) with respect to indemnities for liabilities relating to Taxes, upon the issuance of any resolution by a taxation authority. Notwithstanding the foregoing, provided that there is no dispute as to the applicability of indemnification, expenses of counsel to the Indemnified Party shall be reimbursed on a current basis by the Indemnifying Party provided that the Indemnifying Party is obligated to pay expenses as determined in accordance with the first paragraph of this Section 7.3(b). With regard to other claims for which indemnification is payable hereunder, such indemnification shall be paid promptly by the Indemnifying Party upon written demand by the Indemnified Party.

(d) All sums payable by any party pursuant to the indemnification provisions hereof shall be paid free and clear of all deductions or withholdings (including any Taxes or governmental charges of any nature) unless the deduction or withholding is required by law, in which event or in the event the party entitled to indemnification hereunder shall incur any liability for Tax chargeable or assessable in respect of any such payment, the parties providing indemnification hereunder shall pay such additional amounts as shall be required to insure that the net amount received by the party entitled to indemnification hereunder will equal the full amount which would have been received by it had no such deduction or withholding been made and/or no such liability for Taxes had been incurred.

7.4 Noncompetition. Each of the Shareholders acknowledges that in order to assure Buyer that Buyer will retain the value of the Company and the Company Subsidiaries as "going

concerns," the Shareholders agree not to utilize their special knowledge of the business of the Company and the Company Subsidiaries and their relationships with customers, suppliers and others to compete with the Company or any Company Subsidiary. During the period commencing on the Effective Date and ending on the date which is the later of (i) one (1) year after the date on which the Shareholder is no longer employed by the Company or any Company Subsidiary and (ii) the second (2nd) anniversary of the expiration of the Earn-Out Period, such Shareholder shall not engage or have an interest, anywhere in the United States of America, or any other geographic area where the Company or any Company Subsidiary does business, alone or in association with others, as principal, officer, agent, employee, director, partner or stockholder, or through the investment of capital, lending of money or property, rendering of services or otherwise, in any business competitive with or similar to that engaged in by the Company or any Company Subsidiary on the date of termination or expiration of such Shareholder's employment or expiration of the Earn-Out Period, as applicable. During the same period, no Shareholder shall, nor shall he or she permit any of his or her employees, agents, or others under his control to, directly or indirectly (i) call upon, accept business from, or solicit the business of any Person who is, or who had been at any time during the preceding two (2) years, a customer of the Company or any Company Subsidiary or any successor to the business of the Company or any Company Subsidiary, or otherwise divert or attempt to divert any business from the Company or any Company Subsidiary or any such successor; or (ii) recruit or otherwise solicit or induce any person who is an employee of, or otherwise engaged by, the Company or any Company Subsidiary or any successor to the business of such entities to terminate his or her employment or other relationship with any such entity, or hire any person who has left the employ of any such entity during the preceding two (2) years. None of the Shareholders shall at any time, directly or indirectly, use or purport to authorize any Person to use any telephone number, name, mark, logo, trade dress or other identifying words or images which are the same as or similar to those used currently or in the past by the Company or any Company Subsidiary whether or not such use would be in a business competitive with that of the Company or any Company Subsidiary. The passive ownership for investment of up to five percent (5%) of the outstanding voting securities or securities of any class of a company with a class of securities which is publicly traded shall not be deemed to be a violation of the provisions of this Section 7.4.

7.5 Confidentiality. The Shareholders acknowledge that the Intellectual Property and all other confidential or proprietary information with respect to the business and operations of the Company and the Company Subsidiaries are valuable, special and unique. None of the Shareholders shall, at any time after the Effective Date, disclose, directly or indirectly, to any Person, or use or purport to authorize any Person to use any confidential or proprietary information with respect to the Company or any Company Subsidiary, whether or not for a Shareholder's own benefit, without the prior written consent of Buyer, including without limitation, information as to the financial condition, results of operations, customers, suppliers, products, sources, leads or methods of obtaining new products or business, Intellectual Property, computer systems, marketing strategies or any other information relating to the Company or any Company Subsidiary which could reasonably be regarded as confidential, but not including information which is or shall become generally available to the public other than as a result of an unauthorized disclosure by a Shareholder or a Person to whom a Shareholder has provided such information.

7.6 Continuing Obligations. The restrictions set forth in Sections 7.4 and 7.5 are considered by the parties to be reasonable for the purposes of protecting the value of the business and goodwill of the Company and the Company Subsidiaries. Buyer and the Shareholders acknowledge that Buyer would be irreparably harmed and that monetary damages would not provide an adequate remedy to Buyer in the event the covenants contained in Sections 7.4 and 7.5 were not complied with in accordance with their terms. Accordingly, the Shareholders agree that

any breach or threatened breach by any of them of any of their obligations shall entitle Buyer, without posting any bond or other security, to injunctive and other equitable relief to secure the enforcement of these provisions, in addition to any other remedies which may be available to Buyer. In addition to its other rights and remedies, Buyer shall have the right to require any Shareholder who breaches any of the covenants contained in Sections 7.4 and 7.5 to account for and pay over to Buyer, as the case may be, all compensation, profits, money, accruals and other monetary benefits derived or received, directly or indirectly, by such Shareholder from the action constituting such breach. If a Shareholder breaches the covenant set forth in Section 7.4, the running of the noncompete period described therein shall be tolled with respect to such Shareholder for so long as such breach continues. It is the desire and intent of the parties that the provisions of Sections 7.4, 7.5 and 7.6 be enforced to the fullest extent permissible under the laws and public policies of each jurisdiction in which enforcement is sought. If any provisions of Sections 7.4, 7.5 and 7.6 relating to the time period, scope of activities or geographic area of restrictions is declared by a court of competent jurisdiction to exceed the maximum permissible time period, scope of activities or geographic area, as the case may be, shall be reduced to the maximum which such court deems enforceable. If any provisions of Sections 7.4, 7.5 and 7.6 other than those described in the preceding sentence are adjudicated to be invalid or unenforceable, the invalid or unenforceable provisions shall be deemed amended (with respect only to the jurisdiction in which such adjudication is made) in such manner as to render them enforceable and to effectuate as nearly as possible the original intentions and agreement of the parties.

ARTICLE VIII CONDITIONS PRECEDENT

8.1 Conditions Precedent to the Obligations of Buyer. The obligations of Buyer to consummate the Merger and the transactions contemplated by this Agreement are subject to the satisfaction at or prior to the Closing of the following conditions.

(a) Representations and Warranties True. The representations and warranties of the Shareholders contained in this Agreement and in any certificate or other document delivered pursuant to this Agreement shall be true and correct in all material respects (except for representations and warranties which are by their terms qualified by materiality, which shall be true and correct in all respects) as of the Effective Date with the same force and effect as though made on and as of such date, except that those representations and warranties which address matters only as of a particular date shall remain true and correct in all material respects (except for representations and warranties which are by their terms qualified by materiality, which shall be true and correct in all respects) as of such date.

(b) Covenants Performed. The covenants of the Company and the Shareholders contained in this Agreement to be performed or complied with on or prior to the Effective Date shall have been duly performed or complied with in all material respects.

(c) No Material Adverse Change. There shall not have occurred any event or condition which has adversely affected or may adversely affect in any material respect the condition (financial or otherwise), assets, liabilities (whether absolute, accrued, contingent or otherwise), earnings, book value, business, operations or prospects of the Company and the Company Subsidiaries taken as a whole.

(d) Governmental Consents. All consents and approvals required by governmental or regulatory authorities for the consummation of the transactions contemplated by this Agreement shall have been obtained, including, without limitation, the expiration of any notice

and waiting period under the HSR Act. All of such consents and approvals shall have been obtained without the imposition of any adverse terms or conditions.

(e) Consents. The Shareholders shall have obtained all consents and approvals required to be obtained in connection with the consummation of the transactions contemplated hereby, including, without limitation, any consents required to be obtained in connection with those instruments and agreements listed on Schedule 5.3 hereto and consents necessary to enable the business and operations of the Company and the Company Subsidiaries after consummation of the transactions contemplated hereby to continue to be conducted in the same manner as currently conducted. Each such consent shall have been obtained without the imposition of any adverse terms or conditions or without the imposition of any significant cost.

(f) No Litigation. No litigation, arbitration or other proceeding shall be pending or, to the knowledge of the parties, threatened by or before any court, arbitration panel or governmental authority; no law or regulation shall have been enacted after the date of this Agreement; and no judicial or administrative decision shall have been rendered; in each case, which enjoins, prohibits or materially restricts, or seeks to enjoin, prohibit or materially restrict, the consummation of the transactions contemplated by this Agreement.

(g) Opinion of Counsel. Buyer shall have received from Zack, Sparber, Kosnitzky, Spratt & Brooks, P.A., legal counsel to the Company and the Shareholders, an opinion letter, dated the Effective Date, in form and substance reasonably satisfactory to Buyer.

(h) Certificate of the Shareholders. The Shareholders shall have delivered to Buyer one or more certificates, dated the Closing Date, certifying in such detail as Buyer may reasonably request, that the conditions specified in Sections 8.1(a), (b) and (c) above have been fulfilled and as to such other matters as Buyer may reasonably request.

(i) Shareholder Approval. This Agreement, the Merger and the transactions contemplated hereby, shall have been approved by the requisite holders of the Company Common Stock according to the Florida BCA and the Articles of Incorporation and the By-laws of the Company.

(j) Dissenters' Rights. Holders representing no more than five percent (5%) of the outstanding shares of Company Common Stock shall have exercised dissenters' rights in connection with the Merger in accordance with the Florida BCA.

(k) Letter Agreement. The Shareholders and the Company shall have executed the letter agreement (the "Letter Agreement") substantially in the form of Exhibit A hereto.

(l) Audited Financial Statements. Buyer shall have received audited financial statements of the Company for the period ended December 31, 1996, together with an unqualified report of an independent certified public accountant, which financial statements and report shall be acceptable to Buyer.

(m) Disclosure Schedules. Buyer shall have received complete copies of the Disclosure Schedules in form and content satisfactory to Buyer.

8.2 Conditions Precedent to the Obligations of the Company and the Shareholders. The obligations of the Company and the Shareholders to consummate the transactions contemplated by this Agreement are subject to the satisfaction at or prior to the Closing of the following conditions.

(a) Representations and Warranties True. The representations and warranties of Buyer and Acquisition contained in this Agreement or in any certificate or other document delivered pursuant to this Agreement shall be true and correct in all material respects (except for representations and warranties which are by their terms qualified by materiality, which shall be true and correct in all respects) as of the Effective Date with the same force and effect as though made on and as of such date, except that those representations and warranties which address matters only as of a particular date shall remain true and correct in all material respects (except for representations and warranties which are by their terms qualified by materiality, which shall be true and correct in all respects) as of such date.

(b) Covenants Performed. The covenants of Buyer contained in this Agreement to be performed or complied with on or prior to the Effective Date shall have been duly performed or complied with in all material respects.

(c) Governmental Consents. All consents and approvals required by governmental or regulatory authorities for the consummation of the transactions contemplated by this Agreement shall have been obtained, including, without limitation, the expiration of any notice and waiting period under the HSR Act. All of such consents and approvals shall have been obtained without the imposition of any adverse terms or conditions.

(d) No Litigation. No litigation, arbitration or other proceeding shall be pending or, to the knowledge of the parties, threatened by or before any court, arbitration panel or governmental authority; no law or regulation shall have been enacted after the date of this Agreement; and no judicial or administrative decision shall have been rendered; in each case, which enjoins, prohibits or materially restricts, or seeks to enjoin, prohibit or materially restrict, the consummation of the transactions contemplated by this Agreement.

(e) Buyer's Certificate. Buyer shall have delivered to the Shareholders a certificate executed by its President or a Vice President, dated the Effective Date, certifying in such detail as the Shareholders may reasonably request, that the conditions specified in Sections 8.2(a) and (b) above have been fulfilled.

(f) Shareholder Approval. This Agreement, the Merger and the transactions contemplated hereby, shall have been approved by the Board of Directors of Buyer and Acquisition and the shareholders of Acquisition according to applicable corporate law and their respective Articles of Incorporation and By-laws.

(g) Opinion of Counsel. The Company and the Shareholders shall have received an opinion letter from Austin Kim, Esq. dated the Effective Date, in form and substance reasonably satisfactory to the Company and the Shareholders with respect to the matters set forth on Exhibit B to this Agreement.

(h) Letter Agreement. Buyer shall have executed the Letter Agreement.

**ARTICLE IX
MISCELLANEOUS**

9.1 Termination. This Agreement may be terminated:

- (a) By the mutual consent of Buyer and the Company;
- (b) By Buyer or the Company, at any time after the later of (i) the date two (2) months after execution of this Agreement and (ii) five (5) days after the expiration or termination of all applicable waiting periods under the HSR Act, if the Closing shall not have occurred on or before that date;
- (c) By Buyer, upon written notice provided to the Company, if there has been any material breach of any representation or warranty in this Agreement by the Shareholders or a material breach by the Company or the Shareholders of any of their covenants set forth herein; provided that if such breach is curable, it is not cured within ten (10) business days after notice thereof;
- (d) By the Company, upon written notice provided to Buyer, if there has been any material breach of any representation or warranty in this Agreement by Buyer or Acquisition, or a material breach by Buyer of any of its covenants set forth herein; provided that if such breach is curable, it is not cured within ten (10) business days after notice thereof;
- (e) By Buyer, if any event or circumstance shall occur that renders the satisfaction of any condition to the obligations of Buyer set forth in Section 8.1 impossible and such condition has not been waived by Buyer; or
- (f) By the Company, if any event or circumstance shall occur that renders the satisfaction of any condition to the obligations of the Company and the Shareholders set forth in Section 8.2 impossible and such condition has not been waived by the Shareholders.

If this Agreement is terminated pursuant to this Section 9.1, written notice thereof shall promptly be given by the party electing such termination to the other party and, subject to the expiration of the cure periods provided in clauses (c) and (d) above, if any, this Agreement shall terminate without further actions by the parties and no party shall have any liability or further obligation under this Agreement, provided that if this Agreement is terminated because of the willful and intentional (i) failure of any party to fulfill its obligations hereunder or (ii) breach of the representations, warranties or covenants of such party, then the non-defaulting party shall have available to it all legal and equitable rights and remedies.

9.2 Set-Off. Notwithstanding anything herein to the contrary, Buyer shall be entitled, at its discretion and in addition to any other rights and remedies it may have in law or in equity, to set-off against any amounts payable as Earn-Out Payments the amount of any obligations of the Shareholders to Buyer under this Agreement, including, without limitation, the amount of the Shareholders' obligations pursuant to Section 7.3 hereof, and under the Letter Agreement.

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ARTICLES OF MERGER
Merger Sheet

MERGING: -----

TIMS ACQUISITION, INC., a Florida corporation P97000060155

INTO

ISC OF MIAMI, INCORPORATED, a Florida corporation, K98438.

File date: August 15, 1997

Corporate Specialist: Annette Hogan

Account number: 072100000032

Account charged: 70.00