

L97000001314

ARTICLES OF MERGER
Merger Sheet

MERGING: -----

MR. C'S AUTO SALES OF MARGATE, INC., A FLORIDA CORPORATION
(P96000079559) and MR. C'S AUTO SALES OF PLANTATION, L.C., A
FLORIDA LIMITED LIABILITY

COMPANY (L97000001273)

INTO

MR. C'S AUTO SALES OF HOLLYWOOD, L.C., a Florida entity,
L97000001314.

File date: January 11, 1999

Corporate Specialist: Diane Cushing

ARTICLES OF MERGER

The following articles of merger are being submitted in accordance with section(s) 607.1109, 608.4382 and/or 620.203, Florida Statutes.

FIRST: The exact name, street address of its principal office, jurisdiction, and entity type for each merging Party are as follows:

<u>Name and Street Address</u>	<u>Jurisdiction</u>	<u>Entity Type</u>
MR. C'S AUTO SALES OF HOLLYWOOD, L.C. 2701 N. State Road 7 Hollywood, FL 33302	Florida	Limited Liability Company

Florida Document/Registration Number: L97000001314

FEI Number: 65-0799999

<u>Name and Street Address</u>	<u>Jurisdiction</u>	<u>Entity Type</u>
MR. C'S AUTO SALES OF MARGATE, INC. 891 N. State Road 7 Margate, FL 33063	Florida	Corporation

Florida Document/Registration Number: P96000079559

FEI Number: 65-0702355

<u>Name and Street Address</u>	<u>Jurisdiction</u>	<u>Entity Type</u>
MR. C'S AUTO SALES OF PLANTATION, L.C. 600 S.W.40th Ave. Plantation, FL 33302	Florida	Limited Liability Company

Florida Document/Registration Number: L97000001314
273

FEI Number: 65-0799998

SECOND: The exact name, street address of its principal office, jurisdiction, and entity type of the surviving party are as follows:

<u>Name and Street Address</u>	<u>Jurisdiction</u>	<u>Entity Type</u>
MR. C'S AUTO SALES OF HOLLYWOOD, L.C.	Florida	Limited Liability Company

Florida Document/Registration Number: L97000001314

FEI Number: 65-0799999

THIRD: The attached Plan of Merger meets the requirements of section(s) 607.1108, 608.438, 617.1103 and/or 620.201, Florida Statutes and was approved by each domestic corporation, limited liability company, partnership and/or limited partnership that is a party to the merger in accordance with Chapter(s) 607, 617, 608 or 620, Florida Statutes.

FOURTH: If applicable, the attached Plan of Merger was approved by the other business entity(ies)

that is/are party(ies) to the merger in accordance with the respective laws of all applicable jurisdictions.

FIFTH: If not incorporated, organized, or otherwise formed under the state of Florida, the surviving entity hereby appoints the Florida Secretary of State as its agent for substitute service of process pursuant to Chapter 48, Florida Statutes, in any proceeding to enforce any obligation or rights of any dissenting shareholders, partners, and/or members of each domestic corporation, partnership, limited partnership and/or limited liability company that is a party to the merger.

SIXTH: If not incorporated, organized, or otherwise formed under the laws of the state of Florida, the surviving entity agrees to pay the dissenting shareholders, partners and/or members of each domestic corporation, partnership, limited partnership and/or limited liability company that is a party to the merger the amount, if any, to which they are entitled under section(s) 607.1302, 620.205 and/or 608.4384, Florida Statutes.

SEVENTH: If applicable, the surviving entity has obtained the written consent of each shareholder, member or person that as a result of the merger is now a general partner or the surviving entity pursuant to section(s) 607.1108(5), 608.4381(2) and/or 620.202(2), Florida Statutes.

EIGHTH: The merger is permitted under the respective laws of all applicable jurisdictions and is not prohibited by the agreement of any partnership or limited partnership or the regulations or articles of organization of any limited liability company that is a party to the merger.

NINTH: The merger shall become effective as of the date the Articles of Merger are filed with the Florida Department of State.

TENTH: The Articles of Merger comply and were executed in accordance with the laws of each party's applicable jurisdiction.

ELEVENTH: SIGNATURE(S) FOR EACH PARTY:

MR. C'S AUTO SALES OF HOLLYWOOD, L.C.


MARK COHEN, President

MR. C'S AUO SALES OF MARGATE, INC.


MARK COHEN, President

MR. C'S AUTO SALES OF PLANTATION, L.C.


MARK COHEN, President

PLAN AND AGREEMENT OF REORGANIZATION
by merger of MR. C'S AUTO SALES OF PLANTATION, L.C.,
MR. C'S AUTO SALES OF MARGATE, INC.
with and into MR. C'S AUTO SALES OF HOLLYWOOD, L.C.
under the name of
MR. C'S AUTO SALES OF HOLLYWOOD, L.C.

FILED
JAN 11 AM 9:28
CLERK OF DISTRICT COURT
11th JUDICIAL CIRCUIT
IN AND FOR FLORIDA

This is a Plan and Agreement of Merger (Agreement) between MR. C'S AUTO SALES OF PLANTATION, L.C., a Florida Limited Liability Company, MR. C'S AUTO SALES OF MARGATE, INC., a Florida Corporation (the Merging Companies), and MR. C'S AUTO SALES OF HOLLYWOOD, L.C., a Florida Limited Liability Company (the Surviving Company).

ARTICLE 1. PLAN OF MERGER

1.01. Plan Adopted. A plan of merger of MR. C'S AUTO SALES OF PLANTATION, L.C., and MR. C'S AUTO SALES OF MARGATE, INC. with MR. C'S AUTO SALES OF HOLLYWOOD, L.C. pursuant to Sections 607.1101 and 608.438 through 608.4384 of the Florida Statutes and Section 368(a)(1)(A) of the Internal Revenue Code, is adopted as follows:

- (a) MR. C'S AUTO SALES OF PLANTATION, L.C., and MR. C'S AUTO SALES OF MARGATE, INC. (hereinafter, the Merged Companies) shall be merged with and into MR. C'S AUTO SALES OF HOLLYWOOD, L.C., to exist and be governed by the laws of the State of Florida.
- (b) The name of the Surviving Company shall be MR. C'S AUTO SALES OF HOLLYWOOD, L.C.
- (c) When this agreement shall become effective, the separate Limited Liability Company and Corporate existence of MR. C'S AUTO SALES OF PLANTATION, L.C., and MR. C'S AUTO SALES OF MARGATE, INC., respectively, shall cease. The Surviving Limited Liability Company shall succeed, without other transfer, to all the rights and property of the Merged Companies and shall be subject to all the debts and liabilities of the Merged Companies in the same manner as if the Surviving Company had itself incurred them. All rights of creditors and all liens on the property of each constituent company shall be preserved unimpaired, limited in lien to the property affected by the liens immediately prior to the merger.
- (d) All employees, inclusive of managers and line managers, of the constituent companies shall remain in the employ of the Surviving Company and shall receive the same compensation and/or benefits as were received by each of the several employees prior to the Merger, unless otherwise changed subsequent to this Plan

of Merger.

(e) The Surviving Company will carry on business with the assets of the Merged Companies, as well as with the assets of MR. C'S AUTO SALES OF HOLLYWOOD, L.C.

(f) The shareholders of MR. C'S AUTO SALES OF MARGATE, INC. and the Members of MR. C'S AUTO SALES OF PLANTATION, L.C. will surrender all of their shares and/or interests in the foregoing entities in the manner hereinafter set forth.

(g) In exchange for the shares and/or Membership Interests in the Merged Companies surrendered by its shareholders and/or members, the Surviving Company will issue and transfer to these shareholders, on the basis set forth in Article 4 below, interests in its Company.

(h) The Members of MR. C'S AUTO SALES OF HOLLYWOOD, L.C. will retain their interests in the Surviving Company, however, said interests shall be diluted by the exchange of the shares of the Merged Companies as more particularly set forth in Article 4 below.

(i) The Articles of Organization of MR. C'S AUTO SALES OF HOLLYWOOD, L.C., as existing on the effective date of the merger, shall continue in full force as the Articles of Organization of the Surviving Company until altered, amended, or repealed as provided in the Articles or as provided by law.

1.02. Effective Date. The effective date of the merger (Effective Date) shall be the date when the Articles of Merger are filed with the Florida Department of State.

ARTICLE 2. REPRESENTATIONS AND WARRANTIES OF CONSTITUENT COMPANIES

2.01. Nonsurvivor. As a material inducement to the Surviving Company to execute this Agreement and perform its obligations under this Agreement, the Merged Companies represent and warrant to the Surviving Company as follows:

(a) MR. C'S AUTO SALES OF MARGATE, INC. is a Corporation duly organized, validly existing, and in good standing under the laws of the State of Florida, with corporate power and authority to own property and carry on its business as it is now being conducted. MR. C'S AUTO SALES OF MARGATE, INC. is not required to be qualified as a foreign Company to transact business in any other jurisdiction.

(b) MR. C'S AUTO SALES OF PLANTATION, L.C. is a Limited Liability Company duly organized, validly existing, and in good standing under the laws of the State of Florida, with company power and authority to own property and carry on its business as it is now being conducted. MR. C'S AUTO SALES OF PLANTATION, L.C. is not required to be qualified as a foreign Company to transact business in any other jurisdiction.

(c) MR. C'S AUTO SALES OF MARGATE, INC. has an authorized capitalization of \$ 10,000, consisting of 10,000 shares of common stock, each of \$.001 par value, of which 10,000 shares are validly issued and outstanding, fully paid, and nonassessable on the date of this Agreement.

(d) MR. C'S AUTO SALES OF PLANTATION, L.C. has a membership role consisting of three (3) members. Each member owns a one-third interest in the Limited Liability Company, however, the voting rights are owned 50% to each of two of the members.

(e) All required federal, state, and local tax returns of the Merged Companies have been accurately prepared and duly and timely filed, and all federal, state, and local taxes required to be paid with respect to the periods covered by the returns have been paid or adequate provision has been made to pay any of the foregoing taxes as they become due.

(f) The amount of total indebtedness for MR. C'S AUTO SALES OF MARGATE, INC. at the time of this Plan of Merger is \$ 939,523.⁰⁰.

(g) The amount of total indebtedness for MR. C'S AUTO SALES OF PLANTATION, L.C. at the time of this Plan of Merger is \$ 142,835.⁰⁰.

(h) The principal officers executing this Plan and Agreement of Reorganization By Merger will be duly authorized by the Shareholders or Members (whichever applies) of the Merged Companies.

(i) All of the material facts stated herein throughout this Agreement are complete, accurate and true representations. If any fact stated in this Agreement should materially change or if the Merged Companies shall have discovered any material error, misstatement, or omission in those representations and warranties on or before the Effective Date, it shall report that discovery immediately to MR. C'S AUTO SALES OF HOLLYWOOD, L.C. and shall either correct the error, misstatement, or omission or obtain a written waiver from MR. C'S AUTO SALES OF HOLLYWOOD, L.C. between now and the Effective Date of the merger. Either or both of the Merged Companies experiencing the material change will inform the Surviving Company in writing of the change.

2.02. Survivor. As a material inducement to the Merged Companies to execute this Agreement and perform their obligations under this Agreement, MR. C'S AUTO SALES OF HOLLYWOOD, L.C. represents and warrants to the Merged Companies as follows:

(a) MR. C'S AUTO SALES OF HOLLYWOOD, L.C. is a Limited Liability Company duly organized, validly existing, and in good standing under the laws of the State of Florida, with power and authority to own property and carry on its business as it is now being conducted. MR. C'S AUTO SALES OF HOLLYWOOD, L.C. is not required to be qualified as a foreign Company to transact business in any other jurisdiction.

(b) MR. C'S AUTO SALES OF HOLLYWOOD, L.C. has an authorized capitalization of \$ 5,000.00. As of the date of this Agreement, there are three (3) Members whose interests are as follows: Nice Investment, L.L.C. 50%, Mr. C's Auto Sales, Inc. 25% and Barak Kedem 25%. The aforesaid interests were validly issued and outstanding, fully paid, and nonassessable.

(c) Members Nice Investment, L.L.C., and Mr. C's Auto Sales, Inc. of MR. C'S AUTO SALES OF HOLLYWOOD, L.C. have all voting rights of the Surviving Company. Member, Barak Kedem has assigned his voting rights equally to Nice Investment, L.L.C. and Mr. C's Auto Sales, Inc. as is illustrated in the original Articles of Organization filed with the Florida Secretary of State, thereby giving Nice Investment, L.L.C. and Mr. C's Auto Sales, Inc. each fifty (50%) voting rights in the Company.

(g) The amount of total indebtedness for MR. C'S AUTO SALES OF HOLLYWOOD, L.C. at the time of this Plan of Merger is \$ 1,579,528.00.

ARTICLE 3. COVENANTS, ACTIONS, AND OBLIGATIONS PRIOR TO THE EFFECTIVE DATE

3.01. Interim Conduct of Business; Limitations. Except as limited by this Paragraph 3.01, pending consummation of the merger, each of the constituent Companies will carry on its business in substantially the same manner as before and will use its best efforts to maintain its business organization intact, to retain its present employees, and to maintain its relationships with suppliers and other business contacts.

3.02. Submission to Shareholders . This Agreement shall be submitted separately to the Shareholders and Members of the constituent Companies in the manner provided by the laws of the State Florida for approval.

3.03. Conditions Precedent to Obligations of the Merged Companies. Except as may be expressly waived in writing by the Merged Companies, all of the obligations of Merged Companies under this Agreement are subject to the satisfaction, prior to or on the Effective Date, of each of the following conditions by MR. C'S AUTO SALES OF HOLLYWOOD, L.C.:

(a) The representations and warranties made by MR. C'S AUTO SALES OF HOLLYWOOD, L.C. to the Merged Companies in Article 2 of this Agreement and in any document delivered pursuant to this Agreement shall be deemed to have been made again on the Effective Date and shall then be true and correct in all material respects.

(b) MR. C'S AUTO SALES OF HOLLYWOOD, L.C. shall have performed and complied with all agreements and conditions required by this Agreement to be performed and complied with by it prior to or on the Effective Date.

(c) No action or proceeding by any governmental body or agency shall have been threatened, asserted, or instituted to restrain or prohibit the carrying out of the transactions contemplated by this Agreement.

(d) The Members of MR. C'S AUTO SALES OF HOLLYWOOD, L.C. shall, after a properly held meeting, approve by majority consent of its members, the inclusion of the individual shareholders or members of the Merged Companies as Members of MR. C'S AUTO SALES OF HOLLYWOOD, L.C. However, most of the new members of MR. C'S AUTO SALES OF HOLLYWOOD, L.C. shall have no voting rights and no rights to manage the business and affairs of the Surviving Company. Voting rights shall be reserved to Member, Mark Cohen and Member, NICE INVESTMENT, L.L.C. Management of the Surviving Company shall be by MR. C'S AUTO SALES, INC. pursuant to that certain consortium agreement attached hereto as Exhibit "A."

3.04. Conditions Precedent to Obligations of MR. C'S AUTO SALES OF HOLLYWOOD, L.C..

(a) Except as may be expressly waived in writing by MR. C'S AUTO SALES OF HOLLYWOOD, L.C., all of the obligations of MR. C'S AUTO SALES OF HOLLYWOOD, L.C. under this Agreement are subject to the approval of the Members of MR. C'S AUTO SALES OF HOLLYWOOD, L.C.

(b) The Merged Companies shall have performed and complied with all agreements or conditions required by this Agreement to be performed and complied with by it prior to or on the Effective Date.

ARTICLE 4. MANNER OF CONVERTING SHARES

4.01. **Manner.** The holders of shares of MR. C'S AUTO SALES OF MARGATE, INC. and the Members of MR. C'S AUTO SALES OF PLANTATION, L.C. shall surrender their shares and interests (respectively) to the Secretary of MR. C'S AUTO SALES OF HOLLYWOOD, L.C. promptly after the Effective Date, in exchange for Membership interests in the Surviving Company to which they are entitled as more particularly described in Article 4.02 below.

4.02. **Interests in Surviving Company.** The Members and the said Members' interests in the Surviving Company shall be as follows:

<u>MEMBER NAME</u>	<u>PERCENT OF INTEREST IN COMPANY</u>
MARK & DANA COHEN	36.4%
NICE INVESTMENT, L.L.C.	32.3%
BARAK KEDEM	19.8%
M. ALAN GOTTLIEB	7.5%
ALTA R. ROSS	1.0%
RICHARD LIPMAN, D.D.S.	1.0%
ROBERT FOGEL	<u>2.0%</u>
TOTAL: <u>100.0%</u>	

The company hereby acknowledges a promise by the board of directors of Mr. C's Auto Sales of Hollywood, L.C. that the following employees: MICHAEL THOMAS, ELIAHU OVADIA and STUART ZINN shall be entitled to a one percent interest in the company as and for an incentive bonus to be issued by the Company upon the fifth anniversary of each of the foregoing persons' uninterrupted employment with the Company for a period of five (5) years in a management capacity.

ARTICLE 5. OFFICERS & DIRECTORS

5.01. **Principal Officers.** On the Effective Date, the names of the Principal Officers of the Surviving Company who shall hold office until their respective successors have been elected or appointed and qualified are:.

MARK COHEN	President/Director
STANLEY ZINN	Vice President/Director
DANA ROSS-COHEN	Vice President/Treasurer/Secretary
BARAK KEDEM	Vice President

ARTICLE 6. BYLAWS

6.01. Membership Agreement of Survivor. The Membership Agreement of MR. C'S AUTO SALES OF HOLLYWOOD, L.C., as existing on the Effective Date of the merger, shall continue in full force as the Membership Agreement of the Surviving Company until altered, amended, or repealed as provided in the Membership Agreement or as provided by law.

ARTICLE 7. INTERPRETATION AND ENFORCEMENT

7.01. Further Assurances. The Merged Companies agree that from time to time, as and when requested by the Surviving Company or by its successors or assigns, it will execute and deliver or cause to be executed and delivered all deeds and other instruments. The Merged Companies further agree to take or cause to be taken any further or other actions as the Surviving Company may deem necessary or desirable to vest in, to perfect in, or to conform of record or otherwise to the Surviving Company title to and possession of all the property, rights, privileges, powers, and franchises referred to in Article 1 of this Agreement, and otherwise to carry out the intent and purposes of this Agreement.

7.02. Notices. Any notice or other communication required or permitted under this Agreement shall be properly given when deposited with the United States Postal Service for transmittal by certified or registered mail, postage prepaid, or when deposited with an established express delivery company that issues a receipt therefor, charges prepaid, addressed as follows:

(a) In the case of MR. C'S AUTO SALES OF MARGATE, INC., to: Dana Ross-Cohen, 1890 N. University Drive, Suite #105, Coral Springs, FL 33071 or to such other person or address as MR. C'S AUTO SALES OF MARGATE, INC. may from time to time request in writing.

(b) In the case of MR. C'S AUTO SALES OF PLANTATION, L.C., to: Dana Ross-Cohen, 1890 N. University Drive, Suite #105, Coral Springs, FL 33071 or to such other person or address as MR. C'S AUTO SALES OF PLANTATION, L.C. may from time to time request in writing.

(b) In the case of MR. C'S AUTO SALES OF HOLLYWOOD, L.C., to: Dana Ross-Cohen, 1890 N. University Drive, Suite #105, Coral Springs, FL 33071 or to such other person or address as MR. C'S AUTO SALES OF HOLLYWOOD, L.C. may from time to time request in writing.

7.03. Entire Agreement; Counterparts. This Agreement and the exhibits to this

Agreement contain the entire agreement between the parties with respect to the contemplated transaction. This Agreement may be executed in any number of counterparts, all of which taken together shall be deemed one original.

7.04. **Controlling Law.** The validity, interpretation, and performance of this Agreement shall be governed by, construed, and enforced in accordance with the laws of the State of Florida.

7.05 **Counsel Preparing Agreement.** This Agreement was prepared by corporate counsel who equally represents Mr. C's Auto Sales of Hollywood, L.C., Mr. C's Auto Sales of Margate, Inc. and Mr. C's Auto Sales of Plantation, L.C. The majority of individual persons effected by this transaction own an interest in some or all of the Merged Companies and the Surviving Company. Counsel preparing this Agreement does not represent any individual shareholder, member or company against, or adverse to any other participating individual shareholder, member or company.

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All Shareholders and/or Members who wish to seek independent counsel to review the legal effect of this merger on their interests or liabilities that may arise hereunder are urged to do so.

IN WITNESS WHEREOF, this Agreement was executed on this 16th day of September, 1998.

MR. C'S AUTO SALES OF PLANTATION, L.C.

ATTEST:

Howard S. Weinstein
[typed name] Howard S. Weinstein

By Mark Cohen pro se
Mark Cohen, President

Secretary, MR. C'S AUTO SALES OF PLANTATION, L.C.

By Dana Ross-Cohen
Dana Ross-Cohen, Secretary

[SEAL]

MR. C'S AUTO SALES OF MARGATE, INC.

ATTEST:

Howard S. Weinstein
[typed name] Howard S. Weinstein

By Mark Cohen pro se
Mark Cohen, President

Secretary, MR. C'S AUTO SALES OF MARGATE, INC.

By Dana Ross-Cohen
Dana Ross-Cohen, Secretary

[SEAL]

MR. C'S AUTO SALES OF HOLLYWOOD, L.C.

ATTEST:

Howard S. Weinstein
[typed name] Howard S. Weinstein

By Mark Cohen pro se
Mark Cohen, President

Secretary, MR. C'S AUTO SALES OF HOLLYWOOD, L.C.

By Dana Ross-Cohen
Dana Ross-Cohen, Secretary

[SEAL]

This instrument was prepared by HOWARD S. WEINSTEIN, ESQ. corporate counsel for all of the merging parties to this agreement whose address is: 2450 N.E. Miami Gardens Dr., 2nd Floor, North Miami Beach, FL 33180.

**ADDENDUM TO PLAN AND AGREEMENT
OF REORGANIZATION BY MERGER**

This Addendum is attached to, and made a part of, that particular Plan and Agreement of Reorganization by Merger (hereinafter, "Merger Agreement") dated the 16th day of September, 1998. This Addendum shall modify, correct and amend any term or condition as contained in the original body of the Merger Agreement or shall otherwise, supplement, modify or expand upon such Merger Agreement as provided herein.

FILED
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TALLAHASSEE
FLORIDA

1. The principals acknowledge that there currently exists an agreement titled Consortium Agreement for Management of Independent Mr. C's Auto Sales Locations (hereinafter, "Consortium Agreement") in which all merging parties are a participant. The Consortium Agreement is hereby incorporated into the Merger Agreement by reference.

2. The "Consortium" as redefined by the reorganization by mergers of the individual companies shall be inclusive of the resulting merged company of Mr. C's Auto Sales of Hollywood, L.C., Mr. C's Auto Sales, Inc. and Mr. C's Auto Sales of Lauderhill, L.C.

3. The Consortium Agreement is modified as follows:

a. Paragraph 8b addressing compensation: Three employees shall be guaranteed employment positions by the Merged Companies, who may be removed only upon majority vote of the Shareholders/Members they are Mark Cohen, Barak Kedem and Dana Ross-Cohen.

b. Compensation of the foregoing shall be as follows:

- i. Mark Cohen \$76,000.00 per annum;
- ii. Barak Kedem \$76,000.00 per annum;
- iii. Dana Ross-Cohen \$50,000.00 per annum.

c. Annual compensation as described above shall be paid in weekly installments.

d. An effective annual increase of \$20,000.00 in base salary will be paid in weekly installments to each of Mark Cohen and Barak Kedem providing the following conditions precedent exist:

- i. Profits greater than, or equal to \$75,000.00 per quarter are earned by the Consortium (all locations combined) and distribution of the same is made to shareholders/members for 2 consecutive quarters and each quarter thereafter. In the event that there exists a quarter in which \$75,000.00 is not distributed to shareholders or members, the foregoing salaries will be reduced back the base salary of \$76,000.00 until the Consortium again realizes minimum distributed profits of \$75,000.00 to its shareholders or members for a quarter;

and

- ii. The Consortium maintains a consistent 90 days of receivables.

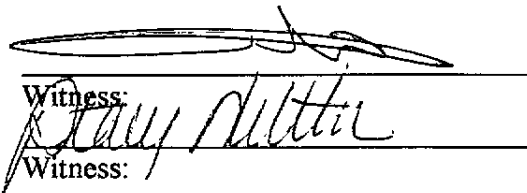
4. It is hereby acknowledged that Nice Investment, L.L.C. has agreed to reduce interest rates on various Floor Planning loans and auto financing loans to an average of twenty-two (22.0%) percent in order to assist in the profitability of the Consortium. The Consortium agrees that after January 1, 1999 no party lending monies to the Consortium or any individual company in the Consortium shall receive an average interest rate in excess of twenty-two (22.0%) percent. The said average is to be determined by taking the principal multiplied by the interest rate for each loan by each lender, totalling the result and dividing the total result by the total principal of all loans by the lender. If after January 1, 1999 there are any loans outstanding to any lender with an interest rate charged thereon in excess of twenty-two (22.0%) percent Nice Investment, L.L.C. shall have the right to pay off the principal balance of any such loan and receive a promissory note and security instrument from the Consortium or the Company that had the loan outstanding in the amount of the principal paid off by Nice Investment, L.L.C.

5. Any part of the Consortium Agreement that is not varied by the terms set forth in paragraph 2 above shall remain in full force. If there is any conflict between the provisions of the Consortium Agreement and the terms set forth in this Addendum, then the terms contained in this Addendum shall control.

Executed this 1 day of October, 1998.


Witness:


Witness:


Witness:

By: STANLEY J. ZINN, Member of Board

By: MARK COHEN, Member of Board