

Division of Corporations

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P00000112043

## Florida Department of State

Division of Corporations

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Katherine Harris, Secretary of State

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## MERGER OR SHARE EXCHANGE

THE CHILDREN'S SAFETY NETWORK, INC.

Certificate of Status	0
Certified Copy	1
Page Count	18
Estimated Charge	\$78.75

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DIVISION OF CORPORATIONS

S. PAYNE JUN 1 2001

ARTICLES OF MERGER  
Merger Sheet

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MERGING:

NATIONAL SAFE SCHOOL INSTITUTE, INC., F99000004268

INTO

THE CHILDREN'S SAFETY NETWORK, INC., a Florida entity, P00000112043

File date: May 31, 2001

Corporate Specialist: Susan Payne

Fax Audit Number: H01000070356 0**ARTICLES OF MERGER**

The following articles of merger are submitted in accordance with the Florida Business Corporation Act pursuant to section 607.1105, F.S.

**First:** The name and jurisdiction of the surviving corporation

<u>Name and Street Address</u>	<u>Jurisdiction</u>	<u>Entity Type</u>
The Children's Safety Network, Inc. 120 International Parkway, Suite 220 Heathrow, FL 32746 Florida Document/Registration Number: <u>P00000112043</u>	Florida	Corporation
		FEI Number: <u>65-1059326</u>

**Second:** The name and jurisdiction of each merging corporations:

National Safe School Institute, Inc. 160 International Parkway Heathrow, FL 32746 Florida Document/Registration Number: <u>F99000004268</u>	Delaware	Corporation
		FEI Number: <u>59-3590349</u>

**Third:** The Plan of Merger is attached.

**Fourth:** The merger shall become effective on the date the Articles of Merger are filed with the Florida Department of State.

**Fifth:** Adoption of Merger by surviving corporation –  
The Plan of Merger was adopted by the shareholders of the surviving corporation on May 7, 2001.

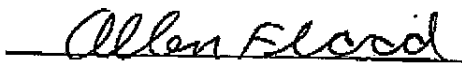
**Sixth:** Adoption of Merger by merging corporations  
The Plan of Merger was adopted by the shareholders of the merging corporations on May 7, 2001.

**Seventh:** SIGNATURES FOR EACH CORPORATION

SIGNATURES APPEAR ON THE FOLLOWING PAGE

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TALLAHASSEE, FLORIDA

Fax Audit Number: H01000070356 0

Fax Audit Number: H01000070356 0**SIGNATURES FOR EACH CORPORATION**Name of CorporationSignatureTyped Name & TitleThe Children's Safety  
Network, Inc.Allen Flood,  
PresidentNational Safe School Institute,  
Inc.Wolfgang Halbig,  
PresidentFax Audit Number: H01000070356 0

Fax Audit Number: H01000070356 0**AGREEMENT AND PLAN OF MERGER**

This Agreement and Plan of Merger (the "Agreement") is entered into as of May 7, 2001 by and between NATIONAL SAFE SCHOOL INSTITUTE, INC., a Delaware corporation ("NSSI"), and THE CHILDREN'S SAFETY NETWORK, INC., a Florida corporation ("CSNI"). NSSI and CSNI are referred to collectively herein as the "Parties."

This Agreement contemplates a tax-free merger of NSSI with and into CSNI in a reorganization pursuant to Code §368(a)(1)(A). The NSSI Stockholders will receive capital stock in CSNI in exchange for their capital stock in NSSI.

Now, therefore, in consideration of the premises and the mutual promises herein made, and in consideration of the representations, warranties, and covenants herein contained, the Parties agree as follows.

1. **Definitions.**

"Certificate of Merger" has the meaning set forth in §2(c) below.

"Closing" has the meaning set forth in §2(b) below.

"Closing Date" has the meaning set forth in §2(b) below.

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

"Confidential Information" means any information concerning the businesses and affairs of NSSI and its Subsidiaries that is not already generally available to the public.

"Definitive CSNI Proxy Materials" means the definitive proxy materials relating to the Special CSNI Meeting.

"Definitive NSSI Proxy Materials" means the definitive proxy materials relating to the Special NSSI Meeting.

"Disclosure Schedule" has the meaning set forth in §3 below.

"Effective Time" has the meaning set forth in §2(d)(i) below.

"Florida General Corporation Law" means the General Corporation Law of the State of Florida, as amended.

"GAAP" means United States generally accepted accounting principles as in effect from time to time.

"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,

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and patent disclosures, together with all reissuances, continuations, continuations-in-part, revisions, extensions, and reexaminations thereof, (b) all trademarks, service marks, 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 mask works and all applications, registrations, and renewals in connection therewith, (e) 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), (f) all computer software (including data and related documentation), (g) all other proprietary rights, and (h) all copies and tangible embodiments thereof (in whatever form or medium).

"IRS" means the Internal Revenue Service.

"Joint Disclosure Document" means the disclosure document combining the Definitive CSNI Proxy Materials and the Definitive NSSI Proxy Materials.

"Knowledge" means actual knowledge after reasonable investigation.

"Merger" has the meaning set forth in §2(a) below.

"Most Recent Fiscal Month End" has the meaning set forth in §3(f) below.

"Ordinary Course of Business" means the ordinary course of business consistent with past custom and practice (including with respect to quantity and frequency).

"CSNI Dissenting Share" means any CSNI Share which any stockholder who or which has exercised his or its appraisal rights under the Florida General Corporation Law holds of record.

"CSNI Stockholder" means any person or entity which holds any CSNI shares.

"Person" means an individual, a partnership, a corporation, an association, a joint stock company, a trust, a joint venture, an unincorporated organization, or a governmental entity (or any department, agency, or political subdivision thereof).

"NSSI Dissenting Share" means any NSSI Share which any stockholder who or which has exercised his or its appraisal rights under the Florida General Corporation Law holds of record.

"NSSI Share" means any share of the Common Stock of NSSI.

"NSSI Stockholder" means any Person who or which holds any NSSI Shares.

"Requisite CSNI Stockholder Approval" means the affirmative vote of the holders of a majority of CSNI Shares in favor of this Agreement and the Merger.

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"Requisite NSSI Stockholder Approval" means the affirmative vote of the holders of a majority of NSSI Shares in favor of this Agreement and the Merger.

"SEC" means the Securities and Exchange Commission.

"Securities Act" means the Securities Act of 1933, as amended.

"Securities Exchange Act" means the Securities Exchange Act of 1934, as amended.

"Security Interest" means any mortgage, pledge, lien, encumbrance, charge, or other security interest, *other than* (a) mechanic's, materialmen's, and similar liens, (b) liens for taxes not yet due and payable or for taxes that the taxpayer is contesting in good faith through appropriate proceedings, (c) purchase money liens and liens securing rental payments under capital lease arrangements, and (d) other liens arising in the Ordinary Course of Business and not incurred in connection with the borrowing of money.

"Special CSNI Meeting" has the meaning set forth in §5(c)(ii) below.

"Special NSSI Meeting" has the meaning set forth in §5(c)(ii) below.

"Surviving Corporation" has the meaning set forth in §2(a) below.

## 2. Basic Transaction.

(a) The Merger. On and subject to the terms and conditions of this Agreement, NSSI will merge with and into CSNI (the "Merger") at the Effective Time. CSNI shall be the corporation surviving the Merger (the "Surviving Corporation").

(b) The Closing. The closing of the transactions contemplated by this Agreement (the "Closing") shall take place at the offices of Killgore Pearlman Stamp Ornstein & Squires in Orlando, Florida, commencing at 9:00 a.m. local time on the business day following the satisfaction or waiver of all conditions to the obligations of the Parties to consummate the transactions contemplated hereby (other than conditions with respect to actions the respective Parties will take at the Closing itself) or such other date as the Parties may mutually determine (the "Closing Date"); *provided, however*, that the Closing Date shall be no later than April 30, 2001.

(c) Actions at the Closing. At the Closing, (i) NSSI will deliver to CSNI the various certificates, instruments, and documents referred to in §6(a) below, (ii) CSNI will deliver to NSSI the various certificates, instruments, and documents referred to in §6(b) below, (iii) CSNI and NSSI will file with the Secretary of State of the State of Florida a Certificate of Merger in the form agreed to by the parties (the "Certificate of Merger"), and (iv) CSNI will deliver to the Exchange Agent in the manner provided below in this §2 the certificate evidencing CSNI Shares issued in the Merger.

Fax Audit Number: H01000070356 0(d) Effect of Merger.

(i) General. The Merger shall become effective at the time (the "Effective Time") CSNI and NSSI file the Certificate of Merger with the Secretary of State of the State of Florida. The Merger shall have the effect set forth in the Florida General Corporation Law. The Surviving Corporation may, at any time after the Effective Time, take any action (including executing and delivering any document) in the name and on behalf of either CSNI or NSSI to carry out and effectuate the transactions contemplated by this Agreement.

(ii) Articles of Incorporation. The Amended and Restated Articles of Incorporation of CSNI, a copy of which are attached as Appendix B, in effect at and as of the Effective Time will remain the Articles of Incorporation of the Surviving Corporation without any modification or amendment in the Merger.

(iii) Bylaws. The Amended and Restated By-laws of CSNI, in the form of Appendix C, in effect at and as of the Effective Time will remain the By-laws of the Surviving Corporation without any modification or amendment in the Merger.

(iv) Directors and Officers. The directors and officers of CSNI in office at and as of the Effective Time will be as set forth on page 6 of the Joint Disclosure Statement.

(e) Conversion of Shares. The manner and basis of converting the shares of NSSI into shares of CSNI is as follows:

(i) Four and 33/100 (4.33) shares of common stock of NSSI issued and outstanding on the effective date of the merger shall be converted into one (1) share of common stock of CSNI, which shares of common stock shall then be issued and outstanding.

(ii) The conversion shall be effected as follows: After the effective date of the merger, each holder of certificates for shares of common stock in NSSI shall surrender them to CSNI or its duly appointed agent, in the manner that CSNI shall legally require. On receipt of the share certificates, CSNI shall issue and exchange certificates for shares of common stock in CSNI, representing the number of shares of stock to which the holder is entitled as provided above.

(iii) Holders of certificates of common stock of NSSI shall not be entitled to dividends payable on shares of stock in CSNI until certificates have been issued to those shareholders. Then, each such shareholder shall be entitled to receive any dividends on shares of stock of NSSI issuable to them under this plan which may have been declared and paid between the effective date of the merger and the issuance to those shareholders of the certificate for his or her shares in CSNI.

3. Representations and Warranties of NSSI. NSSI represents and warrants to CSNI that the statements contained in this §3 are correct and complete as of the date of this Agreement and will be correct and complete as of the Closing Date (as though made then and as though the



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Closing Date were substituted for the date of this Agreement throughout this §3), except as set forth in the disclosure schedule accompanying this Agreement and initialed by the Parties (the "Disclosure Schedule"). The Disclosure Schedule will be arranged in paragraphs corresponding to the lettered and numbered paragraphs contained in this §3.

(a) Organization, Qualification, and Corporate Power. NSSI is a corporation duly organized, validly existing, and in good standing under the laws of the jurisdiction of its incorporation. NSSI is duly authorized to conduct business and is in good standing under the laws of each jurisdiction where such qualification is required, except where the lack of such qualification would not have a material adverse effect on the financial condition of NSSI taken as a whole or on the ability of the Parties to consummate the transactions contemplated by this Agreement. NSSI has full corporate power and authority to carry on the businesses in which it is engaged and to own and use the properties owned and used by it.

(b) Capitalization. The entire authorized capital stock of NSSI consists of 50,000,000 common shares, of which 8,692,900 are issued and outstanding. All of the issued and outstanding Shares have been duly authorized and are validly issued, fully paid, and nonassessable. There are no outstanding or authorized options, warrants, purchase rights, subscription rights, conversion rights, exchange rights, or other contracts or commitments that could require NSSI to issue, sell, or otherwise cause to become outstanding any of its capital stock. There are no outstanding or authorized stock appreciation, phantom stock, profit participation, or similar rights with respect to NSSI.

(c) Authorization of Transaction. NSSI has full power and authority (including full corporate power and authority) to execute and deliver this Agreement and to perform its obligations hereunder; *provided, however,* that NSSI cannot consummate the Merger unless and until it receives the Requisite NSSI Stockholder Approval. This Agreement constitutes the valid and legally binding obligation of NSSI, enforceable in accordance with its terms and conditions.

(d) Noncontravention. Neither the execution and the delivery of this Agreement, nor the consummation of the transactions contemplated hereby, will (i) violate any constitution, statute, regulation, rule, injunction, judgment, order, decree, ruling, charge, or other restriction of any government, governmental agency, or court to which NSSI is subject or any provision of the charter or bylaws of NSSI or (ii) conflict with, result in a breach of, constitute a default under, result in the acceleration of, create in any party the right to accelerate, terminate, modify, or cancel, or require any notice under any agreement, contract, lease, license, instrument or other arrangement to which NSSI is a party or by which it is bound or to which any of its assets is subject (or result in the imposition of any Security Interest upon any of its assets), except where the violation, conflict, breach, default, acceleration, termination, modification, cancellation, failure to give notice, or Security Interest would not have a material adverse effect on the financial condition of NSSI taken as a whole or on the ability of the Parties to consummate the transactions contemplated by this Agreement. Other than in connection with the provisions of the Florida General Corporation Law, the Securities Exchange Act, the Securities Act, and the state securities laws, NSSI does not need to give any notice to, make any filing with, or obtain any authorization, consent, or approval of any government or governmental agency in order for the Parties to consummate the transactions contemplated by this Agreement, except where the failure to give notice, to file, or to obtain any

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authorization, consent, or approval would not have a material adverse effect on NSSI taken as a whole or on the ability of the Parties to consummate the transactions contemplated by this Agreement.

(e) Events Subsequent to Most Recent Fiscal Month End. Since the Most Recent Fiscal Month End, there has not been any material adverse change in the business, financial condition, operations, results of operations, or assets of NSSI taken as a whole.

(f) Undisclosed Liabilities. NSSI does not have any liability (whether known or unknown, whether asserted or unasserted, whether absolute or contingent, whether accrued or unaccrued, whether liquidated or unliquidated, and whether due or to become due), including any liability for taxes, except for (i) liabilities set forth on the face of the balance sheet dated as of the Most Recent Fiscal Month End (rather than in any notes thereto) and (ii) liabilities which have arisen after the Most Recent Fiscal Month End in the Ordinary Course of Business (none of which results from, arises out of, relates to, is in the nature of, or was caused by any breach of contract, breach of warranty, tort, infringement, or violation of law).

(g) Brokers' Fees. NSSI does not have any liability or obligation to pay any fees or commissions to any broker, finder, or agent with respect to the transactions contemplated by this Agreement.

(h) Reserved.

(i) Disclosure. The Definitive NSSI Proxy Materials will not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made therein, in the light of the circumstances under which they will be made, not misleading; *provided, however,* that NSSI makes no representation or warranty with respect to any information that CSNI will supply specifically for use in the Definitive NSSI Proxy Materials. None of the information that NSSI will supply specifically for use in the Definitive CSNI Proxy Materials will contain any untrue statement of a material fact or omit to state a material fact necessary in order to make the statements made therein, in the light of the circumstances under which they will be made, not misleading.

(j) Legal Compliance. To the Knowledge of the directors and officers of NSSI, NSSI has complied with all applicable laws (including rules, regulations, codes, plans, injunctions, judgments, orders, decrees, rulings, and charges thereunder) of federal, state, local, and foreign governments (and all agencies thereof), and no action, suit, proceeding, hearing, investigation, charge, complaint, claim, demand, or notice has been filed or commenced against any of them alleging any failure so to comply.

(k) Tax Matters.

(i) NSSI has filed all Tax Returns that it was required to file. All such Tax Returns were correct and complete in all respects. All Taxes owed by any of NSSI (whether or not shown on any Tax Return) have been paid.

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(ii) NSSI has withheld and paid all Taxes required to have been withheld and paid in connection with amounts paid or owing to any employee, independent contractor, creditor, stockholder, or other third party.

(l) Intellectual Property.

(i) NSSI owns or has the right to use pursuant to license, sublicense, agreement, or permission all Intellectual Property necessary for the operation of the businesses of NSSI as presently conducted. Each item of Intellectual Property owned or used by NSSI immediately before the Closing hereunder will be owned or available for use by CSNI on identical terms and conditions immediately subsequent to the Closing hereunder.

(m) Reserved.

(n) Litigation. The Disclosure Schedule sets forth each instance in which NSSI (i) is subject to any outstanding injunction, judgment, order, decree, ruling, or charge or (ii) is a party or, to the Knowledge of any of the directors and officers (and employees with responsibility for litigation matters) of NSSI, is threatened to be made a party to any action, suit, proceeding, hearing, or investigation of, in, or before any court or quasi-judicial or administrative agency of any federal, state, local, or foreign jurisdiction or before any arbitrator.

4. Representations and Warranties of CSNI. CSNI represents and warrants to NSSI that the statements contained in this §4 are correct and complete as of the date of this Agreement and will be correct and complete as of the Closing Date (as though made then and as though the Closing Date were substituted for the date of this Agreement throughout this §4), except as set forth in the Disclosure Schedule. The Disclosure Schedule will be arranged in paragraphs corresponding to the numbered and lettered paragraphs contained in this §4.

(a) Organization. CSNI is a corporation duly organized, validly existing, and in good standing under the laws of the jurisdiction of its incorporation. CSNI is duly authorized to conduct business and is in good standing under the laws of each jurisdiction where such qualification is required, except where the lack of such qualification would not have a material adverse effect on the financial condition of CSNI taken as a whole or on the ability of the Parties to consummate the transactions contemplated by this Agreement. CSNI has full corporate power and authority to carry on the businesses in which it is engaged and to own and use the properties owned and used by it.

(b) Capitalization. The entire authorized capital stock of CSNI consists of 50,000,000 common shares, of which 5,150,000 are issued and outstanding.

All of CSNI Shares to be issued in the Merger have been duly authorized and, upon consummation of the Merger, will be validly issued, fully paid, and nonassessable. There are no outstanding or authorized stock appreciation, phantom stock, profit participation, or similar rights with respect to CSNI.

(c) Authorization of Transaction. CSNI has full power and authority (including full

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corporate power and authority) to execute and deliver this Agreement and to perform its obligations hereunder; *provided, however*, that CSNI cannot consummate the Merger unless and until it receives the Requisite CSNI Stockholder Approval. This Agreement constitutes the valid and legally binding obligation of CSNI, enforceable in accordance with its terms and conditions.

(d) Noncontravention. Neither the execution and the delivery of this Agreement, nor the consummation of the transactions contemplated hereby, will (i) violate any constitution, statute, regulation, rule, injunction, judgment, order, decree, ruling, charge, or other restriction of any government, governmental agency, or court to which CSNI is subject or any provision of the charter or bylaws of CSNI or (ii) conflict with, result in a breach of, constitute a default under, result in the acceleration of, create in any party the right to accelerate, terminate, modify, or cancel, or require any notice under any agreement, contract, lease, license, instrument or other arrangement to which CSNI is a party or by which it is bound or to which any of its assets is subject, except where the violation, conflict, breach, default, acceleration, termination, modification, cancellation, or failure to give notice would not have a material adverse effect on the ability of the Parties to consummate the transactions contemplated by this Agreement. Other than in connection with the provisions of the Florida General Corporation Law, the Securities Exchange Act, the Securities Act, and the state securities laws, CSNI does not need to give any notice to, make any filing with, or obtain any authorization, consent, or approval of any government or governmental agency for the Parties to consummate the transactions contemplated by this Agreement, except where the failure to give notice, to file, or to obtain any authorization, consent, or approval would not have a material adverse effect on the ability of the Parties to consummate the transactions contemplated by this Agreement.

(e) Events Subsequent to Most Recent Fiscal Month End. Since the Most Recent Fiscal Month End, there has not been any material adverse change in the business, financial condition, operations, results of operations, or assets of CSNI taken as a whole.

(f) Undisclosed Liabilities. CSNI does not have any liability (whether known or unknown, whether asserted or unasserted, whether absolute or contingent, whether accrued or unaccrued, whether liquidated or unliquidated, and whether due or to become due), including any liability for taxes, except for (i) liabilities set forth on the face of the balance sheet dated as of the Most Recent Fiscal Month End (rather than in any notes thereto) and (ii) liabilities which have arisen after the Most Recent Fiscal Month End in the Ordinary Course of Business (none of which results from, arises out of, relates to, is in the nature of, or was caused by any breach of contract, breach of warranty, tort, infringement, or violation of law).

(g) Disclosure. The Definitive CSNI Proxy Materials will not contain any untrue statement of a material fact or omit to state a material fact necessary in order to make the statements made therein, in the light of the circumstances under which they will be made, not misleading; *provided, however*, that CSNI makes no representation or warranty with respect to any information that NSSI will supply specifically for use in the Definitive CSNI Proxy Materials. None of the information that CSNI will supply specifically for use in the Definitive NSSI Proxy Materials will contain any untrue statement of a material fact or omit to state a material fact necessary in order to make the statements made therein, in the light of the circumstances under which they will be made, not misleading.

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(h) Legal Compliance. To the Knowledge of any of directors and officers of CSNI, and its respective predecessors and Affiliates has complied with all applicable laws (including rules, regulations, codes, plans, injunctions, judgments, orders, decrees, rulings, and charges thereunder) of federal, state, local, and foreign governments (and all agencies thereof), and no action, suit, proceeding, hearing, investigation, charge, complaint, claim, demand, or notice has been filed or commenced against any of them alleging any failure so to comply.

(i) Tax Matters.

(i) CSNI has filed all Tax Returns that it was required to file. All such Tax Returns were correct and complete in all respects. All Taxes owed by any of CSNI (whether or not shown on any Tax Return) have been paid.

(ii) CSNI has withheld and paid all Taxes required to have been withheld and paid in connection with amounts paid or owing to any employee, independent contractor, creditor, stockholder, or other third party.

(j) Intellectual Property.

(i) CSNI owns or has the right to use pursuant to license, sublicense, agreement, or permission all Intellectual Property necessary for the operation of the businesses of CSNI as presently conducted and as presently proposed to be conducted. Each item of Intellectual Property owned or used by CSNI immediately before the Closing hereunder will be owned or available for use by CSNI on identical terms and conditions immediately subsequent to the Closing hereunder. CSNI has taken all necessary and desirable action to maintain and protect each item of Intellectual Property that it owns or uses.

(k) Reserved.

(l) Litigation. The Disclosure Schedule sets forth each instance in which CSNI (i) is subject to any outstanding injunction, judgment, order, decree, ruling, or charge or (ii) is a party or, to the Knowledge of any of the directors and officers (and employees with responsibility for litigation matters) of CSNI, is threatened to be made a party to any action, suit, proceeding, hearing, or investigation of, in, or before any court or quasi-judicial or administrative agency of any federal, state, local, or foreign jurisdiction or before any arbitrator.

5. Covenants. The Parties agree as follows with respect to the period from and after the execution of this Agreement:

(a) General. Each of the Parties will use its best efforts to take all action and to do all things necessary, proper, or advisable to consummate and make effective the transactions contemplated by this Agreement (including satisfaction, but not waiver, of the closing conditions set forth in §6 below).

Fax Audit Number: H01000070356 0(b) Notices and Consents.

(i) NSSI will give any notices to third parties, and will use its reasonable best efforts to obtain any third party consents, that CSNI reasonably may request in connection with the matters referred to in §3(d) above.

(ii) CSNI will give any notices to third parties, and will use its reasonable best efforts to obtain any third party consents, that NSSI reasonably may request in connection with the matters referred to in §4(d) above.

(c) Regulatory Matters and Approvals. Each of the Parties will give any notices to, make any filings with, and use its reasonable best efforts to obtain any authorizations, consents, and approvals of governments and governmental agencies in connection with the matters referred to in §3(d) and §4(d) above. Without limiting the generality of the foregoing:

(i) State Securities Laws. NSSI will prepare preliminary proxy materials relating to the Special NSSI Meeting. CSNI will prepare preliminary proxy materials relating to the Special CSNI Meeting. CSNI will take all actions that may be necessary, proper, or advisable under state securities laws in connection with the offering and issuance of CSNI Shares.

(ii) Florida General Corporation Law. CSNI will call a special meeting of its stockholders (the "Special CSNI Meeting") as soon as reasonably practicable so that the stockholders may consider and vote upon the adoption of this Agreement and the approval of the Merger in accordance with Florida General Corporation Law. The Parties will mail the Joint Disclosure Document to their respective stockholders simultaneously and as soon as reasonably practicable. The Joint Disclosure Document will contain the affirmative recommendations of the respective boards of directors of the Parties in favor of the adoption of this Agreement and the approval of the Merger; *provided, however*, that no director or officer of either Party shall be required to violate any fiduciary duty or other requirement imposed by law in connection therewith.

(iii) NSSI will call a special meeting of its stockholders (the "Special NSSI Meeting") as soon as reasonably practicable so that the stockholders may consider and vote upon the adoption of this Agreement and the approval of the merger in accordance with Delaware General Corporation Law.

(iv) CSNI covenants that it will file a Certificate of Merger with the Florida Secretary of State and the Delaware Secretary of State as soon as possible after the Effective Date.

(d) Operation of Business. Both CSNI and NSSI will not engage in any practice, take any action, or enter into any transaction outside the Ordinary Course of Business. Without limiting the generality of the foregoing, neither NSSI or CSNI will:

(i) authorize or effect any change in its charter or bylaws;

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(ii) grant any options, warrants, or other rights to purchase or obtain any of its capital stock or issue, sell, or otherwise dispose of any of its capital stock (except upon the conversion or exercise of options, warrants, and other rights currently outstanding);

(iii) declare, set aside, or pay any dividend or distribution with respect to its capital stock (whether in cash or in kind), or redeem, repurchase, or otherwise acquire any of its capital stock, in either case outside the Ordinary Course of Business;

(iv) issue any note, bond, or other debt security or create, incur, assume, or guarantee any indebtedness for borrowed money or capitalized lease obligation outside the Ordinary Course of Business;

(v) impose any Security Interest upon any of its assets outside the Ordinary Course of Business;

(vi) make any capital investment in, make any loan to, or acquire the securities or assets of any other Person outside the Ordinary Course of Business;

(vii) make any change in employment terms for any of its directors, officers, and employees outside the Ordinary Course of Business; or

(viii) commit to any of the foregoing.

6. Conditions to Obligation to Close.

(a) Conditions to Obligation of CSNI. The obligation of CSNI to consummate the transactions to be performed by it in connection with the Closing is subject to satisfaction of the following conditions:

(i) this Agreement and the Merger shall have received the Requisite NSSI Stockholder Approval;

(ii) NSSI shall have procured all of the third party consents;

(iii) the representations and warranties set forth in §3 above shall be true and correct in all material respects at and as of the Closing Date;

(iv) NSSI shall have performed and complied with all of its covenants hereunder in all material respects through the Closing;

(v) there shall not be any judgment, order, decree, stipulation, injunction, or charge in effect preventing consummation of any of the transactions contemplated by this Agreement;

(vi) this Agreement and the Merger shall have received the Requisite CSNI

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Stockholder Approval;

(vii) CSNI and Wolfgang Halbig and Allen Flood shall have entered into an Employment Agreement on terms and conditions satisfactory to the Board of Directors of CSNI; and

(viii) all actions to be taken by NSSI in connection with consummation of the transactions contemplated hereby and all certificates, opinions, instruments, and other documents required to effect the transactions contemplated hereby will be satisfactory in form and substance to CSNI.

CSNI may waive any condition specified in this §6(a) if it executes a writing so stating at or before the Closing.

(b) Conditions to Obligation of NSSI. The obligation of NSSI to consummate the transactions to be performed by it in connection with the Closing is subject to satisfaction of the following conditions:

(i) this Agreement and the Merger shall have received the Requisite CSNI Stockholder Approval;

(ii) CSNI shall have procured all of the third party consents;

(iii) CSNI shall have filed the Amended and Restated Articles of Incorporation as set forth on Appendix B;

(iv) the representations and warranties set forth in §4 above shall be true and correct in all material respects at and as of the Closing;

(v) CSNI shall have performed and complied with all of its covenants hereunder in all material respects through the Closing;

(vi) there shall not be any judgment, order, decree, stipulation, injunction, or charge in effect preventing consummation of any of the transactions contemplated by this Agreement;

(vii) this Agreement and the Merger shall have received the Requisite NSSI Stockholder Approval;

(viii) NSSI and Wolfgang Halbig, Ronald Davis and Allen Flood shall have entered into an Employment Agreement on terms and conditions satisfactory to the Board of Directors of NSSI; and

(ix) all actions to be taken by CSNI in connection with consummation of the transactions contemplated hereby and all certificates, opinions, instruments, and other documents required to effect the transactions contemplated hereby will be satisfactory in



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form and substance to NSSI.

NSSI may waive any condition specified in this §6(b) if it executes a writing so stating at or before the Closing.

7. Termination.

(a) Termination of Agreement. Either of the Parties may terminate this Agreement with the prior authorization of its board of directors (whether before or after stockholder approval) as provided below:

(i) the Parties may terminate this Agreement by mutual written consent at any time before the Effective Time;

(ii) CSNI may terminate this Agreement by giving written notice to NSSI at any time before the Effective Time (A) if NSSI has breached any material representation, warranty, or covenant contained in this Agreement in any material respect, CSNI has notified NSSI of the breach, and the breach has continued without cure for a period of 15 days after the notice of breach or (B) if the Closing shall not have occurred on or before May 31, 2001, by reason of the failure of any condition precedent under §6(a) hereof (unless the failure results primarily from CSNI breaching any representation, warranty, or covenant contained in this Agreement);

(iii) NSSI may terminate this Agreement by giving written notice to CSNI at any time before the Effective Time (A) if CSNI has breached any material representation, warranty, or covenant contained in this Agreement in any material respect, NSSI has notified CSNI of the breach, and the breach has continued without cure for a period of 15 days after the notice of breach or (B) if the Closing shall not have occurred on or before May 31, 2001, by reason of the failure of any condition precedent under §6(b) hereof (unless the failure results primarily from NSSI breaching any representation, warranty, or covenant contained in this Agreement); or

(iv) any Party may terminate this Agreement by giving written notice to the other Party at any time after the Special CSNI Meeting or the Special NSSI Meeting if this Agreement and the Merger fail to receive the Requisite CSNI Stockholder Approval or the Requisite NSSI Stockholder Approval respectively.

(b) Effect of Termination. If any Party terminates this Agreement pursuant to §7(a) above, all rights and obligations of the Parties hereunder shall terminate without any liability of any Party to any other Party (except for any liability of any Party then in breach).

8. Miscellaneous.

(a) Survival. The representations, warranties, and covenants of the Parties will survive the Effective Time.

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(b) Press Releases and Public Announcements. No Party shall issue any press release or make any public announcement relating to the subject matter of this Agreement without the prior written approval of the other Party; *provided, however*, that any Party may make any public disclosure it believes in good faith is required by applicable law or any listing or trading agreement concerning its publicly-traded securities (in which case the disclosing Party will use its reasonable best efforts to advise the other Party before making the disclosure).

(c) Entire Agreement. This Agreement (including the documents referred to herein) constitutes the entire agreement between the Parties and supersedes any prior understandings, agreements, or representations by or between the Parties, written or oral, to the extent they related in any way to the subject matter hereof.

(d) Succession and Assignment. This Agreement shall be binding upon and inure to the benefit of the Parties named herein and their respective successors and permitted assigns. No Party may assign either this Agreement or any of its rights, interests, or obligations hereunder without the prior written approval of the other Party.

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

(f) Headings. The section headings contained in this Agreement are inserted for convenience only and shall not affect in any way the meaning or interpretation of this Agreement.

(g) Notices. All notices, requests, demands, claims, and other communications hereunder will be in writing. Any notice, request, demand, claim, or other communication hereunder shall be deemed duly given if (and then two business days after) it is sent by registered or certified mail, return receipt requested, postage prepaid, and addressed to the intended recipient as set forth below:

If to NSSI:

NATIONAL SAFE SCHOOL INSTITUTE, INC.  
160 International Parkway / Suite 250  
Heathrow, Florida 32746  
Attention: Wolfgang Halbig

Copy to:

Killgore Pearlman Stamp Ornstein & Squires  
Post Office Box 1913  
Orlando, Florida 32802  
Attention: Mark L. Ornstein

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If to CSNI:

THE CHILDREN'S SAFETY NETWORK, INC.  
120 International Parkway  
Heathrow, Florida 32746  
Attention: Allen Flood

Any Party may send any notice, request, demand, claim, or other communication hereunder to the intended recipient at the address set forth above using any other means (including personal delivery, expedited courier, messenger service, telecopy, telex, ordinary mail, or electronic mail), but no such notice, request, demand, claim, or other communication shall be deemed to have been duly given unless and until it actually is received by the intended recipient. Any Party may change the address to which notices, requests, demands, claims, and other communications hereunder are to be delivered by giving the other Party notice in the manner herein set forth.

(h) Governing Law. This Agreement shall be governed by and construed in accordance with the domestic laws of the State of Florida without giving effect to any choice or conflict of law provision or rule (whether of the State of Florida or any other jurisdiction) that would cause the application of the laws of any jurisdiction other than the State of Florida.

(i) Amendments and Waivers. The Parties may mutually amend any provision of this Agreement at any time before the Effective Time with the prior authorization of their respective boards of directors; *provided, however*, that any amendment effected subsequent to stockholder approval will be subject to the restrictions contained in the Florida General Corporation Law. No amendment of any provision of this Agreement shall be valid unless the same shall be in writing and signed by both of the Parties. No waiver by any Party of any default, misrepresentation, or breach of warranty or covenant hereunder, whether intentional or not, shall be deemed to extend to any prior or subsequent default, misrepresentation, or breach of warranty or covenant hereunder or affect in any way any rights arising by virtue of any prior or subsequent such occurrence.

(j) Severability. Any term or provision of this Agreement that is invalid or unenforceable in any situation in any jurisdiction shall not affect the validity or enforceability of the remaining terms and provisions hereof or the validity or enforceability of the offending term or provision in any other situation or in any other jurisdiction.

(k) Expenses. Each of the Parties will bear its own costs and expenses (including legal fees and expenses) incurred in connection with this Agreement and the transactions contemplated hereby.

(l) Construction. The Parties have participated jointly in the negotiation and drafting of this Agreement. If an ambiguity or question of intent or interpretation arises, this Agreement shall be construed as if drafted jointly by the Parties and no presumption or burden of proof shall arise favoring or disfavoring any Party by virtue of the authorship of any of the provisions of this Agreement. Any reference to any federal, state, local, or foreign statute or law shall be deemed also to refer to all rules and regulations promulgated thereunder, unless the context otherwise requires. The word "including" shall mean including without limitation.

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(m) Incorporation of Appendixes and Schedules. The Appendixes and Schedules identified in this Agreement are incorporated herein by reference and made a part hereof.

IN WITNESS WHEREOF, the Parties hereto have executed this Agreement as of the date first above written.

**THE CHILDREN'S SAFETY NETWORK, INC.**

By: Allen Flood  
Title: President

**NATIONAL SAFE SCHOOL INSTITUTE, INC.**

By: [Signature]  
Title: President.