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**MERGER OR SHARE EXCHANGE
CHOICE ENVIRONMENTAL SERVICES, INC.**

Certificate of Status	0
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ARTICLES OF MERGER

of

SWSH MERGER SUB, INC.

with and into

CHOICE ENVIRONMENTAL SERVICES, INC.

SECRETARY OF STATE
TALLAHASSEE, FLORIDA

The following Articles of Merger are submitted in accordance with the Florida Business Corporation Act, pursuant to Section 607.1105, Florida Statutes:

FIRST: The name, jurisdiction and document number of the surviving corporation (the "Surviving Corporation") are:

<u>Name</u>	<u>Jurisdiction</u>	<u>Document No.</u>
Choice Environmental Services, Inc.	Florida	P04000025188

SECOND: The name, jurisdiction and document number of the merging corporation (the "Merging Corporation") are:

<u>Name</u>	<u>Jurisdiction</u>	<u>Document No.</u>
SWSH Merger Sub, Inc.	Florida	P11000014944

THIRD: The Merging Corporation is hereby merged with and into the Surviving Corporation and the separate existence of the Merging Corporation shall cease. The Surviving Corporation is the surviving corporation in the merger. A copy of the Plan of Merger is attached hereto as Exhibit A (the "Plan of Merger") and made a part hereof by reference as if fully set forth herein.

FOURTH: The merger shall become effective on March 1, 2011 at 12:01 a.m. (the "Effective Time").

FIFTH: As provided in the Plan of Merger, the articles of incorporation of the Surviving Corporation shall be the articles of incorporation of the Merging Corporation, SWSH Merger Sub, Inc., as in effect immediately prior to the Effective Time; provided, however, that at the Effective Time, Article I of the articles of incorporation of the Surviving Corporation shall be amended and restated in its entirety to read as follows: "The name of the Corporation is Choice Environmental Services, Inc."

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SIXTH: The Plan of Merger was adopted and approved by the sole director of the Surviving Corporation by written consent on February 13, 2011 and by the requisite shareholders of the Surviving Corporation by written consent on February 13, 2011, in accordance with applicable Florida law.

SEVENTH: The Plan of Merger was adopted and approved by the sole director and the sole shareholder of the Merging Corporation by joint unanimous written consent on February 13, 2011, in accordance with applicable Florida law.

[Signatures on the following page]

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IN WITNESS WHEREOF, the undersigned have executed these Articles of Merger as of this 28 day of February, 2011.

SURVIVING CORPORATION:

**CHOICE ENVIRONMENTAL
SERVICES, INC.**, a Florida corporation

By: 
Name: Glen Miller
Title: Chief Executive Officer

MERGING CORPORATION:

SWSH MERGER SUB, INC., a Florida corporation

By: _____
Thomas Aucamp,
Executive Vice President

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IN WITNESS WHEREOF, the undersigned have executed these Articles of Merger as of this 28th day of February, 2011.


SURVIVING CORPORATION:

**CHOICE ENVIRONMENTAL
SERVICES, INC.**, a Florida corporation

By: _____
Name: _____
Title: _____

MERGING CORPORATION:

SWSH MERGER SUB, INC., a Florida
corporation

By: 
Thomas Aucamp,
Executive Vice President

[ARTICLES OF MERGER]

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Exhibit A
Plan of Merger

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PLAN OF MERGER

THIS PLAN OF MERGER ("Plan") has been adopted and approved by **SWISHER HYGIENE INC.**, a Delaware corporation ("Parent"), **SWSH MERGER SUB, INC.**, a Florida corporation ("Sub") and a wholly-owned subsidiary of Parent, and **CHOICE ENVIRONMENTAL SERVICES, INC.**, a Florida corporation (the "Company").

A. Sub is a corporation duly organized and existing under and by virtue of the laws of the State of Florida and a wholly-owned subsidiary of Parent.

B. The Company is a corporation duly organized and existing under and by virtue of the laws of the State of Florida.

C. The Company, Sub and Parent have determined that Sub shall be merged with and into the Company, the separate corporate existence of Sub shall cease, and the Company shall continue as the surviving corporation and as a wholly-owned subsidiary of Parent (the "Merger") as set forth in this Plan and in accordance with the provisions of the Florida Business Corporation Act (the "FBCA").

D. This Plan has been adopted and approved in accordance with the applicable provisions of the FBCA.

E. Capitalized terms used herein and not defined herein shall have the respective meanings ascribed to such terms in Exhibit A hereto, which is incorporated herein as if fully set forth herein.

1. **The Merger; Surviving Corporation.** At the Effective Time (as herein defined) and subject to and upon the terms and conditions of this Plan and the applicable provisions of the FBCA, Sub shall be merged with and into the Company, the separate corporate existence of Sub shall cease, and the Company shall continue as the surviving corporation and as a wholly-owned subsidiary of Parent. The surviving corporation after the Merger is sometimes referred to herein as the "Surviving Corporation".

2. **Effective Time.** The Merger shall be effective March 1, 2011 at 12:01 a.m. (the "Effective Time").

3. **Effect of the Merger.** At the Effective Time, the effect of the Merger shall be as set forth in this Plan and as provided in the applicable provisions of the FBCA, including Section 607.1106 thereof. Without limiting the generality of the foregoing, and subject thereto, at the Effective Time, except as otherwise agreed in writing by Parent and the Company prior to the Effective Time, all of the property, rights, privileges, powers and franchises of the Company and Sub shall vest in the Surviving Corporation, and all debts, liabilities and duties of the Company and Sub shall become the debts, liabilities and duties of the Surviving Corporation.

4. **Articles of Incorporation and Bylaws.**

(a) **Articles of Incorporation.** Unless otherwise determined by Parent prior to the Effective Time, the articles of incorporation of the Surviving Corporation shall be the articles of incorporation of Sub as in effect immediately prior to the Effective Time, until thereafter amended in accordance with the FBCA and as provided in the articles of incorporation of the Surviving Corporation; *provided, however*, that at the Effective Time, Article 1 of the articles of incorporation of the Surviving Corporation shall be amended and restated in its entirety to read as follows: "The name of the corporation is Choice Environmental Services, Inc."

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(b) Bylaws. Unless otherwise determined by Parent prior to the Effective Time, the bylaws of the Surviving Corporation shall be the bylaws of Sub as in effect immediately prior to the Effective Time (other than any express references to the name of Sub in such bylaws, which shall be amended to refer to the Surviving Corporation) until thereafter amended in accordance with the FBCA and as provided in the articles of incorporation of the Surviving Corporation and such bylaws.

5. Directors and Officers.

(a) Directors of Surviving Corporation. Unless otherwise determined by Parent prior to the Effective Time, the directors of Sub immediately prior to the Effective Time shall be the directors of the Surviving Corporation immediately after the Effective Time, each to hold the office of a director of the Surviving Corporation in accordance with the provisions of the FBCA and the articles of incorporation and bylaws of the Surviving Corporation until their successors are duly elected and qualified, or until their earlier resignation or removal.

(b) Officers of Surviving Corporation. Unless otherwise determined by Parent prior to the Effective Time, the officers of Sub immediately prior to the Effective Time shall be the officers of the Surviving Corporation immediately after the Effective Time including Glen Miller as the Chief Executive Officer, each to hold office in accordance with the provisions of the bylaws of the Surviving Corporation.

(c) Directors of Subsidiaries of Surviving Corporation. Unless otherwise determined by Parent prior to the Effective Time, Parent, the Company and the Surviving Corporation shall cause the directors of Sub immediately prior to the Effective Time to be the directors of any Subsidiaries immediately after the Effective Time, each to hold office as a director of each such Subsidiary in accordance with the provisions of the laws of the respective jurisdiction of organization and the respective bylaws or equivalent organizational documents of each such Subsidiary.

(d) Officers of Subsidiaries of Surviving Corporation. Unless otherwise determined by Parent prior to the Effective Time, Parent, the Company and the Surviving Corporation shall cause the officers of Sub immediately prior to the Effective Time to be the officers of any Subsidiaries immediately after the Effective Time including Glen Miller as the Chief Executive Officer, each to hold office as an officer of each such Subsidiary in accordance with the provisions of the laws of the respective jurisdiction of organization and the bylaws or equivalent organizational documents of each such Subsidiary.

6. Manner and Basis of Converting Shares and Other Securities.

(a) Effect on Company Capital Stock. At the Effective Time, by virtue of the Merger and without any action on the part of Sub, the Company or the holders of shares of Company Capital Stock, each share of Company Capital Stock (excluding, for avoidance of doubt, Company Warrants, which shall be treated as provided for in Section 6(b) below, and shares of Company Capital Stock held by the Company or any of its Subsidiaries, which shall be treated as provided for in Section 6(c) below) issued and outstanding immediately prior to the Effective Time, upon the terms and subject to the conditions set forth in this Section 6(a) and throughout this Plan, including the escrow provisions set forth in Section 8 hereof, will be cancelled and extinguished and will be converted automatically into the right to receive, upon surrender of the certificate representing such shares of Company Capital Stock in the manner provided in Section 8 hereof, such portion of the Merger Consideration as set forth below:

(i) each outstanding share of Company Series B Preferred Stock will be converted automatically into the right to receive the Per Share Merger Consideration;

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(ii) each outstanding share of Company Series A Preferred Stock will be converted automatically into the right to receive the Per Share Merger Consideration; and

(iii) each outstanding share of Company Common Stock will be converted automatically into the right to receive the Per Share Merger Consideration.

For purposes of calculating the portion of the Merger Consideration issuable to each Security Holder pursuant to this Section 6(a), all shares of Company Capital Stock held by each Security Holder shall be aggregated (and, if determined by Parent, may be aggregated on a certificate-by-certificate basis). Notwithstanding anything set forth in this Section 6, any Dissenting Shares (as herein defined) will be treated as set forth in Section 7 hereof.

(b) Effect on Company Warrants.

(i) Effect on Company Warrants. Parent shall not assume any Company Warrants and at the Effective Time each Company Warrant outstanding immediately prior to the Effective Time shall become immediately vested and exercisable and shall without any action on the part of Parent, Sub, the Company or the holder thereof, be cancelled and converted into and shall become a right to receive (subject to compliance with the provisions of Section 8 hereof) a number of shares (or fraction of a share) of Parent Common Stock equal to (A) (1) (x) the Per Share Merger Consideration multiplied by the Market Value minus (y) the exercise price per share attributable to such Company Warrant, multiplied by (2) the total number of shares of Company Common Stock issuable upon exercise in full of such Company Warrant, divided by (B) the Market Value (the "Warrant Consideration"). The payment of the Warrant Consideration will be subject to withholdings for all applicable taxes.

(ii) Necessary Actions. Prior to the Effective Time, and subject to the review and approval of Parent, the Company shall take all actions necessary to effect the transactions contemplated by this Section 6 under all Company Warrant certificates and agreements, all agreements related to Company Capital Stock and any other plan or arrangement of the Company (whether written or oral, formal or informal), including but not limited to, adopting all resolutions, delivering all required notices, obtaining consents from each holder of a Company Warrant and taking any other actions reasonably necessary or appropriate to effectuate the provisions of this Section 6(b). Any notices, consents or other communications to holders of Company Warrants will be subject to the review and approval of Parent, which shall not be unreasonably withheld.

(c) Cancellation of Company Owned Stock. Each share of Company Capital Stock held by the Company or any direct or indirect Subsidiary of the Company immediately prior to the Effective Time shall be cancelled and extinguished as of the Effective Time.

(d) Withholding Taxes. The Company, and on its behalf Parent, the Surviving Corporation and the escrow agent appointed by Parent and the Company to maintain the Escrow Fund, shall be entitled to deduct and withhold from any consideration payable or otherwise deliverable pursuant to this Plan to any Person such amounts as may be required to be deducted or withheld therefrom under any provision of federal, state, local or foreign tax law or under any applicable legal requirement. Any such amounts shall be withheld or deducted from the Merger Consideration payable to the Security Holder. To the extent such amounts are so deducted or withheld, such amounts shall be treated for all purposes as having been paid to the Person to whom such amounts would otherwise have been paid.

(e) Capital Stock of Sub. Each share of common stock of Sub issued and outstanding immediately prior to the Effective Time shall be converted into and exchanged for one

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validly issued, fully paid and nonassessable share of common stock of the Surviving Corporation. Each stock certificate of Sub evidencing ownership of any such shares shall continue to evidence ownership of such shares of capital stock of the Surviving Corporation.

7. Dissenting Shares.

(a) Notwithstanding any other provisions of this Plan to the contrary, any shares of Company Capital Stock held by a holder who has not effectively withdrawn or lost such holder's appraisal, dissenters' or similar rights for such shares under the FBCA, as applicable (collectively, the "Dissenting Shares"), shall not be converted into or represent a right to receive the applicable consideration for Company Capital Stock set forth in Section 6 hereof, but the holder thereof shall only be entitled to such rights as are provided by the FBCA.

(b) Notwithstanding the provisions of Section 7(a) hereof, if any holder of Dissenting Shares shall effectively withdraw or lose (through failure to perfect or otherwise) such holder's appraisal or dissenters' rights under the FBCA, as applicable, then, as of the later of the Effective Time and the occurrence of such event, such holder's shares shall automatically be converted into and represent only the right to receive the consideration for Company Capital Stock, as applicable, set forth in Section 6 hereof, without interest thereon, upon surrender of the certificate representing such shares.

8. Exchange Procedures; Escrow.

(a) Parent to Provide Consideration. Promptly following the Effective Time, Parent shall make available for exchange in accordance with this Section 8 that portion of the Merger Consideration issuable pursuant to Section 6 hereof in exchange for outstanding Company Securities, *provided, however*, that Parent shall deposit into the Escrow Fund the Escrow Shares out of the aggregate Merger Consideration otherwise issuable to the Principal Shareholders and the Principal Shareholder Affiliates pursuant to Section 6 hereof as partial security for their indemnification obligations under the Merger Agreement (as herein defined). Parent shall be deemed to have deposited each Principal Shareholder's and each Principal Shareholder Affiliate's Pro Rata Portion of the Escrow Shares into the Escrow Fund at such time, rounded to the nearest whole share.

(b) Exchange Procedures. On or within one (1) Business Day following the Closing Date, Parent shall mail a letter of transmittal in Parent's standard form to each Security Holder at the address set forth opposite each such Security Holder's name on the Spreadsheet. After receipt of such letter of transmittal and any other documents that Parent may require in order to effect the exchange (the "Exchange Documents"), the Security Holders will surrender the certificates representing their shares of Company Capital Stock and any other Company Securities that are certificated (the "Company Stock Certificates") to Parent for cancellation together with duly completed and validly executed Exchange Documents. Upon surrender of a Company Stock Certificate for cancellation to Parent, together with such Exchange Documents, duly completed and validly executed in accordance with the instructions thereto, the holder of such Company Stock Certificate shall be entitled to receive from Parent in exchange therefor, the shares of Parent Common Stock to which such holder is entitled pursuant to Section 6 hereof (and in the case of the Principal Shareholders and the Principal Shareholder Affiliates, less their respective Pro Rata Portions of the Escrow Shares to be deposited in the Escrow Fund), and the Company Stock Certificate so surrendered shall be cancelled. Until so surrendered, each Company Stock Certificate outstanding after the Effective Time will be deemed, for all corporate purposes thereafter, to evidence only the right to receive the shares of Parent Common Stock into which such shares of Company Capital Stock or other certificated Company Securities shall have been so converted. No portion of the Merger Consideration will be issued to the holder of any Company Securities until the holder of record shall surrender all Company Stock Certificates evidencing such securities and the Exchange Documents required to be delivered by such holder pursuant hereto.

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(c) No Liability. Any shares of Parent Common Stock remaining unclaimed by any Security Holder as of a date that is immediately prior to such time as such amounts would otherwise escheat to or become property of any Governmental Entity shall, to the extent permitted by applicable law, become the property of Parent free and clear of any and all claims or interest of any Person previously entitled thereto. Notwithstanding anything to the contrary in this Section 8, neither Parent, the Surviving Corporation, nor any other party hereto shall be liable to a holder of Company Securities for any amount paid or shares delivered to a public official pursuant to any applicable abandoned property, escheat or similar law.

9. No Further Ownership Rights in Company Securities. The shares of Parent Common Stock issued in respect of the surrender for exchange of shares of Company Capital Stock and other Company Securities in accordance with the terms and conditions hereof shall be deemed to be full satisfaction of all rights pertaining to such Company Securities, and there shall be no further registration of transfers on the records of the Surviving Corporation of Company Securities which were outstanding immediately prior to the Effective Time. If, after the Effective Time, Company Stock Certificates are presented to the Surviving Corporation for any reason, they shall be cancelled and exchanged as provided in this Plan.

10. Lost, Stolen or Destroyed Certificates. In the event any Company Stock Certificates shall have been lost, stolen or destroyed, Parent shall issue in exchange for such lost, stolen or destroyed certificates, upon the making of an affidavit of that fact by the holder thereof, such number of shares of Parent Common Stock, if any, as may be required pursuant to Section 6 hereof; provided, however, that Parent may, in its discretion and as a condition precedent to the issuance thereof, require the Security Holder who is the owner of such lost, stolen or destroyed certificates to either (a) deliver a bond in such amount as it may direct or (b) provide an indemnification agreement in form and substance acceptable to Parent, against any claim that may be made against Parent with respect to the certificates alleged to have been lost, stolen or destroyed.

11. Fractional Shares. No fraction of a share of Parent Common Stock will be issued by virtue of the Merger, but in lieu thereof each former holder of any Company Securities who would otherwise be entitled to a fraction of a share of Parent Common Stock (after aggregating all fractional shares of Parent Common Stock that otherwise would be received by such holder) shall, upon compliance with the provisions of Section 8 hereof, receive from Parent an amount of cash in dollars (rounded to the nearest whole cent), without interest, less the amount of any withholding taxes with respect to such fractional shares as contemplated by Section 6(d), which are required to be withheld with respect thereto, equal to the product of (a) such fraction, multiplied by (b) the Market Value.

12. Stock Splits, Stock Dividends, Etc. The Merger Consideration shall be appropriately adjusted to reflect the effect of any stock split, reverse stock split, stock dividend (including any dividend or distribution of securities convertible into Parent Common Stock), reorganization, recapitalization, reclassification or other like change with respect to Parent Common Stock occurring on or after the date hereof and prior to the Effective Time.

13. Taking Of Necessary Action; Further Action. If at any time after the Effective Time, any further action is necessary or desirable to carry out the purposes of this Plan and to vest the Surviving Corporation with full right, title and possession to all assets, property, rights, privileges, powers and franchises of the Company, Parent and the Surviving Corporation and the officers and directors of Parent and the Surviving Corporation are fully authorized in the name of their respective corporations or otherwise to take, and will take, all such lawful and necessary action.

14. Tax Treatment. For federal income tax purposes, the Merger is intended to qualify as a reorganization pursuant to Section 368(a)(1)(A) and Section 368(a)(2)(E) of the United States Internal

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Revenue Code of 1986, as amended. This Plan constitutes a "plan of reorganization" within the meaning of Treasury Regulation Section 1.368-2(g).

15. Amendment. Subject to the provisions of Section 607.1103 of the FBCA, this Plan may be amended by the board of directors of each corporation party to the Merger at any time prior to the filing of the Articles of Merger with the Office of the Secretary of State of the State of Florida.

16. Merger Agreement. The provisions of this Plan are part of and subject to an Agreement and Plan of Merger by and among Parent, Sub, the Company and the other parties signatory thereto including the exhibits and schedules thereto (the "Merger Agreement") and related agreements, which set forth terms, conditions, covenants, representations, warranties, indemnities and other provisions that are binding on Parent, Sub, the Company and the other parties signatory thereto.

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EXHIBIT A**DEFINITIONS**

(A) "Closing Company Debt" means the aggregate amount of all Company Debt as of the Closing Date, less the Working Capital Balance, if positive, or plus the Working Capital Balance, if negative.

(B) "Closing Date" shall mean the date upon which the closing of the Merger actually occurs.

(C) "Company Capital Stock" means the Company Common Stock and the Company Preferred Stock.

(D) "Company Common Stock" means shares of common stock, no par value per share, of the Company.

(E) "Company Debt" means all indebtedness of each of the Company and its Subsidiaries.

(F) "Company Preferred Stock" means the Company Series A Preferred Stock and the Company Series B Preferred Stock.

(G) "Company Securities" means the Company Capital Stock and the Company Warrants.

(H) "Company Series A Preferred Stock" means the Series A Exchangeable Preferred Stock, par value \$0.001 per share, of the Company.

(I) "Company Series B Preferred Stock" means the Series B Exchangeable Cumulative Preferred Stock, par value \$0.001 per share, of the Company.

(J) "Company Third Party Expenses" means (i) all Third Party Expenses incurred, paid or payable by the Company or any of its Subsidiaries and (ii) all expenses incurred by any party in connection with preparing and/or conforming Company documents, audits and other items to a form satisfactory to Parent for inclusion in filings with the Securities and Exchange Commission or other Governmental Entities.

(K) "Company Warrants" means the Warrant issued to Penfund on August 25, 2010 to acquire shares of Company Common Stock representing 5.0% (subject to adjustment in accordance with the terms thereof) of the shares of capital stock of the Company as of August 25, 2010, determined on a fully diluted basis.

(L) "Escrow Fund" means the escrow fund maintained by the escrow agent selected by Parent and the Company into which the Escrow Shares shall be deposited.

(M) "Escrow Shares" means 1,380,000 shares of Parent Common Stock, which shall be held back and deducted from the Merger Consideration otherwise deliverable at the closing of the Merger and deposited into the Escrow Fund.

(N) "Excess Closing Company Debt" means an amount (but not below zero) equal to (A) the Closing Company Debt minus (B) the Target Company Debt.

(O) "Excluded Assets and Liabilities" means the assets, properties, equipment or contracts (and all liabilities related to such assets, properties, equipment or contracts) of the Company or any Subsidiary that Parent and the Company agree are unrelated to the conduct of the businesses operated by

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the Company and its Subsidiaries or that Parent has determined should be excluded assets and liabilities and are to be transferred, conveyed or disposed of by the Company prior to Closing in a manner approved by Parent.

(P) "Financial Statements" means (i) the audited and consolidated balance sheets of the Company and its Subsidiaries as of September 30, 2009 and 2010 and the related statements of income and cash flows for the fiscal years then ended, together with the appropriate notes to such financial statements and the report thereon of Kreischer, Miller, and (ii) the unaudited and consolidated balance sheet of the Company and its Subsidiaries as of December 31, 2010 and the related unaudited and consolidated statements of income and cash flows for the three (3) months ended December 31, 2010 and December 31, 2009.

(Q) "GAAP" means United States generally accepted accounting principles consistently applied.

(R) "Governmental Entity" means any government, any governmental or regulatory or administrative authority, entity or body, department, commission, board, agency or instrumentality, and any court, tribunal or judicial or arbitral body, in each case whether supranational, national, federal, state, county, municipal, provincial, and whether local or foreign.

(S) "Incremental Tax Increase Amount" means any incremental amount of increase in taxes (net of tax savings) solely as a result of Parent's completion of any Federal income tax return that was begun by the Company, to the extent that such Incremental Tax Increase Amount is attributable solely to the fact that Parent took a position on any item of such tax return that is materially different from the position (if any) taken by the Company on such item; provided that, for purposes of clarification, any such increases in taxes resulting from Parent correcting any information on such tax returns and attributable to false or inaccurate information provided by, or otherwise attributable to the acts or omissions of, the Company or any Subsidiary or their respective representatives shall be included in the calculation of the Working Capital Balance.

(T) "Incremental Tax Preparation Expenses" means any incremental costs incurred by Parent (in excess of the total costs incurred by the Company in connection with the preparation of the Company's 2010 income tax return) in connection with the preparation and filing by Parent of any such Federal income Tax Return if Parent requires that the Company's 2010 tax return be revised to change a tax position contained in the draft tax return and such change results in an increase of taxes payable by the Principal Shareholders.

(U) "Indebtedness" means (A) indebtedness for borrowed money (including any accrued and unpaid interest thereon and any and all change in control premiums, prepayment costs, breakage costs, related expenses and fees and any other amounts payable in respect thereof by the Company or any Subsidiary), secured or unsecured, including the pre-payment to Penfund, (B) lines of credit, (C) purchase money financing for equipment, containers and vehicles, (D) obligations under conditional sale or other title retention contracts relating to purchased property, (E) capitalized lease obligations, (F) obligations under interest rate cap, swap, collar or similar transactions or currency hedging transactions (valued at the termination value thereof), (G) any obligations consolidated on the financial statements of the Company pursuant to FASB Board Interpretation No. 46(R), (H) all other debt and (I) guarantees of any of the foregoing of any other Person. For the sake of clarity, the term "Indebtedness" shall mean both the current portion and the long-term portion of the Company's long-term debt on a consolidated basis at a particular time or date determined in accordance with GAAP but shall exclude the debt of Choice Realty Holdings, LLC (which debt Parent, the Surviving Corporation and their affiliates will have no liability for, all of which debt is being retained by Choice Realty Holdings, LLC, which is owned by Miller and Rodrigue).

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- (V) "Market Value" means \$4.75.
- (W) "Merger Consideration" means a number of shares of Parent Common Stock equal to Nine Million Two Hundred Thousand (9,200,000) minus (A) the Excess Closing Company Debt divided by (B) the Market Value.
- (X) "Miller" means Glen Miller, a Florida resident.
- (Y) "Parent Common Stock" means shares of common stock, par value \$0.001 per share, of Parent.
- (Z) "Penfund" means Penfund Capital Fund III Limited Partnership and its successors.
- (AA) "Per Share Merger Consideration" means a number of shares (or fraction of a share) of Parent Common Stock equal to (A) the Merger Consideration divided by (B) the Total Outstanding Common Shares.
- (BB) "Person" means an individual or entity, including a partnership, a limited liability company, 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).
- (CC) "Principal Shareholder Affiliate" means any Affiliate of any Principal Shareholder. For the sake of clarity, the Testamentary Trusts shall be deemed Principal Shareholder Affiliates.
- (DD) "Principal Shareholders" means, collectively, Miller and Rodrigue.
- (EE) "Pro Rata Portion" means, when referring to the Merger Consideration, with respect to each Security Holder (other than a holder of Dissenting Shares who does not effectively withdraw or lose such holder's dissenter's rights as contemplated by Section 7(b) hereof), a fraction, of which (A) the numerator is the number of shares of Parent Common Stock issuable as Merger Consideration to such Security Holder pursuant to this Plan and (B) the denominator is the total number of shares of Parent Common Stock issuable as Merger Consideration to all Security Holders in the aggregate pursuant to this Plan (other than holders of Dissenting Shares who do not effectively withdraw or lose such holder's dissenter's rights as contemplated by Section 7(b) hereof); and means, when referring to the Escrow Shares or the Escrow Fund, with respect to each Principal Shareholder and each Principal Shareholder Affiliate, a fraction, of which (A) the numerator is the number of shares of Parent Common Stock issuable as Merger Consideration to such Principal Shareholder or such Principal Shareholder Affiliate pursuant to this Plan and (B) the denominator is the total number of shares of Parent Common Stock issuable as Merger Consideration to the Principal Shareholders and the Principal Shareholder Affiliates in the aggregate pursuant to this Plan.
- (FF) "Rodrigue" means Neal Rodrigue, a Florida resident.
- (GG) "Security Holder" means each holder of any Company Securities.
- (HH) "Spreadsheet" means a spreadsheet to be delivered by the Company to Parent three (3) business days prior to the Closing Date, which shall be certified as complete and correct by the Chief Executive Officer and Chief Financial Officer of the Company as of the closing of the Merger and which shall include, among other things, as of the closing of the Merger, with respect to each Security Holder, (a) such Person's address and social security number (or tax identification number, as applicable), (b) the number of shares of Company Capital Stock held by such Person or issuable to such Person pursuant to Company Warrants held by such Person (including whether such shares are Company Common Stock,

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Company Series A Preferred Stock or Company Series B Preferred Stock), (c) the respective certificate number(s) representing such Company Securities, (d) the liquidation preference and conversion ratio applicable to each share of Company Preferred Stock, (e) the date of acquisition of such Company Securities, (f) the Pro Rata Portion of the Merger Consideration and the Pro Rata Portion of the Escrow Shares applicable to such Person, (g) the number of shares of Parent Common Stock to be issued to each Security Holder pursuant to Section 6, (h) the amount, if any, payable by the Security Holder in settlement of tax withholding obligations pursuant to Section 6(d) and the amount, if any, of outstanding loans payable by such Security Holder to the Company or any Subsidiary and (i) such other information relevant thereto or which Parent may reasonably request.

(II) "Subsidiary" or "Subsidiaries" means any Person (A) controlled by the Company, directly or indirectly, through one or more intermediaries or (B) in which the Company directly or indirectly owns an equity interest of any kind.

(JJ) "Target Company Debt" means Forty-Two Million Eight Hundred Twenty-Seven Thousand Dollars (\$42,827,000).

(KK) "Testamentary Trusts" means The Hermine Rodrigue Testamentary Trust for Hayden Rodrigue, The Hermine Rodrigue Testamentary Trust for Kera Rodrigue, The Robert Rodrigue Testamentary Trust for Hayden Rodrigue, and the Robert Rodrigue Testamentary Trust for Kera Rodrigue.

(LL) "Third Party Expenses" means all third party fees, costs and expenses incurred in connection with this Plan, the Merger Agreement, the Merger and the transactions contemplated thereby, including all legal, accounting, financial advisory, banking, consulting and all other fees and expenses of third parties incurred by a party, including its board of directors or stockholders to the extent such party is liable for such fees, in connection with the negotiation and effectuation of the terms and conditions of this Plan, the Merger Agreement, the Merger and the transactions contemplated thereby.

(MM) "Total Outstanding Common Shares" means the sum of (A) the aggregate number of shares of Company Common Stock issued and outstanding immediately prior to the Effective Time, (B) the aggregate number of shares of Company Common Stock issuable upon exercise of Company Warrants outstanding immediately prior to the Effective Time and (C) the aggregate number of shares of Company Preferred Stock issued and outstanding immediately prior to the Effective Time.

(NN) "Working Capital Balance" means the amount by which (A) the sum of the total current assets of the Company on a consolidated basis as of the Closing Date, is greater (i.e., a positive Working Capital Balance) or less (i.e., a negative Working Capital Balance) than (B) the sum of the total current liabilities of the Company on a consolidated basis as of the Closing Date, in each case, calculated in accordance with GAAP applied on a consistent basis with the Financial Statements; provided, however, that "current liabilities" shall include the unpaid Company Third Party Expenses, the Company's accounts payable and its accrued expenses on a consolidated basis including, without limitation, accrued salaries and taxes but excluding the current portion of the Company's long-term debt and excluding the Incremental Tax Preparation Expenses and the Incremental Tax Increase Amount, in each case as of the Closing Date. For purposes of calculating the Working Capital Balance, "current assets" and "current liabilities" shall not include the Excluded Assets and Liabilities. The Company shall not (and shall cause its Subsidiaries to not) incur (or cause the Company Debt to increase or the Working Capital Balance to decrease by any amount of) (a) any debt, expenses or liabilities that are not of the type and amount incurred in the ordinary course of the Company's and its Subsidiaries' business consistent with past practice or (b) any Company Third Party Expenses that are not reasonable in nature or amount or that in the aggregate exceed \$750,000.

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