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M. BURR KEIM COMPANY

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P04000120852

Florida Department of State
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DIVISION OF CORPORATIONS

MERGER OR SHARE EXCHANGE

CYBER DEFENSE SYSTEMS, INC.

| | |
|-----------------------|---------|
| Certificate of Status | 0 |
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ARTICLES OF MERGER

(Profit Corporations)

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:

| Name | Jurisdiction | Document Number (If known/ applicable) |
|--------------------------------|--------------|---|
| CYBER DEFENSE SYSTEMS, INC. | FLORIDA | P040000120852 |

Second: The name and jurisdiction of each merging corporation:

| Name | Jurisdiction | Document Number (If known/ applicable) |
|-----------------------|--------------|---|
| CYBER AEROSPACE CORP. | FLORIDA | P04000035983 |
| | | |
| | | |
| | | |
| | | |

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.

OR / / (Enter a specific date. NOTE: An effective date cannot be prior to the date of filing, nor more than 90 days in the future.)

Fifth: Adoption of Merger by surviving corporation - (COMPLETE ONLY ONE STATEMENT)
The Plan of Merger was adopted by the shareholders of the surviving corporation on

The Plan of Merger was adopted by the board of directors of the surviving corporation on 3/30/05 and shareholder approval was not required.

Sixth: Adoption of Merger by merging corporation(s) (COMPLETE ONLY ONE STATEMENT)
The Plan of Merger was adopted by the shareholders of the merging corporation(s) on

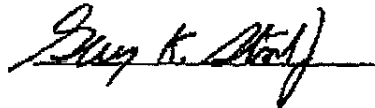
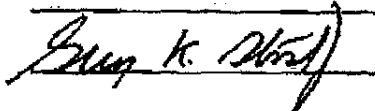
The Plan of Merger was adopted by the board of directors of the merging corporation(s) on 3/30/05 and shareholder approval was not required.

(Attach additional sheets if necessary)

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Seventh: SIGNATURES FOR EACH CORPORATIONName of CorporationSignatureTyped or Printed Name of Individual & TitleCYBER DEFENSE
SYSTEMS, INC.GUY K. STEWART, JR.
ASSN'T VICE PRESIDENTCYBER AEROSPACE
CORP.GUY K. STEWART, JR.
ASSN'T VICE PRESIDENT

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PLAN OF MERGER

(Merger of subsidiary corporation(s))

The following plan of merger is submitted in compliance with section 607.1104, F.S. and in accordance with the laws of any other applicable jurisdiction of incorporation.

The name and jurisdiction of the parent corporation owning at least 80 percent of the outstanding shares of each class of the subsidiary corporation:

NameCYBER DEFENSE
SYSTEMS, INC.Jurisdiction

FLORIDA

The name and jurisdiction of each subsidiary corporation:

Name

CYBER AEROSPACE CORP.

Jurisdiction

FLORIDA

The manner and basis of converting the shares of the subsidiary or parent into shares, obligations, or other securities of the parent or any other corporation or, in whole or in part, into cash or other property, and the manner and basis of converting rights to acquire shares of each corporation into rights to acquire shares, obligations, and other securities of the surviving or any other corporation or, in whole or in part, into cash or other property are as follows:

FOR EACH ONE SHARE OF THE ISSUED AND OUTSTANDING CLASS "A" AND CLASS "B" COMMON STOCK OF CYBER AEROSPACE CORP. HELD, THE HOLDERS THEREOF SHALL RECEIVE ONE SHARE OF EACH SUCH CLASS OF THE COMMON STOCK OF CYBER DEFENSE SYSTEMS, INC., EXCEPT THAT THE SHARES OF CLASS "A" COMMON STOCK OF CYBER

(Attach additional sheets if necessary)

AEROSPACE CORP. HELD BY CYBER DEFENSE SYSTEMS, INC. SHALL BE CANCELLED, AS SHALL THE SHARES OF CLASS "C" OF CYBER AEROSPACE CORP. HELD BY CHEROKEE RAIDERS, LP AND PROXITY, INC.

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If the merger is between the parent and a subsidiary corporation and the parent is not the surviving corporation, a provision for the pro rata issuance of shares of the subsidiary to the holders of the shares of the parent corporation upon surrender of any certificates is as follows:

NOT APPLICABLE

If applicable, shareholders of the subsidiary corporations, who, except for the applicability of section 607.1104, F.S. would be entitled to vote and who dissent from the merger pursuant to section 607.1320, F.S., may be entitled, if they comply with the provisions of chapter 607 regarding the rights of dissenting shareholders, to be paid the fair value of their shares.

Other provisions relating to the merger are as follows:

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PLAN OF MERGER

THIS PLAN OF MERGER (this "Agreement"), entered into this 31st day of March 2005, by and among Cyber Defense Systems, Inc., a corporation organized pursuant to the laws of the State of Florida ("Cyber Defense") and Cyber Aerospace Corp., a corporation organized pursuant to the laws of the State of Florida ("Cyber Aero").

W I T N E S S E T H:

WHEREAS, the Parties agree that it would be in their respective best interests to merge.

N O W T H E R E F O R E,

In consideration of the representations, warranties, covenants, and agreements herein contained, which are given by each Party to the other Party in order to induce each other to enter into this Agreement, and for other good and valuable consideration, the receipt and adequacy of which is hereby acknowledged, the Parties hereto, each intending to be legally bound hereby, agree as follows:

ARTICLE I

MERGER OF CYBER AERO INTO CYBER DEFENSE

Section 1.1 Effective Date.

This merger shall become effective (the "Effective Date") on the day set forth in the Certificates of Merger to be filed with the Secretary of the State of Florida by the Parties as soon as practicable after this Agreement is signed.

Section 1.1 Merger; Terms and Conditions Thereof.

On or before or as of or as at the Effective Date,

(a) Cyber Defense and Cyber Aero shall have obtained approval for this Agreement and the transactions described herein by their respective Boards of Directors and Shareholders, if necessary, pursuant to the applicable provisions of the Laws of the State of Florida;

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(b) Cyber Aero shall merge into Cyber Defense, and Cyber Aero shall cease to exist;

(c) Cyber Defense shall thereupon and thereafter possess, and be the owner of, all the rights, privileges, powers, franchises, patents, trademarks, licenses, and other assets and accounts receivable of every kind and description of Cyber Aero; Cyber Defense shall be subject to all the restrictions, disabilities, and duties of Cyber Aero with respect thereto; all debts, liabilities, duties, and obligations of Cyber Aero, including obligations of Cyber Aero with respect to holders of securities of Cyber Aero shall be vested in Cyber Defense; all property, real, personal or mixed, and all debts and obligation due to Cyber Aero on whatever account shall be vested in Cyber Defense; and all rights of creditors and all liens upon any property of Cyber Aero shall be preserved unimpaired;

(d) if, at any time after the Effective Date, Cyber Defense shall consider or be advised that any further assignments or assurances and law or any other acts are necessary or desirable

(i) to vest, perfect or confirm, of record or otherwise, in Cyber Defense, title to and possession of any property or right of Cyber Aero acquired or to be acquired by reason of, or in connection with, this Merger; or

(iii) otherwise to carry out the purposes of this Merger; then

(A) Cyber Aero and its officers and directors shall be deemed to have granted to Cyber Defense an irrevocable power of attorney to execute and deliver all such proper deeds, assignments, and assurances in law, and to do all acts necessary or proper to vest, perfect or confirm title to and possession of such property or rights in Cyber Defense addition and otherwise to carry out the purposes of this Merger; and the proper officers and directors of Cyber Defense are fully authorized in the name of Cyber Aero otherwise to take any and all such action(s);

(e) as at a Record Date to be established by Cyber Defense, for each one share of each of the following classes of the Capital Stock of Cyber Aero, the Beneficial Owner thereof shall be entitled to receive one share of each of the following classes of the Capital Stock of Cyber Defense:

| | |
|--|---|
| Class of Capital Stock of Cyber Aero | Class of Capital Stock of Cyber Defense |
| Class A Common Stock | Class A Common Stock |
| Class B Common Stock | Class B Common Stock |

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(f) until surrendered and exchanged as herein provided, each outstanding certificate which, prior to the Effective Date, represented shares of Cyber Aero securities, shall be deemed for all corporate purposes to evidence ownership of the appropriate number of shares of securities of Cyber Defense into which Cyber Aero securities shall have been so converted;

(g) if any certificate representing a Cyber Defense security is to be issued in a name other than that in which the certificate surrendered is registered, it shall be a condition of such issuance that the certificate so surrendered shall be properly endorsed or otherwise in proper form for transfer and that the person requesting such issuance shall either pay to Cyber Defense or its transfer agent any transfer or other taxes required by reason of the issuance of certificates representing a Cyber Defense security in a name other than that of the registered holder of the certificate surrendered, or establish to the satisfaction of Cyber Defense or its transfer agent that such tax has been paid or is not applicable; and

(h) the shares of Class A Common Stock of Cyber Aero held by Cyber Defense shall be surrendered and cancelled, as shall the shares of Class C Common Stock of Cyber Aero held by the holders thereof, to wit: Cherokee Raiders, LP, and Proximity, Inc.

ARTICLE II

JOINT & COLLECTIVE REPRESENTATIONS AND WARRANTIES OF THE PARTIES

In order to induce the other Party to enter into this Agreement, each Party makes the following representations and warranties to the other Party.

Section 2.1. Authority.

Each Party

(a) has full power and authority to enter into, deliver and perform this Agreement;
and

(b) neither the execution, delivery, consummation nor the performance of this Agreement

(i) requires the approval or consent of, or notice to, any third party;

(ii) violates any law, regulation or agreement to which it is subject; or

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(iii) violates, conflicts with or would result in the breach or termination of, or otherwise give any other contracting party the right to terminate, or constitute a default (by way of substitution, novation or otherwise) under the terms of, any mortgage, lease, bond, indenture, agreement, franchise or other instrument or obligation to which it is a party or by which either of it may be bound.

Section 2.2. Due Organization.

(a) Each Party is

(i) duly organized, validly existing and in good standing under the laws of its state of incorporation;

(ii) duly qualified or otherwise authorized as a foreign corporation to transact business and is in good standing under the laws of each other jurisdiction in which such qualification is required; and

(iii) has full power and authority to carry on its business as now conducted, and it is entitled to own, lease or operate all of its properties and assets wherever located.

(b) All of the outstanding securities of each Party have been duly authorized, validly issued, and are fully paid and non-assessable.

Section 2.3 Capitalization.

(a) Immediately prior to the Effective Date, the Capitalization of Cyber Aero shall consist of

(i) 200,000,000 shares of Class A Common Stock, Par Value \$0.001 per share, each share having one vote on matters brought before the stockholders, of which 26,650,000 shares are issued and outstanding and owned by the following persons:

| Name of Shareholder | Number of Shares of Class A Owned |
|---------------------------|---|
| Cyber Defense | 25,000,000 |
| James Alman | 1,000,000 |
| James Gardiner | 300,000 |
| Barry Nelsen | 300,000 |
| Andrea Facchinetti | 50,000 |
| <u>TOTAL</u> | <u>26,650,000</u> |

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(ii) 200,000,000 shares of Class B Common Stock, Par Value \$0.001 per share, each share having 1,000 votes on matters brought before the stockholders, of which 150,000 shares are issued and outstanding and owned by the following person:

| Name of Shareholder | Number of Shares of Class B Owned |
|---------------------------|---|
| Cherokee Raiders, LP | 150,000 |

(iii) 2 shares of Class C Common Stock, Par Value \$0.001 per share, each share having one vote on matters brought before the stockholders, of which 2 shares are issued and outstanding and owned by the following persons:

| Name of Shareholder | Number of Shares of Class C Owned |
|---------------------------|---|
| Cherokee Raiders, LP | 1 |
| Proximity, Inc. | 1 |

(iv) 100,000,000 shares of Class A Preferred Stock, Par Value \$0.001 per share, of which no shares are issued and outstanding.

(b) Immediately prior to the Effective Date, the Capitalization of Cyber Defense shall consist of

(i) 200,000,000 shares of Class A Common Stock, Par Value \$0.001 per share, each share having one vote on matters brought before the stockholders of which 26,347,594 shares are issued and outstanding and owned by the following persons or groups:

| Name of Shareholder | Number of Shares of Class A Owned |
|---|---|
| Cherokee Raiders, LP | 6,750,000 |
| Proximity, Inc. | 18,750,000 |
| Others (Including Members of the Public) | 421,562 |
| Joseph Theismann | 100,000 |
| Bedlington Securities, Inc. | 217,391 |
| Guy Stewart | 100,000 |
| Blue Marlin, Inc. | 5,641 |
| Jerry Beaulac | 25,000 |

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TOTAL26,369,594

(ii) 200,000,000 shares of Class B Common Stock, Par Value \$0.001 per share, each share having 1,000 votes on matters brought before the stockholders, of which 150,000 shares are issued and outstanding and owned by the following persons:

| Name of Shareholder | Number of Shares of Class B Owned |
|---------------------------|---|
| Cherokee Raiders, LP | 150,000 |

(iii) 2 shares of Class C Common Stock, Par Value \$0.001 per share, each share having one vote on matters brought before the stockholders, of which 2 shares are issued and outstanding and owned by the following persons:

| Name of Shareholder | Number of Shares of Class C Owned |
|---------------------------|---|
| Cherokee Raiders, LP | 1 |
| Proxity, Inc. | 1 |

(iv) 100,000,000 shares of Class A Preferred Stock, Par Value \$0.001 per share, of which no shares are issued and outstanding.

(c) Immediately following the Effective Date, the Capitalization of Cyber Defense shall consist of

(i) 200,000,000 shares of Class A Common Stock, Par Value \$0.001 per share, of which 28,019,594 shares shall be issued and outstanding and owned by the following persons:

| Name of Shareholder | Number of Shares of Class A Owned |
|---------------------------|---|
| Cherokee Raiders, L.P. | 6,750,000 |
| Proxity Inc. | 18,750,000 |
| James Alman | 1,000,000 |
| James Gardiner | 300,000 |
| Barry Nelsen | 300,000 |
| Andrea Facchinetti | 50,000 |

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| | |
|-----------------------------|--------------------------|
| Joseph Theismann | 100,000 |
| Bedlington Securities, Inc. | 217,391 |
| Guy Stewart | 100,000 |
| Blue Marlin, Inc. | 5,641 |
| Jerry Beaulac | 25,000 |
| Members of the Public | 421,562 |
| <u>TOTAL</u> | <u>28,019,594</u> |

(ii) 200,000,000 shares of Class B Common Stock, Par Value \$0.001 per share, of which 300,000 shares shall be issued and outstanding and owned by the following persons:

| Name of Shareholder | Number of Shares of Class B Owned |
|---------------------------|---|
| Cherokee Raiders, L.P. | 300,000 |

(iii) 2 shares of Class C Common Stock, Par Value \$0.001 per share, of which 2 shares shall be issued and outstanding and owned by the following persons:

| Name of Shareholder | Number of Shares of Class C Owned |
|---------------------------|---|
| Cherokee Raiders, L.P. | 1 |
| Proxity, Inc. | 1 |

(iv) 100,000,000 shares of Class A Preferred Stock, Par Value \$0.001 per share, of which no shares shall be issued and outstanding.

Section 2.3. Truth of Statements; Completeness of Documents.

(a) All documents, Schedules, Exhibits and other materials delivered or to be delivered by or on behalf of each Party to the others in connection with this Agreement and the transactions contemplated hereby are to the best of its knowledge true and complete.

(b) The financial statements of each of the Parties present fairly the financial position, assets, liabilities and retained earnings of the Parties as at the dates thereof and the revenues, expenses, results of operations, changes in financial position and cash flows of the Parties for the periods covered thereby.

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(b) The information furnished by or on behalf of each Party to the other in connection with this Agreement and the transactions contemplated hereby does not, to the best of its knowledge, contain any untrue statement of a material fact and does not omit to state any material fact required to be stated therein or necessary to make the statements therein not false or misleading.

(c) There is no fact known to any of the Parties which has not been disclosed to the other Party in writing which has, or insofar as any such Party can foresee, which will have a Material Adverse Effect on the other Party (The term "Material Adverse Effect" means a fact, event or circumstance which, taken as a whole, has had or could reasonably be expected to have a material adverse effect on the assets (including intangible assets), business, liabilities, operations or conditions, financial or otherwise, of a Party.)

ARTICLE III

ADDITIONAL COVENANTS

In order to induce the other to enter into this Agreement, the Parties covenant with each other as follows:

Section 3.1 Conduct of Business.

From the date of this Agreement through the Effective Date, the Parties shall conduct their business in the ordinary course.

Section 3.2 Waiver of Dissenters' Rights.

The Parties represent to each other that, to the extent they had any, their respective shareholders have waived Dissenter's Rights under Florida Law.

ARTICLE IV

CONDITIONS PRECEDENT TO OBLIGATIONS OF THE PARTIES; TERMINATION

Section 4.1 Conditions Precedent to Obligations of Cyber Defense.

The obligations of Cyber Defense under this Agreement are, at its option, subject to the satisfaction at the Effective Date of the following conditions precedent:

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(a) The representations and warranties of Cyber Aero contained in this Agreement shall have been true when made and shall continue to be true at all times after the date hereof and as of the Effective Date with the same force and effect as though such representations and warranties had been made at and as of the Effective Date, subject only to changes permitted by the provisions of this Agreement, and, further provided, that such changes will not, together with all other events prior to the Closing, result in there being a Material Adverse Effect in or to the condition, financial or otherwise, and in the results of operations of Cyber Aero; and

(b) No litigation, proceeding, investigation or inquiry shall be pending or threatened to set aside the authorization of this Agreement, or to enjoin or prevent the consummation of the transactions contemplated hereby, or to enjoin or prevent the consummation of the transactions contemplated hereby, or involving any of the assets of Cyber Aero, which might materially and adversely affect the business or prospects of Cyber Aero.

Section 4.2 Conditions Precedent to Obligations of Cyber Aero.

The obligations of Cyber Aero under this Agreement are, at its option, subject to the satisfaction at the Effective Date of the following conditions precedent:

(a) The representations and warranties of Cyber Defense contained in this Agreement shall have been true when made and shall continue to be true at all times after the date hereof and as of the Effective Date with the same force and effect as though such representations and warranties had been made at and as of the Effective Date, subject only to changes permitted by the provisions of this Agreement, and, further provided, that such changes will not, together with all other events prior to the Closing, result in there being a Material Adverse Effect in or to the condition, financial or otherwise, and in the results of operations of Cyber Defense; and

(b) No litigation, proceeding, investigation or inquiry shall be pending or threatened to set aside the authorization of this Agreement, or to enjoin or prevent the consummation of the transactions contemplated hereby, or to enjoin or prevent the consummation of the transactions contemplated hereby, or involving any of the assets of Industries, which might materially and adversely affect the business or prospects of Cyber Defense.

ARTICLE V

SURVIVAL OF REPRESENTATIONS AND WARRANTIES

In order to induce the other to enter into this Agreement, each Party states and undertakes as follows:

Section 5.1 Continuous Truth of Representations and Warranties.

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The representations and warranties of the Parties contained in this Agreement were true when made and, in addition, they shall also be true as of and as at the Effective Date with the same force and effect as though they had been made as of and as at the Effective Date.

Section 5.2 Survivals of Representations and Warranties.

The representations and warranties contained in this Agreement and in any Schedules, certificates or other documents delivered pursuant hereto shall survive the execution and delivery hereof and the Effective Date for a period of three (3) years.

ARTICLE VI

TERMINATION

Section 6.1 Events of Termination.

This Agreement may be terminated at any time prior to the Effective Date of the Articles of Merger as filed with the Secretary of State of the State of Florida:

- (a) by mutual consent of the Parties;
- (b) by Cyber Defense, if Cyber Aero has breached any material representation warranty, covenant or agreement contained in this Agreement;
- (c) by Cyber Aero, if Cyber Defense has breached any material representation, warranty, covenant or agreement contained in this Agreement;
- (d) by Cyber Defense, if any legal proceeding is commenced or threatened by any governmental or regulatory agency or other person directed against the consummation of the transaction or any other transaction under this Agreement; and
- (e) by Cyber Aero, if any legal proceeding is commenced or threatened by any governmental or regulatory agency or other person directed against the consummation of the transaction or any other transaction under this Agreement.

Section 6.2 Effect of Termination.

If this Agreement shall be terminated as provided in this Article, the Articles of Merger and this Plan of Merger shall be deemed to have been abandoned and shall be void and of no further effect, without any liability on the part of any of the Parties thereto or the stockholders, directors, officers, employees or agents of any of them.

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ARTICLE VII
INDEMNIFICATION

In order to induce the other to enter into this Agreement, each Party agrees to indemnify the other as follows, follows:

Section 7.1 Obligation of Cyber Aero to Indemnify.

Subject to the limitations on the survival of representations and warranties contained herein, Cyber Aero, its respective officers, directors and employees shall indemnify, defend and hold Cyber Defense harmless from and against any losses, liabilities, damages, deficiencies, costs or expenses (including interest, penalties and reasonable attorney's fees and disbursements) based upon, arising out of or otherwise due to any material inaccuracy in or any breach of any representation, warranty, covenant or agreement of Cyber Aero contained in this Agreement or in any document or other writing delivered pursuant to this Agreement.

Section 7.2 Obligation of Cyber Defense to Indemnify.

Subject to the limitations on the survival of representations and warranties contained herein, Cyber Defense, its respective officers, directors and employees, shall indemnify, defend and hold Cyber Aero harmless from and against any losses, liabilities, damages, deficiencies, costs or expenses (including interest, penalties and reasonable attorneys fees and disbursements) based upon, arising out of or otherwise due to any material inaccuracy in or any breach of any representation, warranty, covenant or agreement of Cyber Defense contained in this Agreement or in any document or other writing delivered pursuant to this Agreement.

ARTICLE VIII
MISCELLANEOUS

Section 8.1 Notices.

(a) Any notice, request, instruction or other document required by the terms of this Agreement to be given to any other Party hereto shall be in writing and shall be given either

(i) by telephonic facsimile, in which case notice shall be presumptively deemed to have been given at the date and time displayed on the sender's transmission confirmation receipt showing the successful receipt thereof by the recipient;

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(ii) by nationally recognized courier or overnight delivery service in which the date of delivery is recorded by the delivery service, in which case notice shall be presumptively deemed to have been given at the time that records of the delivery service indicate the writing was delivered to the addressee;

(iii) by United States Mail sent by registered or certified mail, postage prepaid, with return receipt requested, in which case notice shall be presumptively deemed to have been given at the time that records of the United States Postal Service indicate the writing was delivered to the addressee.

(b) Notice shall be sent:

(i) If to Cyber Defense, to:

Cyber Defense Systems, Inc.
10901 Roosevelt Blvd, Suite 110D
St. Petersburg, Florida 33716

Attention: William C. Robinson, CEO

Telephone Number: (727) 577-0878
Facsimile Telephone Number: (727) 577-0873

(ii) If to Cyber Aero, to:

Cyber Aerospace Corp.
10901 Roosevelt Blvd, Suite 110D
St. Petersburg, Florida 33716

Attention: William C. Robinson, CEO

Telephone Number: (727) 577-0878
Facsimile Telephone Number: (727) 577-0873

(iii) or to such other address as a Party may have specified in writing to the other Parties using the procedures specified above in this Section.

Section 8.2 Assignment and Amendment.

This Agreement shall not be assignable by any Party, and shall not be altered or otherwise amended except pursuant to a writing executed by all of the Parties hereto.

Section 8.3 Severability.

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If any provision or any portion of any provision of this Agreement or the application of any such provision or any portion thereof to any person or circumstance, shall be held invalid or unenforceable, the remaining portion of such provision and the remaining provisions of the Agreement, or the application of such provision or portion of such provision is held invalid or unenforceable to person or circumstances other than those as to which it is held invalid or unenforceable, shall not be affected thereby and such provision or portion of any provision as shall have been held invalid or unenforceable shall be deemed limited or modified to the extent necessary to make it valid and enforceable, in no event shall this Agreement be rendered void or unenforceable.

Section 8.4 Counterparts.

This Agreement may be executed in any number of counterparts, each of which shall be deemed an original, but all of which together shall constitute a single instrument. It shall not be necessary that any counterpart be signed by all of the Parties hereto.

Section 8.5 Variation in Pronouns.

All pronouns and any variations thereof shall be deemed to refer to the masculine, feminine or neuter, singular or plural, as the identity of the person or persons or entity or entities may require.

Section 8.6 Indulgences, Etc.

Neither the failure nor any delay on the part of any Party to exercise any right, remedy, power or privilege under this Agreement shall operate as a waiver thereof, nor shall any single or partial exercise of any right, remedy, power or privilege preclude any other or further exercise of the same or of any other right, remedy, power or privilege with respect to any occurrence be construed as a waiver of such right, remedy, power or privilege with respect to any other occurrence. No waiver shall be effective unless it is in writing and is signed by the Party asserted to have granted such waiver.

Section 8.7 Headings.

The Article and Section headings are for convenience only; they form in part of this Agreement and shall not affect its interpretation.

Section 8.8 Choice of Law, Venue, Arbitration, Waiver of Jury Trial.

(a) This Agreement and all questions relating to its validity, interpretation, performance and enforcement (including, without limitation, provisions concerning limitations of actions), shall be governed by and construed in accordance with the laws of the State of Florida,

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notwithstanding any conflict-of-laws doctrines of such state or other jurisdiction to the contrary, and without the aid of any canon, custom or rule of law requiring construction against the draftsman.

(b) The Parties hereby mutually waive trial by jury.

IN THAT CONNECTION, EACH OF THE PARTIES WAIVES THE RIGHT TO A TRIAL BY JURY IN ANY DISPUTE IN CONNECTION WITH OR RELATING TO THIS AGREEMENT, ANY RELATED AGREEMENT OR ANY MATTERS DESCRIBED OR CONTEMPLATED HEREIN OR THEREIN, AND AGREES TO TAKE ANY AND ALL ACTION NECESSARY OR APPROPRIATE TO EFFECT SUCH WAIVER.

(c) The Parties hereto irrevocably agree and consent that all disputes concerning this Agreement or any claim or issue of any nature whatsoever (whether brought by the Parties hereto) arising from or relating to this Agreement or to the corporate steps taken to enter into it (including, without limitation, claims for alleged fraud, breach of fiduciary duty, breach of contract, tort, etc.) which cannot be resolved within reasonable time through discussions between the opposing entities, shall be resolved solely and exclusively by means of arbitration to be conducted in St. Petersburg, Florida, which arbitration will proceed in accordance with the rules of the Arbitration then in force in St. Petersburg, Florida, for resolution of commercial disputes.

(d) The Parties waive, to the maximum extent permitted by law, any objection, including any objection based on *forum non-conveniens*, to the bringing of any such proceeding in such forum.

(e) The Arbitrators themselves shall have the right to determine and to arbitrate the threshold issue of arbitrability itself, the decision of the Arbitrators shall be final, conclusive, and binding upon the opposing entities, and a judgment upon the award may be obtained and entered in any federal or state court of competent jurisdiction; and

(f) Each Party involved in litigation or arbitration shall be responsible for its own costs and expenses of any litigation or arbitration proceeding, including its own attorney's fees (for any litigation, arbitration, and any appeals).

Section 8.9 Entire Agreement.

This Agreement sets forth the entire agreement and understanding of the Parties hereto with respect to the transactions contemplated hereby, and supersedes all prior agreements, arrangements and understanding related to the subject matter hereof. No understanding, promise,

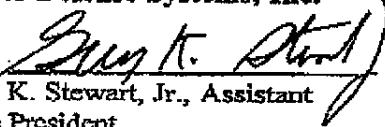
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inducement, statement of intention, representation, warranty, covenant or condition, written or oral, express or implied, whether by statute or otherwise, has been made by any Party hereto which is not embodied in this Agreement or the written statement, certificates, or other documents delivered pursuant hereto or in connection with the transactions contemplated hereby, and no Party hereto shall be bound by or liable for any alleged understanding, promise, inducement, statement, representation, warranty, covenant or condition not set forth.

IN WITNESS WHEREOF, the undersigned Parties have executed this Agreement as of the date first set forth above.

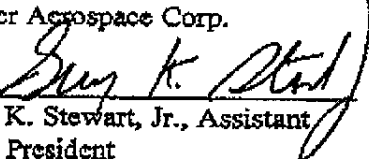
CYBER DEFENSE:

Cyber Defense Systems, Inc.

By: 
Guy K. Stewart, Jr., Assistant
Vice President

CYBER AERO:

Cyber Aerospace Corp.

By: 
Guy K. Stewart, Jr., Assistant
Vice President

(H05000079146 3)