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# MERGER OR SHARE EXCHANGE

## CMT HOLDINGS, INC.

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ARTICLES OF MERGER

OF

CMT HOLDINGS, INC.,
a Tennessee corporation

WITH AND INTO

CMT HOLDINGS, INC,
a Florida corporation

To the Secretary of State
State of Florida

Pursuant to the provisions of the Florida Business Corporation Act, the foreign business corporation and the domestic business corporation herein named do hereby submit the following Articles of Merger:

1. Annexed and made a part hereof is the Agreement and Plan of Merger (the "Plan of Merger") for merging CMT Holdings, Inc., a Tennessee corporation ("CMT Tennessee"), with and into CMT Holdings, Inc., a Florida corporation ("CMT Florida") (the "Merger").

2. The Merger of CMT Tennessee with and into CMT Florida is permitted by the laws of the jurisdiction of organization of CMT Tennessee and is in compliance with said laws. The date of adoption of the Plan of Merger by CMT Tennessee Shareholders was July 19, 2005.

3. Shareholder approval of the Plan of Merger by CMT Florida was not required because there were no shares outstanding immediately prior to the effective date of the Merger.

4. The board of directors of CMT Florida unanimously approved and adopted the Plan of Merger by written consent given on July 29, 2005 in accordance with the provisions of Section 607.0821 of the Florida Business Corporation Act.

5. The Articles of Incorporation of CMT Florida currently in effect will remain unchanged and will be the Articles of Incorporation of CMT Florida upon the effective date of the Merger.

IN WITNESS WHEREOF, these Articles of Merger have been executed on behalf of CMT Tennessee and CMT Florida as of the 29th day of July, 2005.

CMT HOLDINGS, INC., a Tennessee corporation

By: _____
Name: Michael W. Cook
Title: President

CMT HOLDINGS, INC., a Florida corporation

By: _____
Name: David Gershman
Title: Secretary

IN WITNESS WHEREOF, these Articles of Merger have been executed on behalf of CMT Tennessee and CMT Florida as of the 29th day of July, 2005.

CMT HOLDINGS, INC., a Tennessee corporation

By: _____
Name: Michael W. Cook
Title: President

CMT HOLDINGS, INC., a Florida corporation

By: _____
Name: David Gershman
Title: Secretary

# AGREEMENT AND PLAN OF MERGER

This AGREEMENT AND PLAN OF MERGER, dated as of the 29th day of July, 2005, by and among CMT HOLDINGS, INC., a Florida corporation (the "Corporation"), CMT HOLDINGS, INC., a Tennessee corporation (the "CMT"), and each of MICHAEL W. COOK, ANDREW TAYLOR, MATTHEW P. CAVITCH and BETTY HARPER (collectively, the "Stockholders"). Terms used herein and not otherwise defined shall have the meanings set forth in Section 7 hereof.

WHEREAS, CMT is a party to that certain Stock Purchase Agreement, dated as of July 1, 2005, by and among, CMT, Third Security, LLC, a Virginia limited liability company, Randal J. Kirk, Andrew G. Taylor and Michael W. Cook (the "Purchase Agreement"), pursuant to which the CMT will purchase all of the issued and outstanding shares of capital stock of MWCAM, Inc., a Virginia corporation (f/k/a Third Security Management Corporation) ("Parent");

WHEREAS, Parent owns 100% of the outstanding shares of capital stock of Michael W. Cook Asset Management Corporation, a Tennessee corporation (the "Operating Company");

WHEREAS, contemporaneously herewith, Earl W. Powell, Emleoco, LLC, a Florida limited liability company, and CMT Participation, LLC, a Delaware limited liability company (collectively, the "Investors") are entering into Investor Subscription Agreements with the Corporation (the "Investor Subscription Agreements") pursuant to which the Investors will purchase shares of the Corporation's Common Stock, par value $0.01 per share (the "Corporation Common Stock");

WHEREAS, the Investors have agreed to lend to the Corporation aggregate proceeds of Four Million Dollars ($4,000,000), on the terms and subject to the conditions set forth in a Loan and Security Agreement of even date herewith (the "Financing");

WHEREAS, in connection with the transactions contemplated by the Purchase Agreement, CMT desires to merge with and into the Corporation and the Corporation desires that CMT be merged with and into the Corporation, so that the Corporation will be the surviving corporation, all upon the terms and subject to the conditions set forth herein and in accordance with the laws of the State of Tennessee and the State of Florida;

WHEREAS, following consummation of the merger, the proceeds of the Financing will be used to acquire the Parent; and

WHEREAS, the terms and conditions of the merger, the mode of carrying the same into effect, the manner of converting the capital stock of CMT into the right to receive capital stock of the Corporation and such other terms and conditions as may be required or permitted to be stated in this Agreement, are set forth below.

NOW, THEREFORE, in consideration of the representations and warranties, covenants and agreements, and subject to the conditions contained herein, the Corporation, CMT and the Stockholders hereby agree as follows:

1. The Merger.

(a) The Merger. Subject to the terms and conditions contained herein, at the Effective Time, CMT shall be merged with and into the Corporation in accordance with the requirements of Tennessee and Florida law (the "Merger"). Thereupon, the corporate existence of the Corporation, with all its rights, privileges, immunities, powers and purposes, shall continue unaffected and unimpaired by the Merger, and the Corporation, as the corporation surviving the Merger, shall be fully vested therewith, the separate existence of CMT shall cease upon the Merger becoming effective as herein provided and thereupon the Corporation and CMT shall be a single corporation (sometimes referred to herein as the "Surviving Corporation").

(b) Filing. As soon as practicable following the satisfaction of all of the conditions precedent set forth in Section 7 hereof, CMT and the Corporation will cause (a) an executed counterpart of the Articles of Merger in substantially the form of Exhibit 1(b)(i) hereto (the "Tennessee Articles") to be filed with the Secretary of State of the State of Tennessee in accordance with the provisions of Section 48-21-107 of the Tennessee Business Corporation Act (the "TBCA"), and (b) an executed counterpart of a Articles of Merger in substantially the form of Exhibit 1(b)(ii) hereto (the "Florida Articles") to be filed with the office of the Secretary of State of the State of Florida in accordance with the provisions of Section 607.1105 of the Florida Business Corporation Act (the "FBCA").

(c) Effective Time of the Merger. The Merger shall be effective at the time that the filing of the counterpart of the Florida Articles with the Secretary of State of the State of Tennessee and the counterpart of the Certificate of Merger with the Secretary of State of the State of Florida referred to in Section 1(b) is completed, which time is sometimes referred to herein as the "Effective Time."

(d) Effect of the Merger. The Merger shall have the effects set forth in Section 48-21-108 of the TBCA and Section 607.1106 of the FBCA.

(e) Articles of Incorporation. At the Effective Time, the articles of incorporation of the Corporation shall be the Articles of Incorporation of the Surviving Corporation, which may be amended from time to time after the Effective Time as provided by law.

(f) Bylaws. At the Effective Time, the bylaws of the Corporation shall be the bylaws of the Surviving Corporation, which may be amended from time to time after the Effective Time as provided by the certificate of incorporation or said bylaws.

(g) Directors and Officers. From and after the Effective Time, (i) the members of the Board of Directors of the Surviving Corporation shall be as provided for under the Stockholders Agreement, and (ii) the officers of the Surviving Corporation shall be as set forth on Schedule 1(g) hereto.

(h) Conversion. At the Effective Time, the issued and outstanding shares of capital stock of CMT and the Corporation shall be treated as follows:

(i) each outstanding share of common stock, no par value per share, of CMT (the "CMT Common Stock") shall be converted into one share of Corporation Common Stock; and

(ii) each issued and outstanding share of Corporation Common Stock shall remain issued and outstanding.

2. Representations and Warranties of the Stockholders. Each Stockholder, jointly and severally, represents and warrants to the Corporation as to the following:

(a) Investment Representations.

(i) The Corporation Common Stock to be acquired by such Stockholder pursuant to the Merger will be acquired for such Stockholder's own account and not with a view to, or intention of, distribution thereof in violation of the Securities Act, or any applicable state securities laws, and such Corporation Common Stock will not be disposed of in contravention of the Securities Act or any applicable state securities laws.

(ii) Such Stockholder is able to evaluate the risks and benefits of the investment in the Corporation Common Stock. Such Stockholder is domiciled in, and the certificates representing the Corporation Common Stock will come to rest in, the State of Tennessee.

(iii) Such Stockholder is able to bear the economic risk of his investment in the Corporation Common Stock for an indefinite period of time and acknowledges that the Corporation Common Stock has not been registered under the Securities Act and, therefore, cannot be sold unless subsequently registered under the Securities Act or an exemption from such registration is available.

(iv) Such Stockholder has had an opportunity to ask questions and receive answers concerning the terms and conditions of the Merger and has had full access to such other information concerning the Corporation as he has requested. Such Stockholder has negotiated on behalf of the Corporation the terms and conditions of the Purchase Agreement and is intimately familiar with the transactions contemplated by the Purchase Agreement. Such Stockholder is experienced in, and familiar with, the business of both the Parent and the Operating Company. Such Stockholder has also reviewed, or has had an opportunity to review, the following documents: (x) the Corporation's Articles of Incorporation and Bylaws; and (y) the loan, security and guaranty agreements to be entered into by the Corporation, the Parent and the Operating Company with the Investors in connection with the transactions contemplated by the Purchase Agreement (collectively, the "Financing Documents"). Such Stockholder acknowledges and understands that (aa) the Corporation is newly formed and has no operating history, (bb) it is unlikely that the Surviving Corporation will pay dividends in respect of the Corporation Common Stock (other than for S-corporation taxes), (cc) payment of dividends and distributions in respect of the Corporation Common Stock is restricted by

the Articles of Incorporation, applicable law, and the Financing Documents and may be restricted by future agreements or instruments binding on the Surviving Corporation, its operating Subsidiaries or its properties, and (dd) the Surviving Corporation will be significantly leveraged. The decision of such Stockholder to enter this Agreement and acquire the Corporation Common Stock hereunder has been made by such Stockholder independent of any other purchaser and independent of any statements, disclosures or judgments as to the properties, business, prospects or conditions (financial or otherwise) of the Corporation which may have been made or given by any Stockholder or other Person. Such Stockholder agrees and acknowledges that no other Person has acted, is expected to act, or will act as the agent or representative of such Stockholder in connection with making, closing or monitoring of his investments hereunder. Such Stockholder acknowledges that he has been advised that an investment in the Corporation Common Stock involves a high degree of risk and is suitable only for persons of adequate financial means who have no need for liquidity with respect to this investment and who can afford the risk of a complete loss of their investment.

(b) Corporate Organization, Etc. CMT is a corporation duly organized, validly existing and in good standing under the laws of its jurisdiction of incorporation with full corporate power and authority to carry on its business as it is now being conducted and to own, operate and lease its properties and assets. CMT is duly qualified or licensed to do business and is in corporate and Tax good standing in every jurisdiction in which the conduct of its business, the ownership or lease of its properties, require it to be so qualified or licensed. Such jurisdictions are set forth in Schedule 2(b) hereto. True, complete and correct copies of CMT's charter and bylaws as presently in effect are attached to Schedule 2(b) hereto. CMT has no Subsidiaries or Investments in any Person, and except for the transactions contemplated by the Purchase Agreement, CMT does not have any obligation to make any Investments in any Person.

(c) Capitalization. The authorized capital stock of CMT consists of ten thousand (10,000) shares of common stock, no par value per share, of which four hundred (400) shares are issued and outstanding on a fully diluted basis. As of the date hereof, the issued and outstanding shares of capital stock of CMT are held beneficially and of record by the Persons as set forth in Schedule 2(c) hereto. There are no Options or securities that are convertible into, or exchangeable for, capital stock of the CMT. CMT does not have any Contracts containing any profit participation features, stock appreciation rights or phantom stock options, or similar Contracts that allow any Person to participate in the equity of CMT. CMT is not subject to any obligation or Contract (contingent or otherwise) to repurchase or otherwise acquire or retire any shares of its capital stock or any Options. All of the outstanding shares of CMT's capital stock are validly issued, fully paid and non-assessable. There are no shares of capital stock of CMT held in the treasury of CMT and no shares of capital stock of CMT are currently reserved for issuance for any purpose or upon the occurrence of any event or condition. There are no existing Contracts or Options between a Stockholder on the one hand, and any other Person, on the other hand, regarding shares of CMT capital stock. There are no Contracts between or among any of CMT's stockholders or any other Persons that are binding upon CMT with respect to the voting, transfer, encumbrance of CMT's capital stock or Options to acquire capital stock or securities that are exchangeable or convertible into capital stock of CMT or with respect to any aspect of CMT's governance or dividends or distributions. The stock record books of CMT that have been

delivered to the Corporation for inspection prior to the date hereof are complete and correct in all material respects.

(d) Title to Stock. All of the outstanding shares of the capital stock of CMT are owned by the Stockholders, are duly authorized, validly issued, fully paid and nonassessable, are free of all Liens, Claims, Orders and Contracts, and have been issued in compliance with all applicable securities laws. All of such shares were acquired from CMT in compliance with all applicable Regulations, free and clear of any rescission and Contract rights. There is no outstanding Contract with CMT or any other Person to purchase, redeem or otherwise acquire any outstanding shares of the capital stock or Options of CMT, or securities or obligations of any kind convertible into any shares of the capital stock of CMT. CMT has not redeemed any securities in violation of any Contract, Order or Regulation.

(e) Authorization, Etc.

(i) CMT has full power and authority to enter into this Agreement and the agreements contemplated hereby to which CMT is a party and to consummate the transactions contemplated hereby and thereby. The execution, delivery and performance of this Agreement and all other agreements and transactions contemplated hereby have been duly authorized by the Board of Directors and the stockholders of CMT and no other corporate proceedings on their part are necessary to authorize this Agreement and the agreements contemplated hereby and the transactions contemplated hereby and thereby. This Agreement and all other agreements contemplated hereby to be entered into by CMT each constitutes a legal, valid and binding obligation of CMT enforceable against CMT in accordance with its terms.

(ii) Each Stockholder has full power and authority to enter into this Agreement and the agreements contemplated hereby and to deliver the shares of CMT Common Stock and the certificates evidencing such shares to the Corporation as provided for herein, free and clear of all Liens. This Agreement and all other agreements contemplated hereby to be entered into by the Stockholders each constitute a legal, valid and binding obligation of the Stockholder who is a party thereto enforceable against such Stockholder in accordance with its terms.

(iii) The execution, delivery and performance by CMT and the Stockholders of this Agreement, and all other agreements contemplated hereby, and the fulfillment of and compliance with the respective terms hereof and thereof by CMT and the Stockholders, do not and will not (a) conflict with or result in a breach of the terms, conditions or provisions of, (b) constitute a default or event of default under (whether with or without due notice, the passage of time or both), (c) result in the creation of any Lien upon CMT's capital stock or assets pursuant to, (d) give any third party the right to modify, terminate or accelerate any obligation under, (e) result in a violation of, or (f) require any authorization, consent, approval, exemption or other action by, notice to, or filing with any third party or Authority pursuant to, the charter or bylaws of CMT or any applicable Regulation, Order or Contract to which CMT, the Stockholders or their respective properties or shares of CMT Common Stock are subject. Each of the Stockholders and CMT has complied with all applicable Regulations and Orders in

connection with the execution, delivery and performance of this Agreement, the agreements contemplated hereby and the transactions contemplated hereby and thereby.

(f) Purchase Agreement. The representations and warranties made by the Seller Parties in the Purchase Agreement were true and correct when made and will be true and correct as of the Closing Date. The Seller Parties have performed and complied in all material respects with all agreements and covenants required by the Purchase Agreement to be performed and complied with by them prior to the Closing Date.

(g) Closing Date Balance Sheet. Attached as Schedule 2(g) hereto is a true and complete pro forma consolidated balance sheet of, and calculation of the Closing Date Working Capital for, the Parent and Operating Company (collectively, the "Target Company") as of the date hereof (the "Closing Date Balance Sheet"). The Closing Date Balance Sheet fairly presents the financial position of the Target Company as of the date hereof in accordance with GAAP. "Closing Date Working Capital" of the Corporation shall mean the following from the Closing Date Balance Sheet: (a) the sum of the Target Company's (i) cash and cash equivalents, (ii) accounts receivable, (ii) inventory, and (iv) prepaid expenses, less (b) the sum of the Target Company's (i) accounts payable, (ii) accrued expenses and (iii) other current liabilities, contingencies or reserves.

(h) Financial Statements.

(i) Attached as Schedule 2(h)(i) hereto are (i) unaudited consolidated pro forma balance sheets of the Parent and the Operating Company as of December 31, 2004 and unaudited pro forma consolidated statements of income, stockholders' equity and cash flow of the Parent and the Operating Company for the year then ended and (ii) unaudited pro forma consolidated balance sheets of the Parent and the Operating Company as of June 30, 2005 and unaudited pro forma consolidated statements of income, stockholders' equity and cash flow for the six-month period then ended. Such balance sheets and the notes thereto fairly present the financial position of the Parent and the Operating Company at the respective dates thereof in accordance with GAAP and such statements of income, stockholders' equity and cash flow and the notes thereto fairly present the results of operations for the periods referred to therein, in accordance with GAAP, except that the unaudited financial statements have no notes attached thereto and do not have year-end audit adjustments (none of which would be material or recurring). The foregoing balance sheets and statements of operations, stockholders' equity and cash flows and the notes thereto are herein collectively referred to as the "Financial Statements."

(ii) Except as set forth in Schedule 2(h)(ii) hereto, the Parent and Operating Company do not have any Indebtedness, obligation or liability (whether accrued, absolute, contingent, unliquidated or otherwise, whether due or to become due) arising out of transactions entered into at or prior to the Closing Date, or any state of facts existing at or prior to the Closing Date, other than: (A) liabilities set forth in the June 30, 2005 balance sheet of the Parent and the Operating Company, or (B) liabilities and obligations that have arisen after June 30, 2005 in the ordinary course of business.

(iii) There is no Person that has guaranteed, or provided any financial accommodation of, any Indebtedness, obligation or liability of the Parent and the Operating Company or for the benefit of the Parent and the Operating Company for the periods covered by the Financial Statements other than as set forth in the Financial Statements.

(iv) The Parent is the sole stockholder of the Operating Company. The Parent is a holding company that conducts no business activities, has no liabilities, and has no assets except for the shares of common stock of Operating Company owned by Parent.

(i) Absence of Certain Changes. Since December 31, 2004, there has not been any (a) Material Adverse Change in the business, operations, properties, assets, condition (financial or otherwise), results, plans, strategies or prospects of the Parent and the Operating Company; (b) damage, destruction or loss, whether covered by insurance or not, having a cost of $100,000 or more, with regard to the property and business of the Parent and the Operating Company; (c) change by either the Parent or the Operating Company in accounting methods or principles or any write-down, write-up or revaluation of any assets of the Parent or the Operating Company except depreciation accounted for in the ordinary course of business and in accordance with GAAP; (d) failure to promptly pay and discharge current liabilities or agree with any party to extend the payment of any current liability; (e) Lien placed on any property of the Parent or the Operating Company; (f) sale, assignment, transfer, lease, license or otherwise placement of a Lien on any of the tangible assets of the Parent or the Operating Company, except in the ordinary course of business consistent with past practice, or canceled any material debts or Claims; or (g) sale, assignment, transfer, lease, license or otherwise placement of a Lien on any Intellectual Property rights or other intangible assets of the Parent or the Operating Company, disclosure of any material confidential information to any Person or abandoned or permitted to lapse any Intellectual Property rights of the Parent or the Operating Company.

(j) Title to Assets. The Parent and the Operating Company have good and marketable title to all real and personal, tangible and intangible, property and other assets reflected in the Financial Statements or acquired after December 31, 2004, free and clear of all Liens. All properties used in the business operations of Parent and Operating Company for the periods covered by the Financial Statements are reflected in the Financial Statements in accordance with and to the extent required by GAAP, except as to those assets that are leased. All leases of the Parent and the Operating Company are in full force and effect, and valid and enforceable in accordance with their respective terms. Neither the Parent nor the Operating Company has received any notice of any, and there exists no event of default or event which constitutes or would constitute (with notice or lapse of time or both) a default by the Parent, the Operating Company or any other Person under any lease. The Seller Parties will convey to the Corporation pursuant to the Purchase Agreement all of the assets and properties, tangible and intangible, of any nature whatsoever, including, without limitation, all written or oral contracts, required to operate the business of the Parent and the Operating Company in the manner presently operated by the Parent and the Operating Company.

(k) Litigation. Schedule 2(k) hereto sets forth a true and complete list of all Claims and Orders involving the Parent or the Operating Company since January 1, 2002.

Except as set forth in Schedule 2(k) hereto, to the best knowledge of such Stockholder, there is no Claim or Order threatened against the Parent or the Operating Company nor is there any reasonable basis therefor. Except as set forth on Schedule 2(k) hereto, each of the Parent and the Operating Company is fully insured with respect to each of the matters set forth on Schedule 2(k) and neither the Parent nor the Operating Company has received any opinion or a memorandum or advice from legal counsel to the effect that it is exposed, from a legal standpoint, to any liability or obligations which could have an adverse effect in excess of $25,000.

(l) Tax Matters. The Parent and the Operating Company have filed all Tax Returns required to be filed under applicable Regulations and all such Tax Returns are complete and correct and have been prepared in compliance with all applicable Regulations and has duly paid all Taxes due or claimed to be due by all Taxing Authorities. Except as set forth on Schedule 2(l) hereto, neither the Parent nor the Operating Company has requested any extension of time within which to file or send any Tax Return. All Taxes applicable for all periods prior to the Closing have been paid or fully reserved against on the Financial Statements in accordance with GAAP and neither the Parent nor the Operating Company has any liability, absolute or contingent, for the payment of any Tax under the Code or under the laws of any state or locality. All Taxes which are required to be withheld or collected by the Parent and the Operating Company have been duly withheld or collected and, to the extent required, have been paid to the proper Taxing Authority or properly segregated or deposited as required by applicable law. The Parent and the Operating Company have disclosed on their Tax Returns all positions taken therein that could give rise to a substantial understatement of federal income Tax within the meaning of section 6662 of the Code. There are no Liens for Taxes upon any property or assets of the Parent and the Operating Company, except for Liens for Taxes not yet due and payable. Neither the Parent nor the Operating Company has executed any waiver of the statute of limitations on the right of the Internal Revenue Service or any other Taxing Authority to assess additional Taxes or to contest the income or loss with respect to any Tax Return. No Claim has ever been made by a Taxing Authority in a jurisdiction where either the Parent or the Operating Company does not file Tax Returns that it is or may be subject to taxation by that jurisdiction. Neither the Parent nor the Operating Company has any liability for the Taxes of any other Person under Treasury regulation § 1.1502-6 (or any similar provision of state, local or foreign law), as a transferee or successor, by contract, or otherwise. The basis of any depreciable assets, and the methods used in determining allowable depreciation (including cost recovery), of the Parent and the Operating Company, are, to the best knowledge of such Stockholder, correct and in compliance with the Code. No issues have been raised that are currently pending by any Taxing Authority in connection with any Tax Returns of the Parent and the Operating Company. No material issues have been raised in any examination by any Taxing Authority with respect to the Parent and the Operating Company which, by application of similar principles, reasonably could be expected to result in a proposed deficiency for any other period not so examined. There are no unresolved issues or unpaid deficiencies relating to such examinations. The items relating to the business, properties or operations of the Parent and the Operating Company on the Tax Returns filed by the Parent and the Operating Company for all taxable years (including the supporting schedules filed therewith) state accurately, in all material respects the information requested with respect to the Parent and the Operating Company and such information was derived from the books and records of the Parent and the Operating Company.

(m) Compliance with Law and Certifications.

(i) Each of the Parent and the Operating Company has operated in compliance with regard to its operations, practices, property, employees, products and services and all other aspects of its business, with all applicable Regulations and Orders, including, without limitation, all Regulations relating to the safe conduct of business, environmental protection, consumer protection, equal opportunity, discrimination, health, building and occupational safety. The Operating Company has maintained its investment adviser registration in good standing with the Securities and Exchange Commission and any applicable state securities commissions. There are no Claims pending, or threatened, nor has the Parent or the Operating Company received any written notice, regarding any violations of any Regulations or Orders enforced by any Authority claiming jurisdiction over the Parent or the Operating Company.

(ii) Each of the Parent and Operating Company holds all material registrations, accreditations and other certifications required for the conduct of its business by any Authority or trade group and each of the Parent and the Operating Company has operated in compliance with the terms and conditions of all such registrations, accreditations and certifications. Neither the Parent nor the Operating Company has received any notice alleging that it has failed to hold any such material registration, accreditation or other certification.

(iii) Attached as Schedule 2(m) hereto is a true and complete copy of the Code of Ethics of the Operating Company (the "Code of Ethics"). The Code of Ethics contains policies and procedures that comply with applicable federal and state Regulations, including, without limitation, all Regulations applicable to the Operating Company which relate to market conduct, conflicts of interest, sales practices and employee securities transactions.

(iv) Neither the Operating Company nor any of its Affiliates that renders advice or services, directly or through a commingled investment vehicle, to or with respect to (each an "ERISA Advisor") (x) an employee benefit plan which is subject to the Employee Retirement Income Security Act of 1974, as amended ("ERISA"), or a plan which is subject to the Code, or (y) a governmental plan as defined in Section 3(32) of ERISA (collectively "Plans") has engaged in any transaction, act or omission to act with or involving the assets of a Plan that would constitute a prohibited transaction under ERISA or the Code or otherwise violate ERISA, the Code or other applicable law, regulation or rule. Each ERISA Advisor is a "qualified professional asset manager" within the meaning of Prohibited Transaction Class Exemption 84-14 issued by the Department of Labor ("DOL"). None of the underlying assets of any entity (other than any entity that is itself a Plan or the trust established under such Plan) managed or sponsored by the Operating Company or its Affiliates (including as a general partner) are deemed to be "plan assets" by reason of any Plan's investment in such entity. There is no litigation, claim or inquiry by or on behalf of a Plan or a Plan regulator (including, without limitation, the DOL or the Internal Revenue Service) pending, threatened or expected against any ERISA Advisors.

(n) Customers and Suppliers. Schedule 2(n) hereto sets forth a complete and accurate list of each customer that accounted for more than five percent (5%) of the consolidated

revenues and/or income of the Parent and the Operating Company during the last full fiscal year and the interim period through June 30, 2005 and the amount of revenues accounted for by such customer during each such period. No customer of Parent and Operating Company has (i) complained in writing about the quality of the services provided to such customer by the Parent or (ii) advised either the Parent or the Operating Company in writing within the past year that it will stop, or decrease the rate of, buying services from Parent and Operating Company. The consummation of the transactions contemplated by the Purchase Agreement will not have a material adverse effect on Parent and Operating Company's relationship with any customer listed on Schedule 2(n) hereto. The Parent and Operating Company have obtained all necessary consents from their customers to the transactions contemplated by the Purchase Agreement, and such consents comply in form and substance with all requirements of applicable Regulations.

3. Representations and Warranties of the Corporation.

(a) Corporate Organization, Etc. The Corporation is a corporation duly organized, validly existing and in good standing under the laws of its jurisdiction of incorporation with full corporate power and authority to carry on its business as it is now being conducted and to own, operate and lease its properties and assets.

(b) Authorization, Etc. The Corporation has full power and authority to enter into this Agreement and the agreements contemplated hereby to which the Corporation is a party and to consummate the transactions contemplated hereby and thereby. The execution, delivery and performance of this Agreement and all other agreements and transactions contemplated hereby have been duly authorized by the Board of Directors and the stockholders of the Corporation and no other corporate proceedings on its part are necessary to authorize this Agreement and the agreements contemplated hereby and the transactions contemplated hereby and thereby. This Agreement and all other agreements contemplated hereby to be entered into by the Corporation each constitutes a legal, valid and binding obligation of the Corporation enforceable against the Corporation in accordance with its terms.

(c) No Violation. The execution, delivery and performance by the Corporation of this Agreement, and all other agreements contemplated hereby, and the fulfillment of and compliance with the respective terms hereof and thereof by the Corporation, do not and will not (a) conflict with or result in a breach of the terms, conditions or provisions of, (b) constitute a default or event of default under (whether with or without due notice, the passage of time or both), (c) result in a violation of, or (d) require any authorization, consent, approval, exemption or other action by, or notice to, or filing with any third party or Authority pursuant to, the charter or bylaws of the Corporation or any applicable Regulation, Order or Contract to which the Corporation or its properties are subject. The Corporation has complied with all applicable Regulations and Orders in connection with its execution, delivery and performance of this Agreement, the agreements contemplated hereby and the transactions contemplated hereby and thereby.

(d) Capitalization. The authorized capital stock of the Corporation consists of three thousand (3,000) shares of common stock, $0.01 par value per share, of which six hundred (600) shares will be issued and outstanding immediately following the purchase of Corporation Common Stock by the Investors pursuant to the Investor Subscription Agreements but preceding

the Effective Time. The Corporation Common Stock to be issued to the Stockholders under this Agreement is duly and validly authorized and issued, fully paid and nonassessable and will not been issued in violation of any pre-emptive or similar right of any person or of any federal or state law.

4. Restrictions on Transfer

(a) The Stockholders shall not sell, transfer, assign, encumber or otherwise dispose of any interest (a "Transfer") in any shares of the Corporation Common Stock except as permitted under the Stockholders Agreement.

(b) The certificates representing the Corporation Common Stock shall bear the legends set forth in the Stockholders Agreement.

(c) In the event the Surviving Corporation consents to a sale, disposition or other transfer of any Corporation Common Stock held by a Stockholder (except pursuant to an effective registration statement under the Securities Act) such holder of the Corporation Common Stock to be transferred shall first deliver to the Surviving Corporation an opinion of counsel (reasonably acceptable in form and substance to the Surviving Corporation) that neither registration nor qualification under the Securities Act and applicable state securities laws is required in connection with such transfer.

5. Non-Competition.

(a) During the Restricted Period, each of Michael W. Cook and Andrew G. Taylor (each an "Executive") agrees not to, directly or indirectly, alone or as a partner, officer, director, employee, consultant, agent, independent contractor, member or stockholder of any Person, engage in any business activity in the Restricted Area which is directly or indirectly in competition with the products or services being developed, marketed, sold or otherwise provided by the Surviving Corporation, the Parent, the Operating Company or their respective Affiliates, including, without limitation, the establishment of any hedge fund, mutual fund or other investment vehicle focused on value investing, or which is directly or indirectly detrimental to the business or business plans of the Surviving Corporation, the Parent, the Operating Company or their respective Affiliates; provided, however, that the record or beneficial ownership by such Executive of five percent (5%) or less of the outstanding publicly traded capital stock of any such company for investment purposes shall not be deemed to be in violation of this Section 5 so long as such Executive is not an officer, director, employee or consultant of such Person. Each Executive further agrees that, during the Restricted Period, such Executive shall not in any capacity, either separately, jointly or in association with others, directly or indirectly do any of the following: (a) employ or seek to employ any Person or agent who is then employed or retained by the Surviving Corporation, the Parent, the Operating Company or their respective Affiliates (or who was so employed or retained at any time within the two (2) years prior to the date such Executive employs or seeks to employ such Person); (b) solicit, induce, or influence any proprietor, partner, stockholder, lender, director, officer, employee, joint venturer, investor, consultant, agent, lessor, supplier, customer or client (including, without limitation, any client of a client of the Operating Company in situations where the Operating Company serves as sub-advisor) or any other Person which has a business relationship with the Surviving Corporation,

the Parent, the Operating Company or their respective Affiliates, at any time during the Restricted Period, to discontinue or reduce or modify the extent of such relationship with the Surviving Corporation, the Parent, the Operating Company or their respective Affiliates; and (c) submit, solicit, encourage or discuss any proposal, plan or offer to acquire an interest in any of the Surviving Corporation's, the Parent's, the Operating Company's or any of their Affiliates' identified potential acquisition candidates. The "Restricted Period" shall mean the period commencing on the date of this Agreement and ending on the the second anniversary of the date on which such Executive's employment with the Surviving Corporation or any of its Subsidiaries is terminated. The "Restricted Area" shall mean North America.

(b) It is recognized and hereby acknowledged by the parties hereto that a breach or violation by the Executives of any or all of the covenants and agreements contained in this Section 5 may cause irreparable harm and damage to the Surviving Corporation in a monetary amount which may be virtually impossible to ascertain. As a result, each Executive recognizes and hereby acknowledges that the Surviving Corporation shall be entitled (without the requirement of posting a bond) to an injunction from any court of competent jurisdiction enjoining and restraining any breach or violation of any or all of the covenants and agreements contained in this Section 5 by the Executives and/or their Affiliates, either directly or indirectly, and that such right to injunction shall be cumulative and in addition to whatever other rights or remedies the Surviving Corporation may possess hereunder, at law or in equity. Nothing contained in this Section 5 shall be construed to prevent the Surviving Corporation from seeking and recovering from the Executives damages sustained by it as a result of any breach or violation by the Executives of any of the covenants or agreements contained herein.

6. Indemnification.

(a) Subject to Section 6(b) below, from and after the Effective Time, each of the Stockholders shall jointly and severally indemnify the Surviving Corporation and the Investors, and hold each of them harmless, against and in respect of any and all Losses resulting from, or in respect of, any of the following:

(i) any misrepresentation, breach of warranty or non-fulfillment of any obligation on the part of the Stockholders under this Agreement, any document relating hereto or contained in any schedule hereto; and

(ii) any misrepresentation or breach of warranty on the part of the Seller Parties under the Purchase Agreement or contained in any schedule thereto; and

(iii) all demands, assessments, judgments, costs and reasonable legal and other expenses arising from, or in connection with, any action, suit, proceeding or Claim incident to any of the foregoing.

(b) In no event will the aggregate amount of indemnifiable Losses for which any Stockholder shall be liable under this Agreement exceed the amount of Corporation Common Stock owned by such Stockholder. Each Stockholder hereby agrees that any Claims for indemnification by the Corporation against the Stockholders hereunder may be satisfied by the Corporation by recourse against Corporation Common Stock owned by such Stockholders.

The Corporation may designate for cancellation from each breaching Stockholder such number of shares of Corporation Common Stock as it may determine in its sole discretion, so long as the aggregate fair market value of such canceled securities (as determined by the Board of Directors of the Corporation) does not exceed the aggregate amount of such indemnification Claim.

7. Conditions Precedent. Each and every obligation of the Corporation under this Agreement shall be subject to the satisfaction, on or before the Closing Date, of each of the following conditions unless waived in writing by the Corporation:

(a) Representations and Warranties; Performance. The representations and warranties of the Stockholders contained in Section 2 and elsewhere in this Agreement and all information contained in any exhibit or schedule hereto delivered by, or on behalf of, the Stockholders to the Corporation, shall be true and correct when made and on the Closing Date as though then made. The Stockholders shall have performed and complied with all agreements, covenants and conditions required by this Agreement to be performed and complied with by them prior to the Closing Date.

(b) Termination of Marketing Agreement. The Marketing Agreement dated as of June, 2002 (as such agreement may have been amended or modified from time to time), by and between the Operating Company and E.J. Kohler & Associates, LLC, a Minnesota limited liability company ("Kohler"), shall have been terminated on terms and conditions satisfactory to the Corporation, and the Operating Company shall not be liable for any obligations thereunder, including, without limitation, any obligations to issue equity ownership interests of the Operating Company or any of its Affiliates to Kohler pursuant to Section 5.E. thereof.

(c) Satisfaction of Conditions Precedent to Purchase Agreement. All of the conditions precedent to the obligations of CMT under the Purchase Agreement shall have been satisfied.

(d) Closing Date Working Capital. The Target Company's Closing Date Working Capital shall not be less than $443,500.

8. Definitions.

"Affiliate" means, with regard to any Person, (a) any Person, directly or indirectly, controlled by, under common control of, or controlling such Person; (b) any Person, directly or indirectly, in which such Person holds, of record or beneficially, five percent (5%) or more of the equity or voting securities; (c) any Person that holds, of record or beneficially, five percent (5%) or more of the equity or voting securities of such Person; (d) any Person that, through Contract, relationship or otherwise, exerts a substantial influence on the management of such Person's affairs; (e) any Person that, through Contract, relationship or otherwise, is influenced substantially in the management of its affairs by such Person; (f) any director, officer, partner or individual holding a similar position in respect of such Person; or (g) as to any natural Person, any Person related by blood, marriage or adoption and any Person owned by such Persons, including without limitation, any spouse, parent, grandparent, aunt, uncle, child, grandchild, sibling, cousin or in-law of such Person.

"Authority" means any governmental, regulatory or administrative body, agency, commission, board, arbitrator or authority, any court or judicial authority, any public, private or industry regulatory authority, whether international, national, federal, state or local.

"Claim" means any action, suit, claim, lawsuit, demand, suit, inquiry, hearing, investigation, notice of a violation or noncompliance, litigation, proceeding, arbitration, appeals or other dispute, whether civil, criminal, administrative or otherwise.

"Closing" shall mean the closing of the transactions contemplated by this Agreement and the Purchase Agreement.

"Closing Date" shall mean the date on which the Closing occurs.

"Code" shall mean the Internal Revenue Code of 1986, as amended, and the Regulations thereunder.

"Contract" means any agreement, contract, commitment, instrument, document, certificate or other binding arrangement or understanding, whether written or oral.

"GAAP" means U.S. generally accepted accounting principles, consistently applied, as in existence at the date hereof.

"Indebtedness" with respect to any Person means (a) any obligation of such Person for borrowed money, but in any event shall include: (i) any obligation or liabilities incurred for all or any part of the purchase price of property or other assets or for the cost of property or other assets constructed or of improvements thereto, other than accounts payable included in current liabilities and incurred in respect of property purchased in the ordinary course of business, (whether or not such Person has assumed or become liable for the payment of such obligation) (whether accrued, absolute, contingent, unliquidated or otherwise, known or unknown, whether due or to become due); (ii) the face amount of all letters of credit issued for the account of such Person and all drafts drawn thereunder; (iii) obligations incurred for all or any part of the purchase price of property or other assets or for the cost of property or other assets constructed or of improvements thereto, other than accounts payable included in current liabilities and incurred in respect of property purchased in the ordinary course of business (whether or not such Person has assumed or become liable for the payment of such obligation) secured by Liens; (iv) capitalized lease obligations; and (v) all guarantees of such Person; (b) accounts payable of such Person that have not been paid within sixty (60) days of their due date and are not being contested; (c) annual employee bonus obligations that are not accrued on the Financial Statements; and (d) retroactive insurance premium obligations.

"Intellectual Property" means all domestic and foreign patents, patent applications, trademarks, service marks and other indicia of origin, trademark and service mark registrations and applications for registrations thereof, copyrights, copyright registrations and applications for registration thereof, Internet domain names and universal resource locators, trade secrets, inventions (whether or not patentable), invention disclosures, moral and economic rights of authors and inventors (however denominated), technical data, customer lists, corporate and business names, trade names, trade dress, brand names, know-how, show-how, maskworks,

formulae, methods (whether or not patentable), designs, processes, procedures, technology, source codes, object codes, computer software programs, databases, data collectors and other proprietary information or material of any type, whether written or unwritten (and all good will associated with, and all derivatives, improvements and refinements of, any of the foregoing).

"Lien" means any (a) security interest, lien, mortgage, pledge, hypothecation, encumbrance, Claim, easement, charge, restriction on transfer or otherwise, or interest of another Person of any kind or nature, including any conditional sale or other title retention Contract or lease in the nature thereof; (b) any filing or agreement to file a financing statement as debtor under the Uniform Commercial Code or any similar statute; and (c) any subordination arrangement in favor of another Person.

"Losses" shall mean any and all damages, liabilities, obligations, penalties, fines, judgments, claims, deficiencies, losses, costs, expenses and assessments (including, without limitation, income and other taxes, interest, penalties and attorneys', accountants' and experts' fees and disbursements).

"Material Adverse Change" means any developments or changes which would have a Material Adverse Effect.

"Material Adverse Effect" means any circumstances, state of facts or matters which might reasonably be expected to have a material adverse effect in respect of the Parent and Operating Company's business, operations, properties, assets, condition (financial or otherwise), results, plans, strategies or prospects.

"Order" means any writ, decree, order, judgment, injunction, rule, ruling, Lien, voting right, consent of or by an Authority.

"Person" means any corporation, partnership, joint venture, limited liability company, organization, entity, Authority or natural person.

"Regulation" means any rule, law, code, statute, regulation, ordinance, requirement, announcement, policy, guideline, rule of common law or other binding action of or by an Authority and any judicial interpretation thereof.

"Securities Act" shall mean the Securities Act of 1933, and the rules and regulations promulgated thereunder, as amended from time to time.

"Seller Parties" means each of Third Security, LLC, a Delaware limited liability company, Randall J. Kirk, Michael W. Cook and Andrew G. Taylor.

"Stockholders Agreement" shall mean that certain Stockholders Agreement, dated the date hereof, by and among the Surviving Corporation, the Stockholders and the Investors, as such agreement may be amended from time to time.

"Subsidiary" shall mean any corporation of which a Person owns securities having a majority of the ordinary voting power in electing the board of directors directly or through one or more subsidiaries.

"Taxes" means including without limitation income, gross receipts, net proceeds, alternative or add-on minimum, ad valorem, value added, turnover, sales, use, property, personal property (tangible and intangible), stamp, leasing, lease, user, excise, duty, franchise, transfer, license, withholding, payroll, employment, foreign, fuel, excess profits, occupational and interest equalization, windfall profits, severance, and other charges (including interest and penalties).

"Taxing Authorities" means Internal Revenue Service and any other Federal, state, or local Authority which has the right to impose Taxes on Parent and Operating Company.

"Tax Returns" means federal, state, foreign and local Tax reports, returns, information returns and other documents.

9. Notices. Any notice provided for in this Agreement must be in writing and must be either personally delivered, mailed by first class mail (postage prepaid and return receipt requested) or sent by reputable overnight courier service (charges prepaid) to the recipient at the address below indicated:

To the Corporation:

CMT Holdings, Inc.
c/o Trivest Partners, L.P.
2665 South Bayshore Drive
8th Floor
Miami, Florida 33133-5401
Attn: David Gershman, Esq.
Fax No.: (305) 285-0102

With copies to:

White & Case, LLP
200 South Biscayne Boulevard
Suite 4900
Miami, Florida 33131
Attn: Jorge L. Freeland, Esq.
Fax No.: (305) 358-5744

To any of the Stockholders:

c/o Michael W. Cook
5170 Sanderlin Avenue
Suite 200
Memphis, Tennessee 38117

With copies to:

The Bogatin Law Firm
1661 International Place Drive
Suite 300
Memphis, Tennessee 38120
Attn: Matthew P. Cavitch, Esq.
Fax No.: (901) 767-2803

or such other address or to the attention of such other person as the recipient party shall have specified by prior written notice to the sending party. Any notice under this Agreement will be deemed to have been given when so delivered or sent or, if mailed, five days after deposit in the U.S. mail.

10. General Provisions.

(a) Severability. Whenever possible, each provision of this Agreement will be interpreted in such manner as to be effective and valid under applicable law, but if any provision of this Agreement is held to be invalid, illegal or unenforceable in any respect under any applicable law or rule in any jurisdiction, such invalidity, illegality or unenforceability will not affect any other provision or any other jurisdiction, but this Agreement will be reformed, construed and enforced in such jurisdiction as if such invalid, illegal or unenforceable provision had never been contained herein.

(b) Entire Agreement. This Agreement, the Stockholders Agreement, those documents expressly referred to herein and therein and other documents of even date herewith embody the complete agreement and understanding among the parties and supersede and preempt any prior understandings, agreements or representations by or among the parties, written or oral, which may have related to the subject matter hereof in any way.

(c) Counterparts. This Agreement may be executed in separate counterparts, each of which is deemed to be an original and all of which taken together constitute one and the same agreement.

(d) Successors and Assigns. Except as otherwise provided herein, this Agreement shall bind and inure to the benefit of and be enforceable by the Corporation, CMT and the Stockholders and their respective successors and assigns.

(e) Choice of Law. The Agreement shall be governed by the internal laws of the State of Florida as to all matters, including but not limited to matters of validity, construction, effect and performance.

(f) Remedies. Each of the parties to this Agreement will be entitled to enforce its rights under this Agreement specifically, to recover damages and costs (including reasonable attorney's fees) caused by any breach of any provision of this Agreement and to exercise all other rights existing in its favor. The parties hereto agree and acknowledge that money damages may not be an adequate remedy for any breach of the provisions of this Agreement and that any party may in its sole discretion apply to any court of law or equity of competent jurisdiction (without posting any bond or deposit) for specific performance and/or other injunctive relief in order to enforce or prevent any violations of the provisions of this Agreement.

(g) Amendment and Waiver. The provisions of this Agreement may be amended and waived only with the prior written consent of the Corporation, CMT and the Stockholders.

(h) Third Party Beneficiaries. The Investors are expressly made third party beneficiaries with respect to the provisions of Section 6 hereof.

* * * * * *

IN WITNESS WHEREOF, the parties hereto have executed this Agreement and Plan of Merger on the date first written above.

CMT HOLDINGS, INC.,
a Tennessee corporation

By: _____
Name: Michael W. Cook
Title: President

CMT HOLDINGS, INC.,
a Florida corporation

By: _____
Name: David Gershman
Title: Secretary

_____
Michael W. Cook

_____
Andrew C. Taylor

_____
Matthew P. Cavitch

_____
Betty Harper

IN WITNESS WHEREOF, the parties hereto have executed this Agreement and Plan of Merger on the date first written above.

CMT HOLDINGS, INC.,
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By: _____
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Title: President

CMT HOLDINGS, INC.,
a Florida corporation

By: _____
Name: David Gershman
Title: Secretary

_____
Michael W. Cook

_____
Andrew G. Taylor

_____
Matthew F. Cavitch

_____
Holly Harper