

FROM

(WED) 12. 8' 99 11:12/ST. 11:12/NO. 4260823325 P 1

P99000105350

Florida Department of State
Division of Corporations
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TALLAHASSEE, FLORIDA

MERGER OR SHARE EXCHANGE

MULTITECH ACQUISITION A CO.

Certificate of Status	1
Certified Copy	0
Page Count	28
Estimated Charge	\$78.75

Handwritten: 12/9/99
KRB
12/8/99

ARTICLES OF MERGER
Merger Sheet

MERGING:

AMERICAN BROKERAGE CONSULTANTS, INC., a Florida corporation,
document number K02372

INTO

MULTITECH ACQUISITION A CO. which changed its name to

AMERICAN BROKERAGE CONSULTANTS, INC., a Florida entity,
P99000105350

File date: December 8, 1999

Corporate Specialist: Karen Gibson

FROM . .

(WED) 12. 8 '99 15:39/ST. 15:38/NO. 4260823334 P 3

ARTICLES OF MERGER

of

AMERICAN BROKERAGE CONSULTANTS, INC., a Florida corporation

with and into

MULTITECH ACQUISITION A CO., a Florida corporation

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SECRETARY OF STATE
TALLAHASSEE, FLORIDA

Pursuant to the provisions of Section 607.1105 of the Florida Business Corporation Act (the "FBCA"), the undersigned corporations enter into these Articles of Merger by which American Brokerage Consultants, Inc., a Florida corporation (the "Company"), shall be merged (the "Merger") with and into MultiTech Acquisition A Co., a Florida corporation (the "Surviving Company"), in accordance with a Merger Agreement (the "Agreement"), adopted pursuant to Section 607.1103 of the FBCA, and the undersigned corporations hereby certify as follows:

FIRST: A copy of the Agreement is attached as Exhibit A hereto and made a part hereof.

SECOND: The Agreement was adopted December 6, 1999, by the Board of Directors and the shareholders of the Company by unanimous written consent. The Agreement was adopted December 6, 1999, by unanimous written consent of the Board of Directors and sole shareholder of the Surviving Company.

THIRD: The Merger shall become effective upon the filing of these Articles of Merger with the Florida Secretary of State as required by Section 607.1105 of the FBCA.

FOURTH: Upon the filing of these Articles of Merger the name of the Surviving Company shall be American Brokerage Consultants, Inc., as set forth in Section 2.5 of the Agreement, pursuant to Section 607.1101 of the FBCA.

These Articles of Merger may be executed in counterparts, all of which when taken together shall constitute one instrument.

Steven Vazquez, Esq.
Florida Bar No.:
0003042
Foley & Lardner
100 N. Tampa St.
Suite 2800
Tampa, Florida 33601
(813) 225-4106

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FROM

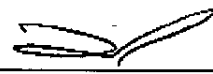
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IN WITNESS WHEREOF, the parties have caused these Articles of Merger to be executed as of this 8th day of December, 1999.

**AMERICAN BROKERAGE
CONSULTANTS, INC.**

By: 
Name: Richard A. Ayotte
Title: President

MULTITECH ACQUISITION A CO.

By: 
Name: Frank J. McPartland
Title: President

FROM

(WED) 12. 8' 99 11:13/ST. 11:12/NO. 4260823325 P .4.

MERGER AGREEMENT

among

MULTITECH BROKERAGE SOLUTIONS, INC.

AMERICAN BROKERAGE CONSULTANTS, INC.

RICHARD A. AYOTTE

THOMAS J. McCLUSKEY

and

MULTITECH ACQUISITION A CO.

**Dated December 6, 1999,
with an effective date as of November 1, 1999**

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MERGER AGREEMENT

MERGER AGREEMENT (hereinafter called this "Agreement"), dated December 6, 1999, with an effective date as of November 1, 1999, among American Brokerage Consultants, Inc. a Florida corporation (the "Company"), MultiTech Brokerage Solutions, Inc., a Florida corporation ("Parent"), MultiTech Acquisition A Co., a Florida corporation and a wholly-owned subsidiary of Parent ("Merger Sub"), and Richard A. Ayotte and Thomas J. McCluskey, the shareholders of the Company (each a "Shareholder" and collectively, the "Shareholders").

RECITALS

WHEREAS, the respective boards of directors of each of Parent, Merger Sub, and the Company have approved this whereby the Company will merge with and into Merger Sub upon the terms and subject to the conditions set forth in this Agreement (the "Merger");

WHEREAS, it is intended that, for federal income tax purposes, the Merger shall qualify as a reorganization under the provisions of Section 368(a) of the Internal Revenue Code of 1986, as amended, and the rules and regulations promulgated thereunder (the "Code");

WHEREAS, at or prior to the Effective Time as hereinafter defined, Merger Sub will acquire from Parent the number of shares of Parent Series A Common Stock necessary to complete the merger provided for herein;

WHEREAS, the shares of Series A Common Stock of Parent to be issued to the Shareholders in connection with the Merger shall convert into shares of Common Stock of Parent upon a registered initial public offering of common stock of Parent or the acquisition of the outstanding Common Stock or assets of Parent; and

WHEREAS, the Shareholders, Parent and Merger Sub desire to make certain representations, warranties, covenants and agreements in connection with this Agreement.

NOW, THEREFORE, in consideration of the premises, and of the representations, warranties, covenants and agreements contained herein, the parties hereto agree as follows:

1. THE MERGER; CLOSING; EFFECTIVE TIME

1.1. The Merger.

Upon the terms and subject to the conditions set forth in this Agreement, at the Effective Time (as defined below), the Company shall be merged with and into Merger Sub and the separate corporate existence of the Company shall cease. Merger Sub shall be the surviving corporation in the Merger (sometimes referred to as the "Surviving Corporation"), and the separate corporate existence of Merger Sub shall continue unaffected by the Merger, except as set forth in Section 3. The Merger shall have the effects specified in the Florida Business Corporation Act (the "FBCA")

1.2. Closing.

The closing of the Merger (the "Closing") shall take place (i) at the offices of Foley & Lardner, 100 North Tampa Street, Suite 2700, Tampa, Florida 33602 at 1:00 P.M. on December 6, 1999 or at such other place and time and/or on such other date as the Company and Parent may agree in writing (the "Closing Date").

1.3. Effective Time.

As soon as practicable following the Closing, the Company and Parent will cause Articles of Merger reflecting the provisions set forth in this Agreement (the "Articles of Merger") to be executed (by the

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Company and Merger Sub) and delivered for filing to the Department of State of the State of Florida (the "Department") as provided in Section 607.1105 of the FBCA. The Merger shall become effective at the time when the Articles of Merger have been duly filed with the Department or at such later time agreed by the parties in writing and provided in the Articles of Merger (the "Effective Time").

2. ARTICLES OF INCORPORATION, BYLAWS, AND BOARD OF DIRECTORS OF THE SURVIVING CORPORATION

2.1. The Articles of Incorporation.

The articles of incorporation of Merger Sub as in effect immediately prior to the Effective Time shall be the articles of incorporation of the Surviving Corporation (the "Articles"), until duly amended as provided therein or by applicable law.

2.2. The Bylaws.

The bylaws of Merger Sub in effect immediately prior to the Effective Time shall be the bylaws of the Surviving Corporation (the "Bylaws"), until duly amended as provided therein or by applicable law.

2.3. Board of Directors.

The board of directors of Merger Sub in effect immediately prior to the Effective Time, which shall consist of Frank J. McPartland and Richard A. Ayotte, shall be the board of directors of the Surviving Corporation, and Frank J. McPartland shall serve as Chairman after the Effective Time until their respective successors have been duly elected and qualified or until their earlier death, resignation or removal in accordance with the Articles and the Bylaws as in effect from time to time.

2.4. Officers.

The officers of Merger Sub in effect immediately prior to the Effective Time, which shall consist of Richard A. Ayotte as President, shall be the officers of the Surviving Corporation after the Effective Time until their respective successors have been duly elected and qualified or until their earlier death, resignation or removal in accordance with the Articles and the Bylaws as in effect from time to time.

2.5. Name of Merger Sub.

At the Effective Time, the name of Merger Sub shall be changed to "American Brokerage Consultants, Inc."

3. EFFECT OF THE MERGER ON CAPITAL STOCK; EXCHANGE OF CERTIFICATES; CONVERSION OF SERIES A SHARES

3.1. Effect on Capital Stock.

At the Effective Time, as a result of the Merger and without any action on the part of the holder of any capital stock of the Company:

3.1.(a) Merger Consideration. Each share of the Common Stock, par value \$0.001 per share, of the Company issued and outstanding immediately prior to the Effective Time other than Shares that are owned by the Company (a "Share" and, collectively, the "Shares") shall be converted into, and become exchangeable for 20 shares of Series A Common Stock, par value \$0.001 per share, of Parent ("Series A Stock") (the "Merger Consideration"). At the Effective Time, all Shares shall no longer be outstanding and shall be cancelled and retired and shall cease to exist, and each certificate (a "Certificate") formerly representing any of such Shares shall thereafter represent only the right to the Merger Consideration.

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3.1.(b) Merger Sub. Each share of Common Stock, par value \$0.01 per share, of Merger Sub issued and outstanding immediately prior to the Effective Time shall remain outstanding.

3.2. Exchange of Certificates for Shares.

3.2.(a) Exchange of Shares. On the Closing Date, Parent will deliver to the holders of Certificates the Merger Consideration.

3.2.(b) Transfers. After the Effective Time, there shall be no transfers on the stock transfer books of the Company of the Shares that were outstanding immediately prior to the Effective Time.

3.2.(c) Fractional Shares. Notwithstanding any other provision of this Agreement to the contrary, no fractional shares of Parent Common Stock will be issued pursuant to the Merger.

3.2.(d) No Further Rights. From and after the Effective Time, no Shares shall be deemed to be outstanding, and holders of Certificates shall not have any rights with respect to such Certificates except as provided in this Agreement or by law.

3.3. Conversion of Series A Stock.

Upon (i) any merger, consolidation or other corporate reorganization or combination to which the Parent is a party and as a result of which control of the Parent is transferred, (ii) any sale of all or substantially all of the assets of the Parent, or (iii) the completion of a registered initial public offering of the Common Stock of the Parent, the Series A Stock shall convert automatically into the number of shares of Common Stock of the Parent determined pursuant to Schedule 3.3 hereof.

4. REPRESENTATIONS AND WARRANTIES OF SHAREHOLDERS

Shareholders, jointly and severally, make the following representations and warranties to Parent, each of which is true and correct on the date hereof, shall remain true and correct to and including the Closing Date, shall be unaffected by any investigation heretofore or hereafter made by Parent, or any knowledge of Parent other than as specifically disclosed in the Disclosure Schedule delivered to Parent at the time of the execution of this Agreement, and shall survive the Closing of the transactions provided for herein.

4.1. Corporate.

4.1.(a) Organization. Company is a corporation duly organized, validly existing and in good standing under the laws of the State of Florida.

4.1.(b) Corporate Power. Company has all requisite corporate power and authority to own, operate and lease its properties and to carry on its business as and where such is now being conducted.

4.1.(c) Qualification. Company is duly licensed or qualified to do business as a foreign corporation, and is in good standing, in each jurisdiction wherein the character of the properties owned or leased by it, or the nature of its business, makes such licensing or qualification necessary. The states in which Company is licensed or qualified to do business are listed in Schedule 4.1.(c).

4.1.(d) Subsidiaries. Company does not own any interest in any corporation, partnership or other entity.

4.1.(e) Corporate Documents, etc. The copies of the Articles of Incorporation and By-Laws of the Company, including any amendments thereto, which have been delivered by Shareholders to Parent are true, correct and complete copies of such instruments as presently in effect. The corporate minute book and

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stock records of the Company which have been furnished to Parent for inspection are true, correct and complete and accurately reflect all material corporate action taken by the Company.

4.1.(f) Capitalization of the Company. The authorized capital stock of the Company consists entirely of 7,500 shares of common stock, par value of \$.01 per share. No shares of such capital stock are issued or outstanding except for 3,000 shares, which are owned of record and beneficially by Shareholders in the respective numbers set forth in Schedule 4.1(f). All certificates issued to the Shareholders evidencing shares of issued and outstanding common stock of the Company have been lost. All such shares of capital stock of the Company are validly issued, fully paid and nonassessable. There are no (a) securities convertible into or exchangeable for any of the Company's capital stock or other securities, (b) options, warrants or other rights to purchase or subscribe to capital stock or other securities of the Company or securities which are convertible into or exchangeable for capital stock or other securities of the Company, or (c) contracts, commitments, agreements, understandings or arrangements of any kind relating to the issuance, sale or transfer of any capital stock or other equity securities of the Company, any such convertible or exchangeable securities or any such options, warrants or other rights.

4.2. Shareholders.

4.2.(a) Power. Each Shareholder has full power, legal right and authority to enter into, execute and deliver this Agreement and the other agreements, instruments and documents contemplated hereby (such other documents sometimes referred to herein as "Ancillary Instruments"), and to carry out the transactions contemplated hereby.

4.2.(b) Validity. This Agreement has been duly and validly executed and delivered by each Shareholder and is, and when executed and delivered each Ancillary Instrument will be, the legal, valid and binding obligation of such Shareholder, enforceable in accordance with its terms, except as such may be limited by bankruptcy, insolvency, reorganization or other laws affecting creditors' rights generally, and by general equitable principles.

4.2.(c) Title. Each Shareholder has good and marketable title to the Shares as set forth on Schedule 4.1(f), free and clear of all Liens (as defined below)

4.3. No Violation.

Except as set forth on Schedule 4.3, neither the execution and delivery of this Agreement or the Ancillary Instruments nor the consummation by Company and Shareholders of the transactions contemplated hereby and thereby (a) will violate any statute, law, ordinance, rule or regulation (collectively, "Laws") or any order, writ, injunction, judgment, plan or decree (collectively, "Orders") of any court, arbitrator, department, commission, board, bureau, agency, authority, instrumentality or other body, whether federal, state, municipal, foreign or other (collectively, "Government Entities"), (b) will require any authorization, consent, approval, exemption or other action by or notice to any Government Entity, or (c) subject to obtaining the consents referred to in Schedule 4.3, will violate or conflict with, or constitute a default (or an event which, with notice or lapse of time, or both, would constitute a default) under, or will result in the termination of, or accelerate the performance required by, or result in the creation of any Lien upon any of the assets of Company (or the Shares) under, any term or provision of the Articles of Incorporation or By-Laws of Company or of any contract, commitment, understanding, arrangement, agreement or restriction of any kind or character to which Company or any Shareholder is a party or by which Company or any Shareholder or any of its or their assets or properties may be bound or affected.

4.4. Financial Statements.

Included as Schedule 4.4 are true and complete copies of the financial statements of Company consisting of (i) an unaudited balance sheet of Company as of October 31, 1999 (the "Balance Sheet"), and the related unaudited statements of income and cash flows for the ten-month period then ended. All of such financial statements (including all notes and schedules to such statements) are true, complete and accurate, have been

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prepared in accordance with generally accepted accounting principles applied on a consistent basis, have been prepared in accordance with the books and records of Company, and fairly present, in accordance with generally accepted accounting principles, the assets, liabilities and financial position, the results of operations and cash flows of Company as of the dates and for the periods indicated.

4.5. Tax Matters.

4.5.(a) Provision For Taxes. The provision made for taxes on the Balance Sheet is sufficient for the payment of all federal, state, foreign, county, local and other income, *ad valorem*, excise, profits, franchise, occupation, property, payroll, sales, use, gross receipts and other taxes (and any interest and penalties) and assessments, whether or not disputed, at the date of the Balance Sheet and for all years and periods prior thereto. Since the date of the Balance Sheet, Company has not incurred any taxes other than taxes incurred in the ordinary course of business consistent in type and amount with past practices of Company.

4.5.(b) Tax Returns Filed. Except as set forth on Schedule 4.5.(b), all federal, state, foreign, county, local and other tax returns required to be filed by or on behalf of Company have been timely filed and when filed were true and correct in all material respects, and the taxes shown as due thereon were paid or adequately accrued. True and complete copies of all tax returns or reports filed by Company for each of its three most recent fiscal years have been delivered to Parent. Company has duly withheld and paid all taxes which it is required to withhold and pay relating to salaries and other compensation heretofore paid to the employees of Company.

4.5.(c) Tax Audits. The federal and state income tax returns of Company have been audited by the Internal Revenue Service and appropriate state taxing authorities for the periods and to the extent set forth in Schedule 4.5.(c), and Company has not received from the Internal Revenue Service or from the tax authorities of any state, county, local or other jurisdiction any notice of underpayment of taxes or other deficiency which has not been paid nor any objection to any return or report filed by Company. There are no agreements or waivers outstanding extending the statutory period of limitations applicable to any tax return or report.

4.5.(d) Consolidated Group. Schedule 4.5.(d) lists every year Company was a member of an affiliated group of corporations that filed a consolidated tax return on which the statute of limitations does not bar a federal tax assessment, and each corporation that has been part of such group. No affiliated group of corporations of which Company has been a member has discontinued filing consolidated returns during the past five years.

4.5.(e) Other. Except as set forth in Schedule 4.5.(e), Company has not (i) filed any consent or agreement under Section 341(f) of the Internal Revenue Code of 1986, as amended (the "Code"), (ii) applied for any tax ruling, (iii) entered into a closing agreement with any taxing authority, (iv) filed an election under Section 338(g) or Section 338(h)(10) of the Code (nor has a deemed election under Section 338(e) of the Code occurred), (v) made any payments, or been a party to an agreement (including this Agreement) that under any circumstances could obligate it to make payments that will not be deductible because of Section 280G of the Code, or (vi) been a party to any tax allocation or tax sharing agreement. The Company is not a "United States real property holding company" within the meaning of Section 897 of the Code.

4.6. Accounts Receivable.

All accounts receivable of Company reflected on the Balance Sheet, and as incurred in the normal course of business since the date thereof, represent arm's length sales actually made in the ordinary course of business; are collectible (net of the reserve shown on the Balance Sheet for doubtful accounts) in the ordinary course of business without the necessity of commencing legal proceedings; are subject to no counterclaim or setoff; and are not in dispute. Schedule 4.6 contains an aged schedule of accounts receivable included in the Balance Sheet.

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4.7. Absence of Certain Changes.

Except as and to the extent set forth in Schedule 4.7, since the date of the Balance Sheet there has not been:

4.7.(a) No Adverse Change. Any adverse change in the financial condition, assets, liabilities, business, prospects or operations of Company;

4.7.(b) No Damage. Any loss, damage or destruction, whether covered by insurance or not, affecting Company's business or properties;

4.7.(c) No Increase in Compensation. Any increase in the compensation, salaries or wages payable or to become payable to any employee or agent of Company (including, without limitation, any increase or change pursuant to any bonus, pension, profit sharing, retirement or other plan or commitment), or any bonus or other employee benefit granted, made or accrued;

4.7.(d) No Labor Disputes. Any labor dispute or disturbance, other than routine individual grievances which are not material to the business, financial condition or results of operations of Company.

4.7.(e) No Commitments. Any commitment or transaction by Company (including, without limitation, any borrowing or capital expenditure) other than in the ordinary course of business consistent with past practice;

4.7.(f) No Dividends. Any declaration, setting aside, or payment of any dividend or any other distribution in respect of Company's capital stock; any redemption, purchase or other acquisition by Company of any capital stock of Company, or any security relating thereto; or any other payment to any shareholder of Company as such a shareholder;

4.7.(g) No Disposition of Property. Any sale, lease or other transfer or disposition of any properties or assets of Company, except for the sale of inventory items in the ordinary course of business;

4.7.(h) No Indebtedness. Any indebtedness for borrowed money incurred, assumed or guaranteed by Company;

4.7.(i) No Liens. Any mortgage, pledge, lien or encumbrance made on any of the properties or assets of Company;

4.7.(j) No Amendment of Contracts. Any entering into, amendment or termination by Company of any contract, or any waiver of material rights thereunder, other than in the ordinary course of business;

4.7.(k) No Loans and Advances. Any loan or advance (other than advances to employees in the ordinary course of business for travel and entertainment in accordance with past practice) to any person including, but not limited to, any Affiliate (for purposes of this Agreement, the term "Affiliate" shall mean and include all Shareholders, directors and officers of Company; the spouse of any such person; any person who would be the heir or descendant of any such person if he or she were not living; and any entity in which any of the foregoing has a direct or indirect interest, except through ownership of less than 5% of the outstanding shares of any entity whose securities are listed on a national securities exchange or traded in the national over-the-counter market);

4.7.(l) No Credit. Any grant of credit to any customer or distributor on terms or in amounts more favorable than those which have been extended to such customer or distributor in the past, any other change in the terms of any credit heretofore extended, or any other change of Company's policies or practices with respect to the granting of credit; or

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4.7.(m) No Unusual Events. Any other event or condition not in the ordinary course of business of Company.

4.8. Absence of Undisclosed Liabilities.

Except as and to the extent specifically disclosed in the Balance Sheet, or in Schedule 4.8, Company does not have any liabilities, commitments or obligations (secured or unsecured, and whether accrued, absolute, contingent, direct, indirect or otherwise), other than commercial liabilities and obligations incurred since the date of the Balance Sheet in the ordinary course of business and consistent with past practice and none of which has or will have a material adverse effect on the business, financial condition or results of operations of Company. Except as and to the extent described in the Balance Sheet or in Schedule 4.8, neither Company nor any Shareholder has knowledge of any basis for the assertion against Company of any liability and there are no circumstances, conditions, happenings, events or arrangements, contractual or otherwise, which may give rise to liabilities, except commercial liabilities and obligations incurred in the ordinary course of Company's business and consistent with past practice.

4.9. No Litigation.

Except as set forth in Schedule 4.9 there is no action, suit, arbitration, proceeding, investigation or inquiry, whether civil, criminal or administrative ("Litigation") pending or threatened against Company, its directors (in such capacity), its business or any of its assets, nor does Company or any Shareholder know, or have grounds to know, of any basis for any Litigation. Schedule 4.9 also identifies all Litigation to which Company or any of its directors (in such capacity) have been parties. Except as set forth in Schedule 4.9, neither Company nor its business or assets is subject to any Order of any Government Entity.

4.10. Compliance With Laws and Orders.

4.10.(a) Compliance. Except as set forth in Schedule 4.10.(a), Company (including each and all of its operations, practices, properties and assets) is in compliance with all applicable Laws and Orders, including, without limitation, those applicable to discrimination in employment, occupational safety and health, trade practices, competition and pricing, product warranties, zoning, building and sanitation, employment, retirement and labor relations, product advertising and the Environmental Laws as hereinafter defined. Except as set forth in Schedule 4.10.(a), Company has not received notice of any violation or alleged violation of, and is subject to no Liability for past or continuing violation of, any Laws or Orders. All reports and returns required to be filed by Company with any Government Entity have been filed, and were accurate and complete when filed.

4.10.(b) Licenses and Permits. Company has all licenses, permits, approvals, authorizations and consents of all Government Entities and all certification organizations required for the conduct of the business (as presently conducted and as proposed to be conducted) and operation of the Facilities. All such licenses, permits, approvals, authorizations and consents are in full force and effect and will not be affected or made subject to loss, limitation or any obligation to reapply as a result of the transactions contemplated hereby. Except as set forth in Schedule 4.10.(b), Company (including its operations, properties and assets) is and has been in compliance with all such permits and licenses, approvals, authorizations and consents.

4.11. Title to and Condition of Properties.

4.11.(a) Marketable Title. Company has good and marketable title to all of Company's assets, business and properties, including, without limitation, all such properties (tangible and intangible) reflected in the Balance Sheet, free and clear of all mortgages, liens, (statutory or otherwise) security interests, claims, pledges, licenses, equities, options, conditional sales contracts, assessments, levies, easements, covenants, reservations, restrictions, rights-of-way, exceptions, limitations, charges or encumbrances of any nature whatsoever (collectively, "Liens") except those described in Schedule 4.11 and, in the case of real property, Liens for taxes not yet due or which are being contested in good faith by appropriate proceedings (and which have been sufficiently accrued or reserved against in the Balance Sheet), municipal and zoning ordinances and easements for public utilities, none of which interfere with the use of the property as currently utilized. None of Company's

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assets, business or properties are subject to any restrictions with respect to the transferability thereof; and the Company's title thereto will not be affected in any way by the transactions contemplated hereby.

4.11.(b) Condition. All property and assets owned or utilized by Company are in good operating condition and repair, free from any defects (except such minor defects as do not interfere with the use thereof in the conduct of the normal operations of Company), have been maintained consistent with the standards generally followed in the industry and are sufficient to carry on the business of Company as conducted during the preceding 12 months. All buildings, plants and other structures owned or otherwise utilized by Company are in good condition and repair and have no structural defects or defects affecting the plumbing, electrical, sewerage, or heating, ventilating or air conditioning systems.

4.12. Insurance.

Set forth in Schedule 4.12 is a complete and accurate list and description of all policies of fire, liability, product liability, workers compensation, health and other forms of insurance presently in effect with respect to the business and properties of Company, true and correct copies of which have heretofore been delivered to Parent. Schedule 4.12 includes, without limitation, the carrier, the description of coverage, the limits of coverage, retention or deductible amounts, amount of annual premiums, date of expiration and the date through which premiums have been paid with respect to each such policy, and any pending claims. All such policies are valid, outstanding and enforceable policies and provide insurance coverage for the properties, assets and operations of Company, of the kinds, in the amounts and against the risks customarily maintained by organizations similarly situated; and no such policy (nor any previous policy) provides for or is subject to any currently enforceable retroactive rate or premium adjustment, loss sharing arrangement or other actual or contingent liability arising wholly or partially out of events arising prior to the date hereof. Such policies are sufficient in all material respects for compliance by Company with all requirements of law and with the requirements of all material contracts to which Company is a party.

4.13. Contracts and Commitments.

4.13.(a) Real Property Leases. Except as set forth in Schedule 4.13(a), Company has no leases of real property.

4.13.(b) Personal Property Leases. Except as set forth in Schedule 4.13.(b), Company has no leases of personal property involving consideration or other expenditure in excess of \$10,000 or involving performance over a period of more than one year.

4.13.(c) Purchase Commitments. Company has no purchase commitments for inventory items or supplies that, together with amounts on hand, constitute in excess of three months normal usage, or which are at an excessive price.

4.13.(d) Sales Commitments. Company has no sales contracts or commitments to customers or distributors which aggregate in excess of \$ 5,000 to any one customer or distributor (or group of affiliated customers or distributors). Company has no sales contracts or commitments except those made in the ordinary course of business, at arm's length, and no such contracts or commitments are for a sales price which would result in a loss to the Company.

4.13.(e) Contracts With Affiliates and Certain Others. Company has no agreement, understanding, contract or commitment (written or oral) with any Affiliate or any employee, agent, consultant, distributor, dealer or franchisee that is not cancelable by Company on notice of not longer than 30 days without liability, penalty or premium of any nature or kind whatsoever.

4.13.(f) Powers of Attorney. The Company has not given a power of attorney, which is currently in effect, to any person, firm or corporation for any purpose whatsoever.

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4.13.(g) Collective Bargaining Agreements. Except as set forth in Schedule 4.13.(g), Company is not a party to any collective bargaining agreements with any unions, guilds, shop committees or other collective bargaining groups. Copies of all such agreements have heretofore been delivered to Parent.

4.13.(h) Loan Agreements. Except as set forth in Schedule 4.13.(h), Company is not obligated under any loan agreement, promissory note, letter of credit, or other evidence of indebtedness as a signatory, guarantor or otherwise.

4.13.(i) Guarantees. Except as disclosed on Schedule 4.13.(i), Company has not guaranteed the payment or performance of any person, firm or corporation, agreed to indemnify any person or act as a surety, or otherwise agreed to be contingently or secondarily liable for the obligations of any person.

4.13.(j) Contracts Subject to Renegotiation. Company is not a party to any contract with any governmental body which is subject to renegotiation.

4.13.(k) Burdensome or Restrictive Agreements. Company is not a party to nor is it bound by any agreement, deed, lease or other instrument which is so burdensome as to materially affect or impair the operation of Company. Without limiting the generality of the foregoing, Company is not a party to nor is it bound by any agreement requiring Company to assign any interest in any trade secret or proprietary information, or prohibiting or restricting Company from competing in any business or geographical area or soliciting customers or otherwise restricting it from carrying on its business anywhere in the world.

4.13.(l) Other Material Contracts. Company has no lease, contract or commitment of any nature involving consideration or other expenditure in excess of \$ 10,000 or involving performance over a period of more than three months, or which is otherwise individually material to the operations of Company, except as explicitly described in Schedule 4.13.(l) or in any other Schedule.

4.13.(m) No Default. Company is not in default under any lease, contract or commitment, nor has any event or omission occurred which through the passage of time or the giving of notice, or both, would constitute a default thereunder or cause the acceleration of any of Company's obligations or result in the creation of any Lien on any of the assets owned, used or occupied by Company. No third party is in default under any lease, contract or commitment to which Company is a party, nor has any event or omission occurred which, through the passage of time or the giving of notice, or both, would constitute a default thereunder or give rise to an automatic termination, or the right of discretionary termination, thereof.

4.14. Labor Matters.

Except as set forth in Schedule 4.14, within the last five years Company has not experienced any labor disputes, union organization attempts or any work stoppage due to labor disagreements in connection with its business. Except to the extent set forth in Schedule 4.14, (a) Company is in compliance with all applicable laws respecting employment and employment practices, terms and conditions of employment and wages and hours, and is not engaged in any unfair labor practice; (b) there is no unfair labor practice charge or complaint against Company pending or threatened; (c) there is no labor strike, dispute, request for representation, slowdown or stoppage actually pending or threatened against or affecting Company nor any secondary boycott with respect to products of Company; (d) no question concerning representation has been raised or is threatened respecting the employees of Company; (e) no grievance which might have a material adverse effect on Company, nor any arbitration proceeding arising out of or under collective bargaining agreements, is pending and no such claim therefor exists; and (f) there are no administrative charges or court complaints against Company concerning alleged employment discrimination or other employment related matters pending or threatened before the U.S. Equal Employment Opportunity Commission or any Government Entity.

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4.15. Employee Benefit Plans.

4.15.(a) Disclosure. Schedule 4.15.(a) sets forth all pension, thrift, savings, profit sharing, retirement, incentive bonus or other bonus, medical, dental, life, accident insurance, benefit, employee welfare, disability, group insurance, stock purchase, stock option, stock appreciation, stock bonus, executive or deferred compensation, hospitalization and other similar fringe or employee benefit plans, programs and arrangements, and any employment or consulting contracts, "golden parachutes," collective bargaining agreements, severance agreements or plans, vacation and sick leave plans, programs, arrangements and policies, including, without limitation, all "employee benefit plans" (as defined in Section 3(3) of the Employee Retirement Income Security Act of 1974, as amended ("ERISA")), all employee manuals, and all written or binding oral statements of policies, practices or understandings relating to employment, which are provided to, for the benefit of, or relate to, any persons ("Company Employees") employed by Company. The items described in the foregoing sentence are hereinafter sometimes referred to collectively as "Employee Plans/Agreements," and each individually as an "Employee Plan/Agreement." True and correct copies of all the Employee Plans/Agreements, including all amendments thereto, have heretofore been provided to Parent. Each of the Employee Plans/Agreements is identified on Schedule 4.15.(a), to the extent applicable, as one or more of the following: an "employee pension benefit plan" (as defined in Section 3(2) of ERISA), a "defined benefit plan" (as defined in Section 414 of the Code), an "employee welfare benefit plan" (as defined in Section 3(1) of ERISA), and/or as a plan intended to be qualified under Section 401 of the Code. No Employee Plan/Agreement is a "multiemployer plan" (as defined in Section 4001 of ERISA), and Company has never contributed nor been obligated to contribute to any such multiemployer plan.

4.15.(b) Terminations, Proceedings, Penalties, etc. With respect to each employee benefit plan (including, without limitation, the Employee Plans/Agreements) that is subject to the provisions of Title IV of ERISA and with respect to which the Company or any of its assets may, directly or indirectly, be subject to any liability, contingent or otherwise, or the imposition of any Lien (whether by reason of the complete or partial termination of any such plan, the funded status of any such plan, any "complete withdrawal" (as defined in Section 4203 of ERISA) or "partial withdrawal" (as defined in Section 4205 of ERISA) by any person from any such plan, or otherwise):

(i) no such plan has been terminated so as to subject, directly or indirectly, any assets of Company to any liability, contingent or otherwise, or the imposition of any lien under Title IV of ERISA;

(ii) no proceeding has been initiated or threatened by any person (including the Pension Benefit Guaranty Corporation ("PBGC") to terminate any such plan;

(iii) no condition or event currently exists or currently is expected to occur that could subject, directly or indirectly, any assets of Company to any liability, contingent or otherwise, or the imposition of any lien under Title IV of ERISA, whether to the PBGC or to any other person or otherwise on account of the termination of any such plan;

(iv) if any such plan were to be terminated as of the Closing Date, no assets of Company would be subject, directly or indirectly, to any liability, contingent or otherwise, or the imposition of any lien under Title IV of ERISA;

(v) no "reportable event" (as defined in Section 4043 of ERISA) has occurred with respect to any such plan;

(vi) no such plan which is subject to Section 302 of ERISA or Section 412 of the Code has incurred any "accumulated funding deficiency" (as defined in Section 302 of ERISA and Section 412 of the Code, respectively), whether or not waived; and

(vii) no such plan is a multiemployer plan or a plan described in Section 4064 of ERISA.

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4.15.(c) Prohibited Transactions, etc. There have been no "prohibited transactions" within the meaning of Section 406 or 407 of ERISA or Section 4975 of the Code for which a statutory or administrative exemption does not exist with respect to any Employee Plan/Agreement, and no event or omission has occurred in connection with which the Company or any of its assets or any Employee Plan/Agreement, directly or indirectly, could be subject to any liability under ERISA, the Code or any other Law or Order applicable to any Employee Plan/Agreement, or under any agreement, instrument, Law or Order pursuant to or under which Company has agreed to indemnify or is required to indemnify any person against liability incurred under any such Law or Order.

4.15.(d) Full Funding. The funds available under each Employee Plan/Agreement which is intended to be a funded plan exceed the amounts required to be paid, or which would be required to be paid if such Employee Plan/Agreement were terminated, on account of rights vested or accrued as of the Closing Date (using the actuarial methods and assumptions then used by Company's actuaries in connection with the funding of such Employee Plan/Agreement).

4.15.(e) Controlled Group; Affiliated Service Group; Leased Employees. Company is not and never has been a member of a controlled group of corporations as defined in Section 414(b) of the Code or in common control with any unincorporated trade or business as determined under Section 414(c) of the Code. Company is not and never has been a member of an "affiliated service group" within the meaning of Section 414(m) of the Code. There are not and never have been any leased employees within the meaning of Section 414(n) of the Code who perform services for Company, and no individuals are expected to become leased employees with the passage of time.

4.15.(f) Payments and Compliance. With respect to each Employee Plan/Agreement, (i) all payments due from Company to date have been made and all amounts properly accrued to date as liabilities of Company which have not been paid have been properly recorded on the books of Company and are reflected in the Recent Balance Sheet; (ii) Company has complied with, and each such Employee Plan/Agreement conforms in form and operation to, all applicable laws and regulations, including but not limited to ERISA and the Code, in all respects and all reports and information relating to such Employee Plan/Agreement required to be filed with any governmental entity have been timely filed; (iii) all reports and information relating to each such Employee Plan/Agreement required to be disclosed or provided to participants or their beneficiaries have been timely disclosed or provided; (iv) each such Employee Plan/Agreement which is intended to qualify under Section 401 of the Code has received a favorable determination letter from the Internal Revenue Service with respect to such qualification, its related trust has been determined to be exempt from taxation under Section 501(a) of the Code, and nothing has occurred since the date of such letter that has or is likely to adversely affect such qualification or exemption; (iv) there are no actions, suits or claims pending (other than routine claims for benefits) or threatened with respect to such Employee Plan/Agreement or against the assets of such Employee Plan/Agreement; and (v) no Employee Plan/Agreement is a plan which is established and maintained outside the United States primarily for the benefit of individuals substantially all of whom are nonresident aliens.

4.15.(g) Post-Retirement Benefits. No Employee Plan/Agreement provides benefits, including, without limitation, death or medical benefits (whether or not insured) with respect to current or former Company employees beyond their retirement or other termination of service other than (i) coverage mandated by applicable law, (ii) death or retirement benefits under any Employee Plan/Agreement that is an employee pension benefit plan, (iii) deferred compensation benefits accrued as liabilities on the books of Company (including the Recent Balance Sheet), (iv) disability benefits under any Employee Plan/Agreement that is an employee welfare benefit plan and which have been fully provided for by insurance or otherwise or (v) benefits in the nature of severance pay.

4.15.(h) No Triggering of Obligations. The consummation of the transactions contemplated by this Agreement will not (i) entitle any current or former employee of Company to severance pay, unemployment compensation or any other payment, except as expressly provided in this Agreement, (ii) accelerate the time of payment or vesting, or increase the amount of compensation due to any such employee or former employee or (iii) result in any prohibited transaction described in Section 406 of ERISA or Section 4975 of the Code for which an exemption is not available.

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4.15.(i) Delivery of Documents. There has been delivered to Parent, with respect to each Employee Plan/Agreement:

(i) a copy of the annual report, if required under ERISA, with respect to each such Employee Plan/Agreement for the last two years;

(ii) a copy of the summary plan description, together with each summary of material modifications, required under ERISA with respect to such Employee Plan/Agreement, all material employee communications relating to such Employee Plan/Agreement, and, unless the Employee Plan/Agreement is embodied entirely in an insurance policy to which Company is a party, a true and complete copy of such Employee Plan/Agreement;

(iii) if the Employee Plan/Agreement is funded through a trust or any third party funding vehicle (other than an insurance policy), a copy of the trust or other funding agreement and the latest financial statements thereof; and

(iv) the most recent determination letter received from the Internal Revenue Service with respect to each Employee Plan/Agreement that is intended to be a "qualified plan" under Section 401 of the Code.

With respect to each Employee Plan/Agreement for which an annual report has been filed and delivered to Parent pursuant to clause (i) of this Section 4.15.(i), no material adverse change has occurred with respect to the matters covered by the latest such annual report since the date thereof.

4.15.(j) Future Commitments. Company has no announced plan or legally binding commitment to create any additional Employee Plans/Agreements or to amend or modify any existing Employee Plan/Agreement.

4.16. Employment Compensation.

Schedule 4.16 contains a true and correct list of all employees to whom Company is paying compensation, including bonuses and incentives for services rendered or otherwise; and in the case of salaried employees such list identifies the current annual rate of compensation (including the amount of base salary, bonus, and any other payments) for each employee and in the case of hourly or commission employees identifies certain reasonable ranges of rates and the number of employees falling within each such range.

4.17. Trade Rights.

Schedule 4.17 lists all Trade Rights (as defined below) in which Company now has any interest, specifying whether such Trade Rights are owned, controlled, used or held (under license or otherwise) by Company, and also indicating which of such Trade Rights are registered. All Trade Rights shown as registered in Schedule 4.17 have been properly registered, all pending registrations and applications have been properly made and filed and all annuity, maintenance, renewal and other fees relating to registrations or applications are current. In order to conduct the business of Company, as such is currently being conducted or proposed to be conducted, Company does not require any Trade Rights that it does not already have. Company is not infringing and has not infringed any Trade Rights of another in the operation of the business of Company, nor is any other person infringing the Trade Rights of Company. Company has not granted any license or made any assignment of any Trade Right listed on Schedule 4.17, nor does Company pay any royalties or other consideration for the right to use any Trade Rights of others. There is no Litigation pending or threatened to challenge Company's right, title and interest with respect to its continued use and right to preclude others from using any Trade Rights of Company. All Trade Rights of Company are valid, enforceable and in good standing, and there are no equitable defenses to enforcement based on any act or omission of Company. The consummation of the transactions contemplated hereby will not alter or impair any Trade Rights owned or used by Company. As used herein, the term "Trade Rights" shall mean and include: (i) all trademark rights, business identifiers, trade dress,

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service marks, trade names and brand names, all registrations thereof and applications therefor and all goodwill associated with the foregoing; (ii) all copyrights, copyright registrations and copyright applications, and all other rights associated with the foregoing and the underlying works of authorship; (iii) all patents and patent applications, and all international proprietary rights associated therewith; (iv) all contracts or agreements granting any right, title, license or privilege under the intellectual property rights of any third party; (v) all inventions, mask works and mask work registrations, know-how, discoveries, improvements, designs, trade secrets, shop and royalty rights, employee covenants and agreements respecting intellectual property and non-competition and all other types of intellectual property; and (vi) all claims for infringement or breach of any of the foregoing.

4.18. Major Customers and Suppliers.

4.18.(a) Major Customers. Schedule 4.18.(a) contains a list of the customers, including distributors, of Company for the year ended December 31, 1998 and for the ten-month period ended October 31, 1999 that represent 10% or more of revenues for such periods (determined on the basis of the total dollar amount of net sales) showing the total dollar amount of net sales to each such customer during each such year. Neither Company nor any Shareholder has any knowledge or information of any facts indicating, nor any other reason to believe, that any of the customers listed on Schedule 4.18.(a) will not continue to be customers of the business of Company after the Closing at substantially the same level of purchases as heretofore.

4.18.(b) Major Suppliers. Schedule 4.18.(b) contains a list of the suppliers to Company for the year ended December 31, 1998 and for the ten-month period ended October 31, 1999 that represent 10% or more of total expenses for such years (determined on the basis of the total dollar amount of purchases) showing the total dollar amount of purchases from each such supplier during each such year. Neither Company nor any Shareholder has any knowledge or information of any facts indicating, nor any other reason to believe, that any of the suppliers listed on Schedule 4.18.(b) will not continue to be suppliers to the business of Company after the Closing and will not continue to supply the business with substantially the same quantity and quality of goods at competitive prices.

4.18.(c) Dealers and Distributors. Schedule 4.18.(c) contains a list by product line of all sales representatives, dealers, distributors and franchisees of Company, together with representative copies of all sales representative, dealer, distributor and franchise contracts and policy statements, and a description of all substantial modifications or exceptions.

4.19. Product Warranty and Product Liability.

Schedule 4.19 contains a true, correct and complete copy of Company's standard warranty or warranties for sales of Products (as defined below) and, except as stated therein, there are no warranties, commitments or obligations with respect to the return, repair or replacement of Products.

4.20. Bank Accounts.

Schedule 4.20 sets forth the names and locations of all banks, trust companies, savings and loan associations and other financial institutions at which the Company maintains a safe deposit box, lock box or checking, savings, custodial or other account of any nature, the type and number of each such account and the signatories therefore, a description of any compensating balance arrangements, and the names of all persons authorized to draw thereon, make withdrawals therefrom or have access thereto.

4.21. Affiliates' Relationships to Company.

4.21.(a) Contracts With Affiliates. All leases, contracts, agreements or other arrangements between Company and any Affiliate are described on Schedule 4.21.(a).

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4.21.(b) No Adverse Interests. No Affiliate has any direct or indirect interest in (i) any entity which does business with Company or is competitive with Company's business, or (ii) any property, asset or right which is used by Company in the conduct of its business.

4.21.(c) Obligations. All obligations of any Affiliate to Company, and all obligations of Company to any Affiliate, are listed on Schedule 4.21.(c).

4.22. Assets Necessary to Business.

Company presently has and at the Closing will have good, valid and marketable title to all property and assets, tangible and intangible, and all leases, licenses and other agreements, necessary to permit Parent to carry on the business of Company as presently conducted.

4.23. Year 2000.

Company's Internal Systems are Year 2000 Compliant. Internal Systems are defined as the following: systems and interfaces which have date functionality, mini-computers, PC servers and workstations, communications equipment, building automation equipment, commercial off-the-shelf software and custom software. Year 2000 Compliant means that neither performance nor function is affected by dates prior to, during and after the year 2000; and that (i) no value for a current date will cause any interruption or error in operation; (ii) date-based functionality will behave consistently and correctly for dates prior to, during and after year 2000; (iii) in all interfaces and data storage, the century in any date will be specified either explicitly or in unambiguous algorithms or inferencing rules and will not require manual override by the user; and (iv) the year 2000 will be recognized as a leap year.

4.24. No Brokers or Finders.

Neither Company nor any of its directors, officers, employees, Shareholders or agents have retained, employed or used any broker or finder in connection with the transaction provided for herein or in connection with the negotiation thereof.

4.25. Investment Intent.

4.25.(a) Each Shareholder is acquiring the Series A Stock for such Shareholder's own account and without any view to the distribution or resale of such shares.

4.25.(b) Each Shareholder understands and agrees that the Series A Stock may not be sold, transferred or otherwise disposed of without registration under the Securities Act of 1933 Act and applicable state laws, unless exemptions from registration requirements are available, and that in the absence of an effective registration statement covering such shares or an available exemption from applicable registration requirements, such shares must be held indefinitely.

4.25.(c) Each Shareholder acknowledges and understands that (i) neither the Series A Stock nor any class of capital stock of Buyer have been registered under the United States federal or state securities laws and are being offered and sold in reliance upon exemptions therefrom, (ii) Buyer does not have any obligation to register either the Series A Stock nor any class of capital stock of Buyer under the United States federal or state securities laws, and (iii) the Series A Stock is being issued by Buyer without registration under the United States federal securities laws or state securities laws in part on the grounds that such issuance is exempt from registration under the Securities Act of 1933 pursuant to Section 4(2) thereof, and that Buyer's reliance on such exemption is predicated on each Shareholder's representations set forth herein.

4.25.(d) Each Shareholder represents that such Shareholder (i) has such knowledge and experience in financial and business matters as to be capable of evaluating the merits and risks of its investment in the Series A Stock and (ii) has the ability to bear the economic risks of such investment. Each Shareholder

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further represents that such Shareholder has had the opportunity to ask questions of, and receive answers from, Buyer's officers concerning Buyer and obtain additional information (to the extent Buyer possessed such information) necessary to verify the accuracy of any information received or to which such Shareholder had access.

4.25.(c) Each Shareholder agrees that all certificates for the Series A Stock shall bear a legend in substantially the following form:

The securities represented by this certificate have not been registered, qualified, recommended, approved or disapproved under United States federal securities law or state securities laws. The shares represented by this certificate may not be sold, transferred or otherwise disposed of by an investor without (i) registration under federal and state securities laws, or (ii) delivery of an opinion of counsel satisfactory to the corporation that neither the sale nor the proposed transfer constitutes a violation of any United States federal or state securities law.

4.26. Disclosure.

No representation or warranty by Company or the Shareholders in this Agreement, nor any statement, certificate, schedule, document or exhibit hereto furnished or to be furnished by or on behalf of Company or Shareholders pursuant to this Agreement or in connection with transactions contemplated hereby, contains or shall contain any untrue statement of material fact or omits or shall omit a material fact necessary to make the statements contained therein not misleading. All statements and information contained in any certificate, instrument, Disclosure Schedule or document delivered by or on behalf of Company and/or Shareholders shall be deemed representations and warranties by the Company and the Shareholders.

5. REPRESENTATIONS AND WARRANTIES OF PARENT AND MERGER SUB

Parent and Merger Sub make the following representations and warranties to the Shareholders, each of which is true and correct on the date hereof, shall remain true and correct to and including the Closing Date, shall be unaffected by any investigation heretofore or hereafter made by Shareholders or any notice to Shareholders, and shall survive the Closing of the transactions provided for herein.

5.1. Corporate.

5.1.(a) Organization. Parent is a corporation duly organized, validly existing and in good standing under the laws of the State of Florida.

5.1.(b) Corporate Power. Parent has all requisite corporate power to enter into this Agreement and the other documents and instruments to be executed and delivered by Parent and to carry out the transactions contemplated hereby and thereby.

5.2. Authority.

The execution and delivery of this Agreement and the other documents and instruments to be executed and delivered by Parent pursuant hereto and the consummation of the transactions contemplated hereby and thereby have been duly authorized by the Board of Directors of Parent. No other corporate act or proceeding on the part of Parent or its shareholders is necessary to authorize this Agreement or the other documents and instruments to be executed and delivered by Parent pursuant hereto or the consummation of the transactions contemplated hereby and thereby. This Agreement constitutes, and when executed and delivered, the other documents and instruments to be executed and delivered by Parent pursuant hereto will constitute, valid and binding agreements of Parent, enforceable in accordance with their respective terms, except as such may be

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limited by bankruptcy, insolvency, reorganization or other laws affecting creditors' rights generally, and by general equitable principles.

5.3. No Brokers or Finders.

Neither Parent nor any of its directors, officers, employees or agents have retained, employed or used any broker or finder in connection with the transaction provided for herein or in connection with the negotiation thereof.

5.4. Disclosure.

No representation or warranty by Parent in this Agreement, nor any statement, certificate, schedule, document or exhibit hereto furnished or to be furnished by or on behalf of Parent pursuant to this Agreement or in connection with transactions contemplated hereby, contains or shall contain any untrue statement of material fact or omits or shall omit a material fact necessary to make the statements contained therein not misleading.

5.5. Capitalization of Parent Structure.

The authorized capital stock of Parent consists of 100,000,000 shares of Parent Common Stock and 10,000,000 share of Preferred Stock, of which 9,739,607 shares of Common Stock, including all series of Common Stock that is outstanding on the Closing Date. The rights, privileges, and limitation of the Series A Common Stock are set forth on Schedule 5.5 hereof. All such shares of capital stock of the Parent are validly issued, fully paid and nonassessable. Except as set forth on Schedule 5.5, there are no (a) securities convertible into or exchangeable for any of the Parent's capital stock or other securities, (b) options, warrants or other rights to purchase or subscribe to capital stock or other securities of the Parent or securities which are convertible into or exchangeable for capital stock or other securities of the Parent, or (c) contracts, commitments, agreements, understandings or arrangements of any kind relating to the issuance, sale or transfer of any capital stock or other equity securities of the Parent, any such convertible or exchangeable securities or any such options, warrants or other rights.

5.6. Financial Statements.

The December 31, 1998 audited financial statements of Parent attached as Schedule 5.6, consisting of a balance sheet as of December 31, 1998 and the related statements of income and cash flows for the year then ended (including the notes and schedules thereto), and the October 31, 1999 unaudited financial statements of Parent, consisting of an unaudited balance sheet as of October 31, 1999 and the related statements of income and cash flows for the period then ended are true, complete and accurate, have been prepared in accordance with generally accepted accounting principles applied on a consistent basis, have been prepared in accordance with the books and records of Parent, and fairly present, in accordance with generally accepted accounting principles, the assets, liabilities and financial position, the results of operations and cash flows of Parent as of the dates and for the years and periods indicated.

6. COVENANTS

6.1. Noncompetition; Confidentiality.

Subject to the Closing, and as an inducement to Parent completing the Merger, and in order to preserve the goodwill associated with the business of Company, each Shareholder hereby covenants and agrees as follows:

6.1.(a) Covenant Not to Compete. For a period of two years from the Closing Date, no Shareholder will directly or indirectly:

(i) engage in, continue in or carry on any business which competes with Parent, any subsidiary of Parent, or Company or is substantially similar thereto, including owning or controlling

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any financial interest in any corporation, partnership, firm or other form of business organization which is so engaged;

(ii) consult with, advise or assist in any way, whether or not for consideration, any corporation, partnership, firm or other business organization which is now or becomes a competitor of Company, Parent, or any subsidiary of Parent;

(iii) offer employment to an employee of Company, Parent, or any subsidiary of Parent, without the prior written consent of Parent; or

(iv) engage in any practice the purpose of which is to evade the provisions of this covenant not to compete or to commit any act which adversely affects Company, Parent, or any subsidiary of Parent;

provided, however, that the foregoing shall not prohibit the ownership of securities of corporations which are listed on a national securities exchange or traded in the national over-the-counter market in an amount which shall not exceed 5% of the outstanding shares of any such corporation. The parties agree that the geographic scope of this covenant not to compete shall extend through the entire United States of America. The parties agree that Parent may sell, assign or otherwise transfer this covenant not to compete, in whole or in part, to any person, corporation, firm or entity that purchases all or part of the business of the Company. In the event a court of competent jurisdiction determines that the provisions of this covenant not to compete are excessively broad as to duration, geographical scope or activity, it is expressly agreed that this covenant not to compete shall be construed so that the remaining provisions shall not be affected, but shall remain in full force and effect, and any such over broad provisions shall be deemed, without further action on the part of any person, to be modified, amended and/or limited, but only to the extent necessary to render the same valid and enforceable in such jurisdiction.

6.1.(b) Covenant of Confidentiality. No Shareholder shall at any time subsequent to the Closing, except as explicitly requested by Parent, (i) use for any purpose, (ii) disclose to any person, or (iii) keep or make copies of documents, tapes, discs or programs containing, any confidential information concerning Company. For purposes hereof, "confidential information" shall mean and include, without limitation, all Trade Rights in which Company has an interest, all customer lists and customer information, and all other information concerning Company's processes, apparatus, equipment, packaging, products, marketing and distribution methods, not previously disclosed to the public directly by Company.

6.1.(c) Covenant Regarding Employment by Clients. For a period of two years following the Closing, no Shareholder, except Thomas J. McCluskey, shall become employed by, consult with, advise, or assist in any way, whether or not for consideration, any Client. A "Client" means any (i) entity that has been invoiced by Company, Parent, or any subsidiary or affiliate of Parent at any time during the previous 36-month period, or (ii) potential client of Company, Parent, or any subsidiary or affiliate of Parent that has had discussions regarding becoming a Client at any time during the previous 12-month period.

6.1.(d) Equitable Relief for Violations. Each Shareholder agrees that the provisions and restrictions contained in this Section 6.1 are necessary to protect the legitimate continuing interests of Parent in acquiring the Shares, and that any violation or breach of these provisions will result in irreparable injury to Parent for which a remedy at law would be inadequate and that, in addition to any relief at law which may be available to Parent for such violation or breach and regardless of any other provision contained in this Agreement, Parent shall be entitled to injunctive and other equitable relief as a court may grant after considering the intent of this Section 6.1.

6.2. Benefit Plans.

Parent agrees to maintain all benefit plans of Company described in Schedule 4.15.(a) unless Parent offers a benefit plan with superior benefits.

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7. INDEMNIFICATION

7.1. By Shareholders.

Subject to the terms and conditions of this Article 7 each Shareholder, jointly and severally, hereby agrees to indemnify, defend and hold harmless Parent, its directors, officers, employees and controlled and controlling persons (hereinafter "Parent's Affiliates") and the Company from and against all Claims asserted against, resulting to, imposed upon, or incurred by Parent, Parent's Affiliates or the Company, directly or indirectly, by reason of, arising out of or resulting from (a) the inaccuracy or breach of any representation or warranty of any Shareholder or Company contained in or made pursuant to this Agreement, or (b) the breach of any covenant of any Shareholder or the Company contained in this Agreement. As used in this Article 7, the term "Claim" shall include (i) all debts, liabilities and obligations; (ii) all losses, damages (including, without limitation, consequential damages), judgments, awards, settlements, costs and expenses (including, without limitation, interest (including prejudgment interest in any litigated matter), penalties, court costs and attorneys fees and expenses); and (iii) all demands, claims, suits, actions, costs of investigation, causes of action, proceedings and assessments, whether or not ultimately determined to be valid.

7.2. By Parent.

Subject to the terms and conditions of this Article 7, Parent hereby agrees to indemnify, defend and hold harmless each Shareholder from and against all Claims asserted against, resulting to, imposed upon or incurred by any such person, directly or indirectly, by reason of or resulting from (a) the inaccuracy or breach of any representation or warranty of Parent contained in or made pursuant to this Agreement, or (b) the breach of any covenant of Parent contained in this Agreement.

7.3. Indemnification of Third-Party Claims.

The obligations and liabilities of any party to indemnify any other under this Article 7 with respect to Claims relating to third parties shall be subject to the following terms and conditions:

i. Notice and Defense. The party or parties to be indemnified (whether one or more, the "Indemnified Party") will give the party from whom indemnification is sought (the "Indemnifying Party") [prompt] written notice of any such Claim, and the Indemnifying Party will undertake the defense thereof by representatives chosen by it. In all matters concerning the Shareholders by virtue of joint and several liability, the Shareholders' Agent shall give and receive notice and otherwise act in all respects on their behalf. Failure to give such notice shall not affect the Indemnifying Party's duty or obligations under this Article 7, except to the extent the Indemnifying Party is prejudiced thereby. So long as the Indemnifying Party is defending any such Claim actively and in good faith, the Indemnified Party shall not settle such Claim. The Indemnified Party shall make available to the Indemnifying Party or its representatives all records and other materials required by them and in the possession or under the control of the Indemnified Party, for the use of the Indemnifying Party and its representatives in defending any such Claim, and shall in other respects give reasonable cooperation in such defense.

ii. Failure to Defend. If the Indemnifying Party, within a reasonable time after notice of any such Claim, fails to defend such Claim actively and in good faith, the Indemnified Party will (upon further notice) have the right to undertake the defense, compromise or settlement of such Claim or consent to the entry of a judgment with respect to such Claim, on behalf of and for the account and risk of the Indemnifying Party, and the Indemnifying Party shall thereafter have no right to challenge the Indemnified Party's defense, compromise, settlement or consent to judgment therein.

iii. Indemnified Party's Rights. Anything in this Section 7.3 to the contrary notwithstanding, (i) if there is a reasonable probability that a Claim may materially and

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adversely affect the Indemnified Party other than as a result of money damages or other money payments, the Indemnified Party shall have the right to defend, compromise or settle such Claim, and (ii) the Indemnifying Party shall not, without the written consent of the Indemnified Party, settle or compromise any Claim or consent to the entry of any judgment which does not include as an unconditional term thereof the giving by the claimant or the plaintiff to the Indemnified Party of a release from all Liability in respect of such Claim.

7.4. Payment.

The Indemnifying Party shall promptly pay the Indemnified Party any amount due under this Article 7, which payment may be accomplished in whole or in part, at the option of the Indemnified Party, by the Indemnified Party setting off any amount owed to the Indemnifying Party by the Indemnified Party. To the extent set-off is made by an Indemnified Party in satisfaction or partial satisfaction of an indemnity obligation under this Article 7 that is disputed by the Indemnifying Party, upon a subsequent determination by final judgment not subject to appeal that all or a portion of such indemnity obligation was not owed to the Indemnified Party, the Indemnified Party shall pay the Indemnifying Party the amount which was set off and not owed. Upon judgment, determination, settlement or compromise of any third party Claim, the Indemnifying Party shall pay promptly on behalf of the Indemnified Party, and/or to the Indemnified Party in reimbursement of any amount theretofore required to be paid by it, the amount so determined by judgment, determination, settlement or compromise and all other Claims of the Indemnified Party with respect thereto, unless in the case of a judgment an appeal is made from the judgment. If the Indemnifying Party desires to appeal from an adverse judgment, then the Indemnifying Party shall post and pay the cost of the security or bond to stay execution of the judgment pending appeal. Upon the payment in full by the Indemnifying Party of such amounts, the Indemnifying Party shall succeed to the rights of such Indemnified Party, to the extent not waived in settlement, against the third party who made such third party Claim.

7.5. Survival of Representations and Warranties.

The representations and warranties of the parties in this Agreement shall survive the Closing and shall expire three years following the Closing. No claim or action shall be brought under this Article 7 for breach of a representation or warranty after the lapse of three years following the Closing. Regardless of the foregoing, however, or any other provision of this Agreement:

(i) There shall be no time limitation on claims on actions brought for breach of any representation or warranty made by Shareholders or Company in or pursuant to Sections 4.2, 4.5, 4.11, and 4.16 and Shareholders hereby waive all applicable statutory limitation periods with respect thereto.

8. MISCELLANEOUS

8.1. Disclosure Schedule.

The Schedules have been compiled in a bound volume (the "Disclosure Schedule"), executed by Shareholders and dated and delivered to Parent on the date of this Agreement. Information set forth in the Disclosure Schedule specifically refers to the article and section of this Agreement to which such information is responsive and such information shall not be deemed to have been disclosed with respect to any other article or section of this Agreement or for any other purpose. The Disclosure Schedule includes a table of contents and/or index to all of the information and documents contained therein. The Disclosure Schedule shall not vary, change or alter the language of the representations and warranties contained in this Agreement and, to the extent the language in the Disclosure Schedule does not conform in every respect to the language of such representations and warranties, such language in the Disclosure Schedule shall be disregarded and be of no force or effect.

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8.2. Further Assurance.

From time to time, at Parent's request and without further consideration, Company and Shareholders will execute and deliver to Parent such documents and take such other action as Parent may reasonably request in order to consummate more effectively the transactions contemplated hereby.

8.3. Disclosures and Announcements.

Neither Company nor any Shareholder shall make any announcements concerning the transactions provided for in this Agreement without the prior written consent of Parent.

8.4. Assignment; Parties in Interest.

8.4.(a) Assignment. Except as expressly provided herein, the rights and obligations of a party hereunder may not be assigned, transferred or encumbered without the prior written consent of the other parties. Notwithstanding the foregoing, Parent may, without consent of any other party, cause one or more subsidiaries of Parent to carry out all or part of the transactions contemplated hereby; provided, however, that Parent shall, nevertheless, remain liable for all of its obligations, and those of any such subsidiary, to Shareholders hereunder.

8.4.(b) Parties in Interest. This Agreement shall be binding upon, inure to the benefit of, and be enforceable by the respective successors and permitted assigns of the parties hereto. Nothing contained herein shall be deemed to confer upon any other person any right or remedy under or by reason of this Agreement.

8.5. Law Governing Agreement.

This Agreement shall be construed and interpreted according to the internal laws of the State of Florida, excluding any choice of law rules that may direct the application of the laws of another jurisdiction.

8.6. Amendment and Modification.

Parent and Shareholders may amend, modify and supplement this Agreement in such manner as may be agreed upon in writing between Parent and Shareholders' Agent; provided, however, that Parent may, in Parent's discretion, require the execution of any amendment by all the Shareholders personally.

8.7. Notice.

All notices, requests, demands and other communications hereunder shall be given in writing and shall be: (a) personally delivered; (b) sent by telecopier, facsimile transmission or other electronic means of transmitting written documents; or (c) sent to the parties at their respective addresses indicated herein by registered or certified U.S. mail, return receipt requested and postage prepaid, or by private overnight mail courier service. The respective addresses to be used for all such notices, demands or requests are as follows:

(a) If to Parent, to:

MultiTech Brokerage Solutions
424 Central Ave., Suite 500
St. Petersburg, FL 33701
Attention: Frank J. McPartland
Facsimile: (727) 823-9550

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(with a copy to)

Foley & Lardner
100 North Tampa St., Suite 2700
Tampa, FL 33602
Facsimile: (813) 221-4210

or to such other person or address as Parent shall furnish to Shareholders in writing.

(b) If to Shareholders, to:

American Brokerage Consultants, Inc.
424 Central Avenue, 5th Floor
St. Petersburg, Florida 33701
Attention: Richard A. Ayotte
Facsimile: (727) 895-1192

(with a copy to)

Thomas J. McCluskey
1180 Perregrine Circle West
Jacksonville, Florida 32259
Facsimile: (904) 987-8265

or to such other person or address as Shareholders shall furnish to Parent in writing.

If personally delivered, such communication shall be deemed delivered upon actual receipt; if electronically transmitted pursuant to this paragraph, such communication shall be deemed delivered the next business day after transmission (and sender shall bear the burden of proof of delivery); if sent by overnight courier pursuant to this paragraph, such communication shall be deemed delivered upon receipt; and if sent by U.S. mail pursuant to this paragraph, such communication shall be deemed delivered as of the date of delivery indicated on the receipt issued by the relevant postal service, or, if the addressee fails or refuses to accept delivery, as of the date of such failure or refusal. Delivery to Shareholders' Agent shall constitute delivery to all Shareholders. Any party to this Agreement may change its address for the purposes of this Agreement by giving notice thereof in accordance with this Section.

8.8. Expenses.

Each of the parties shall bear its own expenses and the expenses of its counsel and other agents in connection with the transactions contemplated hereby.

8.9. Entire Agreement.

This instrument embodies the entire agreement between the parties hereto with respect to the transactions contemplated herein, and there have been and are no agreements, representations or warranties between the parties other than those set forth or provided for herein.

8.10. Counterparts.

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

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8.11. Headings.

The headings in this Agreement are inserted for convenience only and shall not constitute a part hereof.

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IN WITNESS WHEREOF, this Agreement has been duly executed and delivered by the duly authorized officers of the parties hereto as of the date first written above.

AMERICAN BROKERAGE CONSULTANTS, INC.

By: Richard A. Ayotte
Name: Richard A. Ayotte
Title: President

MULTITECH BROKERAGE SOLUTIONS, INC.

By: Frank J. McPartland
Name: Frank J. McPartland
Title: President and Chief Executive Officer

MULTITECH ACQUISITION A CO.

By: Frank J. McPartland
Name: Frank J. McPartland
Title: President

SHAREHOLDERS

Richard A. Ayotte
RICHARD A. AYOTTE

Thomas J. McCluskey
THOMAS J. MCCLUSKEY