



511419

1116-D Thomasville Road . Mount Vernon Square . Tallahassee, Florida 32303

P.O. Box 37066 (32315-7066) ~ (904) 222-2666 or (800) 969-1666 . Fax (904) 222-1666

WALK IN

PICK UP

11/26/97

CUS

FILING

CERTIFIED COPY

PHOTO COPY

1.) Primary Medical Care, Inc.
(CORPORATE NAME & DOCUMENT #)

+ Choice Drug Systems of Maryland, Inc.

2.)
(CORPORATE NAME & DOCUMENT #)

3.)
(CORPORATE NAME & DOCUMENT #)

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*****70.00 *****70.00

4.)
(CORPORATE NAME & DOCUMENT #)

5.)
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(CORPORATE NAME & DOCUMENT #)

10.)
(CORPORATE NAME & DOCUMENT #)

SPECIAL INSTRUCTIONS

FILED
SECRETARY OF STATE
DIVISION OF CORPORATIONS
97 DEC -1 PM 12:00

RECEIVED
97 NOV 26 AM 11:40
DIVISION OF CORPORATION

merger
of

12/1/97

ARTICLES OF MERGER
Merger Sheet

MERGING:

PRIMARY MEDICAL CARE, INC., a FL corp., #S11419

INTO

CHOICE DRUG SYSTEMS OF MARYLAND, INC., a Maryland corporation not
qualified in Florida.

File date: December 1, 1997

Corporate Specialist: Susan Payne



FLORIDA DEPARTMENT OF STATE
Sandra B. Mortham
Secretary of State

November 26, 1997

Corporate Access, Inc.

Tallahassee, FL

SUBJECT: PRIMARY MEDICAL CARE, INC.
Ref. Number: S11419

We have received your document for PRIMARY MEDICAL CARE, INC. and check(s) totaling \$70.00. However, the enclosed document has not been filed and is being returned to you for the following reason(s):

The articles of merger indicate the date of adoption by the shareholders of CHOICE DRUG SYSTEMS OF MARYLAND, INC. in paragraphs SECOND and THIRD. However, the date and manner of adoption of the plan for PRIMARY MEDICAL CARE, INC. is not mentioned in the articles of merger.

Please return your document, along with a copy of this letter, within 60 days or your filing will be considered abandoned.

If you have any questions concerning the filing of your document, please call (850) 487-6901.

Susan Payne
Senior Section Administrator

Letter Number: 897A00056528

Corrected
12/1/97

RECEIVED
97 DEC -1 AM 9:38
DIVISION OF CORPORATIONS
TALLAHASSEE, FLORIDA

(Signature)

ARTICLES OF MERGER

FILED
SECRETARY OF STATE
DIVISION OF CORPORATIONS

OF

97 DEC -1 PM 12:00

PRIMARY MEDICAL CARE, INC.

AND

CHOICE DRUG SYSTEMS OF MARYLAND, INC.

To the Department of State
State of Florida

Pursuant to the provisions of the Florida Business Corporation Act, the domestic business corporation and the foreign business corporation herein named do hereby submit the following articles of merger.

FIRST: Annexed hereto and made a part hereof is the Agreement and Plan of Merger for merging Primary Medical Care, Inc., a Florida corporation, with and into Choice Drug Systems of Maryland, Inc., a Maryland corporation.

SECOND: The shareholders of Choice Drug Systems of Maryland, Inc. entitled to vote on the aforesaid Agreement and Plan of Merger approved and adopted the Agreement and Plan of Merger by written consent given by them on November 20, 1997 in accordance with the provisions of Section 607.0704 of the Florida Business Corporation Act.

THIRD: The merger of Primary Medical Care, Inc. with and into Choice Drug Systems of Maryland, Inc. is permitted by the laws of the State of Maryland, the jurisdiction of organization of Choice Drug Systems of Maryland, Inc., and has been authorized in compliance with said laws. The date of approval and adoption of the Agreement and Plan of Merger by the shareholders of Primary Medical Care, Inc. was November 20, 1997, by written consent.

EXECUTED on this 20th day of November, 1997.

PRIMARY MEDICAL CARE, INC.

By: James D. Shelton
Name: James D. Shelton
Capacity: Vice President

CHIOCE DRUG SYSTEMS OF
MARYLAND, INC.

By: Morris Perlis
Name: Morris A. Perlis
Capacity: President

AGREEMENT AND PLAN OF MERGER

THIS AGREEMENT AND PLAN OF MERGER (this "Merger Agreement") dated as of November 22 1997, by and between Primary Medical Care, Inc., a Florida corporation ("Primary"), and Choice Drug Systems of Maryland, Inc., a Maryland corporation and an affiliate of Primary ("CDSM").

WITNESSETH:

WHEREAS, Primary has an authorized capitalization of 100 shares of common stock, par value \$0.01 per share ("Primary Stock"), of which 10 shares are issued and outstanding on the date hereof;

WHEREAS, CDSM has an authorized capitalization of 10,000 shares of common stock, par value \$0.01 per share ("CDSM Stock"), of which 100 shares are issued and outstanding as of the date hereof;

WHEREAS, the respective Boards of Directors of Primary and CDSM deem it advisable and in the best interest of each such corporation and its stockholders that Primary merge into CDSM in the manner contemplated herein (the "Merger");

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

1. Merger of Primary and CDSM

1.1 Merger. On the Effective Date (as defined below) hereof, pursuant to the provisions of the Maryland General Corporation Law (the "Maryland Law") and the Florida Business Corporation Act (the "Florida Law"), Primary and CDSM shall be merged into a single corporation by Primary merging into CDSM, with CDSM surviving as the surviving corporation (hereinafter sometimes referred to as the "Surviving Corporation"). Upon consummation of the Merger, the separate corporate existence of Primary shall cease and the Surviving Corporation shall become the owner, without transfer, of all rights, powers, assets, qualifications and property of Primary, and the Surviving Corporation shall become subject to all debts and liabilities of Primary in the same manner as if the Surviving Corporation had itself incurred them.

1.2 Effective Date. The Merger shall be deemed effective upon the date and time of the later filing of Articles of Merger in Florida and in Maryland, such date being herein referred to as the Effective date.

1.3 Name of Surviving Corporation. The name of the surviving corporation shall be "Choice Drug Systems of Maryland, Inc." The purposes, county where the principal office for the transaction of business shall be located, number and classification of directors, and capital stock of the surviving corporation shall be as appears in the Articles of Incorporation of CDSM. The Articles

of Incorporation of CDSM, as now in force and effect, shall continue to be the Articles of Incorporation of said surviving corporation until amended and changed pursuant to the provisions of the General Corporation Law of the State of Maryland and also as hereinafter set forth.

1.4 Directors and Officers of CDSM. (a) The number of directors of CDSM immediately prior to the Effective Date shall be the number of directors in each class of directors of the Surviving Corporation, and the directors of CDSM immediately prior to the Effective Date shall be the directors of the Surviving Corporation, to hold office, in accordance with the Bylaws of the Surviving Corporation, until their respective successors are duly appointed or elected and qualified, or their prior death, resignation or removal.

(b) The officers of CDSM immediately prior to the Effective Date shall be the officers of the Surviving Corporation until their respective successors are duly elected and qualified, or their prior resignation, removal or death.

2. Exchange and Issuance of Stock

The manner of effecting the Merger, including the conversion of the shares of Primary Stock issued and outstanding immediately prior to the Effective Date into shares of CDSM Stock, shall be as follows:

(1) At the Effective Date each of the following transactions shall be deemed to occur simultaneously:

(a) All shares of Primary Stock issued and outstanding immediately prior to the Effective Date shall, by virtue of the Merger and without any action on the part of the holder thereof, automatically be cancelled and converted into an aggregate of one hundred fully paid and non-assessable shares of CDSM Stock.

(b) All shares of Primary Stock which shall then be held in Primary's treasury shall cease to exist, and all certificates representing such shares shall be cancelled by virtue of the Merger.

(2) After the Effective Date:

(a) Each holder of a certificate or certificates representing issued and outstanding shares of Primary Stock (a "Former Holder"), may, but is not required to, surrender the same to such agent or agents as may be appointed by CDSM (the "Exchange Agent") for cancellation or transfer, and each such holder or transferee will be entitled to receive a certificate or certificates representing an equal number of shares of CDSM Stock as the shares of Primary Stock previously represented by the stock certificates surrendered. Until so surrendered or presented for transfer, each certificate which, prior to the Effective Date, represented issued and outstanding shares of Primary Stock, shall be deemed and treated for all corporate purposes to represent the ownership of the same number of shares of CDSM Stock as though such surrender or transfer and exchange had taken place. The stock transfer books for Primary Stock shall be deemed to be closed at the Effective Date with

respect to each such share of Primary Stock, and no transfer of such shares shall thereafter be made on such books.

(b) If any certificate for CDSM Stock is to be issued in a name other than that in which the certificate for Primary Stock surrendered for exchange is registered, it shall be a condition of such exchange that the certificate so surrendered shall be properly endorsed and otherwise in proper form for transfer and that the person requesting such exchange shall pay to the Exchange Agent any transfer or other taxes required by reason of the issuance of such CDSM Stock in any name other than that of the registered holder of the certificate surrendered, or established to the satisfaction of the Exchange Agent that such tax has been paid or is not applicable.

3. Stockholder Approval

3.1 Approval by Stockholder of Primary. Capstone Pharmacy Services, Inc., a Delaware corporation and the sole stockholder of Primary, shall consent in writing to the execution of this Merger Agreement promptly after the date of this Merger Agreement.

3.2 Approval by Stockholder of CDSM. Capstone Pharmacy Services, Inc., a Delaware corporation and the sole stockholder of CDSM, shall consent in writing to the execution of this Merger Agreement promptly after the date of this Merger Agreement.

4. Closing

5.1 Closing. The closing under this Merger Agreement shall occur on the Effective Date at a place mutually convenient to all the parties hereto.

5. Termination or Abandonment of Merger

At any time prior to the Effective Date, the parties hereto may by written agreement amend, modify or supplement any provision of this Merger Agreement, provided that no such amendment, modification or supplement may be made, if in the sole judgment of the Board of Directors of Primary, it will materially and adversely affect the rights and interests of Primary's shareholders.

6. Amendments

At any time prior to the Effective Date, the parties hereto may by written agreement amend, modify or supplement any provision of this Merger Agreement, provided that no such amendment, modification or supplement may be made if, in the sole judgment of the Board of Directors of Primary, it will materially and adversely affect the rights and interests of Primary shareholders.

7. Governing Law

This Merger Agreement shall be construed under and in accordance with the laws of the State of Delaware.

8. Headings

The headings set forth herein are for convenience only and shall not be used in interpreting the text of the section in which they appear.

9. Counterparts

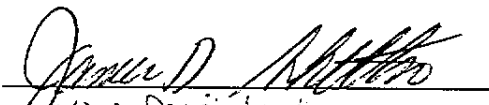
For the convenience of the parties hereto, this Merger Agreement may be executed in separate counterparts, each of which, when so executed, shall be deemed to be an original, and such counterparts when taken together shall constitute but one and the same instrument.

10. Extensions of Time; Waivers

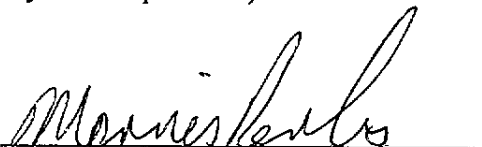
Any time prior to the Effective Date the parties hereto may, by written agreement (a) extend time for the performance of any of the obligations or other acts of the parties hereto, (b) waive any breach or inaccuracy in the representations and warranties contained in this Merger Agreement or in any document delivered pursuant hereto, or (c) waive compliance with any of the covenants, conditions or agreements contained in this Merger Agreement, except as set forth in Section 5.1(a) hereof.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed on the day and year first above written.

PRIMARY MEDICAL CARE, INC.
(a Florida corporation)

By: 
Its: Vice President

CHOICE DRUG SYSTEMS OF
MARYLAND, INC.
(a Maryland corporation)

By: 
Its: President