

Form PTO-1594
(Rev. 10/02)
OMB No. 0651-0027 (exp. 6/30/2005)
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U.S. DEPARTMENT OF COMMERCE
U.S. Patent and Trademark Office

To the Honorable Commissioner of Patents and Trademarks: Please record the attached original documents or copy thereof.

1. Name of conveying party(ies):

DIRECT GROUP, INC. 6:15:04

- Individual(s)
- General Partnership
- Corporation-State NJ
- Other _____
- Association
- Limited Partnership

Additional name(s) of conveying party(ies) attached? Yes No

3. Nature of conveyance:

- Assignment
- Security Agreement
- Other _____
- Merger
- Change of Name

Execution Date: 3/31/2004

2. Name and address of receiving party(ies)

Name: DIRECT GROUP, LLC

Internal Address: _____

Street Address: 820 BEAR TAVERN RD. STE. 100

City: TRENTON State: NJ Zip: 08628

- Individual(s) citizenship _____
- Association _____
- General Partnership _____
- Limited Partnership _____
- Corporation-State _____
- Other LLC

If assignee is not domiciled in the United States, a domestic representative designation is attached: Yes No
(Designations must be a separate document from assignment)
Additional name(s) & address(es) attached? Yes No

4. Application number(s) or registration number(s):

A. Trademark Application No.(s)

78 364679

B. Trademark Registration No.(s)

Additional number(s) attached Yes No

5. Name and address of party to whom correspondence concerning document should be mailed:

Name: JOSHUA D. SAVIANO, ESQ.

Internal Address: 7

Street Address: 750 LEXINGTON AVE

City: NY State: NY Zip: 10027

6. Total number of applications and registrations involved: _____

7. Total fee (37 CFR 3.41).....\$ 40-

- Enclosed
- Authorized to be charged to deposit account

8. Deposit account number: _____

(Attach duplicate copy of this page if paying by deposit account)

2004 JUN 15 AM 7:28
CORP/FINANCE

DO NOT USE THIS SPACE

9. Statement and signature.

To the best of my knowledge and belief, the foregoing information is true and correct and any attached copy is a true copy of the original document.

JOSHUA D. SAVIANO
Name of Person Signing

[Signature]
Signature

6/9/04
Date

Total number of pages including cover sheet, attachments, and document: 6

Mail documents to be recorded with required cover sheet information to:
Commissioner of Patent & Trademarks, Box Assignments
Washington, D.C. 20231

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AGREEMENT AND PLAN OF MERGER

THIS AGREEMENT AND PLAN OF MERGER (the "Agreement"), dated as of March 31, 2004 is entered into by and between Direct Group, Inc., a New Jersey corporation, ("DG Corporation") and Direct Group, LLC, a Delaware limited liability company ("DG LLC"). DG Corporation and DG LLC are sometimes collectively referred to as the "Constituent Entities."

WITNESSETH:

WHEREAS, DG Corporation is a corporation duly organized and existing under the laws of the State of New Jersey.

WHEREAS, DG LLC is a limited liability company duly organized and existing under the laws of the State of Delaware.

WHEREAS, the Board of Directors of DG Corporation and the sole member of DG LLC have determined that it is advisable and in the best interests of each of such Constituent Entities that DG Corporation merge with and into DG LLC upon the terms and subject to the conditions set forth in this Agreement.

WHEREAS, it is intended that this Merger shall constitute a plan of complete liquidation and a tax-free transaction for all applicable income tax purposes.

WHEREAS, Prinexus, Inc., as the sole stockholder of DG Corporation, has approved this Agreement by execution of a written consent in accordance with Section 14A:5-6 of the New Jersey Business Corporation Act.

WHEREAS, Prinexus, Inc., as the sole member of DG LLC, has approved this Agreement by execution of a written consent in accordance with Section 18-302 of the Limited Liability Company Act of the State of Delaware.

NOW, THEREFORE, in consideration of the premises and mutual agreements and covenants herein contained, DG Corporation and DG LLC hereby agree as follows:

1. Merger. DG Corporation shall be merged with and into DG LLC (the "Merger") such that DG LLC shall be the surviving limited liability company (hereinafter sometimes referred to as the "Surviving LLC"). Appropriate documents necessary to effectuate the Merger shall be filed with the Secretary of State of the State of New Jersey and the Secretary of State of the State of Delaware and the Merger shall become effective at the time provided by applicable law (the "Effective Time").
2. Governing Documents. The Certificate of Formation of DG LLC, as in effect immediately prior to the Effective Time, shall be the Certificate of Formation of the Surviving LLC without change or amendment and the Limited Liability Company

Agreement of DG LLC, as in effect immediately prior to the Effective Time, shall be the Limited Liability Company Agreement of the Surviving LLC without change or amendment.

3. Officers and Directors. The persons who are officers of DG Corporation immediately prior to the Effective Time shall, after the Effective Time, be the officers of the Surviving LLC, without change until their successors have been duly appointed and qualified in accordance with the Certificate of Formation and Limited Liability Company Agreement of the Surviving LLC. The persons who are directors of DG Corporation immediately prior to the Effective Time shall, after the Effective Time, be replaced by the managers of the Surviving LLC.

4. Succession. At the Effective Time, the separate corporate existence of DG Corporation shall cease. At the Effective Time (i) all rights, privileges, powers and franchises of a public or private nature of each of the Constituent Entities, subject to all the restrictions, disabilities and duties of each of the Constituent Entities; (ii) all assets, property, real, personal and mixed, belonging to each of the Constituent Entities; and (iii) all debts due to each of the Constituent Entities on whatever account, including stock subscriptions and all other things in action; shall succeed to, be vested in and become the property of the Surviving LLC without any further act or deed of the respective Constituent Entities. The title to any real estate vested by deed or otherwise and any other asset, in either of such Constituent Entities shall not revert or be in any way impaired by reason of the Merger, but all rights of creditors and all liens upon any property of DG Corporation shall be preserved unimpaired. To the extent permitted by law, any claim existing or action or proceeding pending by or against either of the Constituent Entities may be prosecuted as if the Merger had not taken place. All debts, liabilities and duties of the respective Constituent Entities shall thenceforth attach to the Surviving LLC and may be enforced against the Surviving LLC to the same extent as if such debts, liabilities and duties had been incurred or contracted by the Surviving LLC. All corporate acts, plans, policies, agreements, arrangements, approvals and authorizations of DG Corporation, its stockholders, Board of Directors and committees thereof, officers and agents which were valid and effective immediately prior to the Effective Time, shall be taken for all purposes as the acts, plans, policies, agreements, approvals and authorizations of the Surviving LLC and shall be as effective and binding thereon as the same were with respect to DG Corporation. The employees and agents of DG Corporation shall become the employees and agents of the Surviving LLC and continue to be entitled to the same rights and benefits which they enjoyed as employees and agents of DG Corporation. The requirements of any common stock purchase warrants, rights, plans or agreements in DG Corporation involving the issuance or purchase by DG Corporation of certain shares of capital stock shall be satisfied by the issuance or purchase of a like number of units of the Surviving LLC.

5. Further Assurances. From time to time, as and when required by the Surviving LLC or by its successors or assigns, there shall be executed and delivered on behalf of DG Corporation such deeds and other instruments, and there shall be taken or caused to be taken by it all such further and other action, as shall be appropriate,

advisable or necessary in order to vest, perfect or confirm, of record or otherwise, in the Surviving LLC the title to and possession of all property, interests, assets, rights, privileges, immunities, powers, franchises and authority of DG Corporation, and otherwise to carry out the purposes of this Agreement. The officers and sole member of the Surviving LLC are fully authorized in the name and on behalf of DG Corporation or otherwise, to take any and all such action and to execute and deliver any and all such deeds and other instruments.

6. Cancellation of Shares. At the Effective Time, by virtue of the Merger and without any action on the part of the sole holder thereof, each share of Common Stock of DG Corporation ("Common Stock") issued and outstanding immediately prior to the Effective Time shall be cancelled and retired and shall cease to exist, and no consideration shall be issued in exchange therefore, and the sole stockholder of DG Corporation shall be the sole member of the Surviving LLC.

7. Stock Certificates. At and after the Effective Time, all of the outstanding certificates which immediately prior to the Effective Time represented shares of Common Stock shall be cancelled.

8. Amendment. The parties hereto, by consent of the Board of Directors of DG Corporation and the sole member of DG LLC, may amend, modify or supplement this Agreement prior to the Effective Time.

9. Termination. This Agreement may be terminated and the Merger and other transactions herein provided for may be abandoned at any time prior to the Effective Time, if the Board of Directors of DG Corporation or the sole member of DG LLC determines that the consummation of the transactions provided for herein would not, for any reason be in the best interests of the Constituent Entities and their respective stockholder or member.

10. Counterparts. This Agreement may be executed in one or more counterparts, and each such counterpart hereof shall be deemed to be an original instrument, but all such counterparts together shall constitute one agreement.

11. Descriptive Headings. The descriptive headings herein are inserted for convenience of reference only and are not intended to be part of or to affect the meaning or interpretation of this Agreement.

12. Governing Law. This Agreement shall be governed by, and construed in accordance with, the laws of the State of [Delaware].

IN WITNESS WHEREOF, Direct Group, Inc. and Direct Group, LLC
have caused this Agreement to be executed and delivered as of the date first written
above.

DIRECT GROUP, INC.
(a New Jersey corporation)

By *Mark Levy*
Name: *MARK LEVY*
Title: *Chief Financial Officer*

DIRECT GROUP, LLC
(a Delaware limited liability
company)

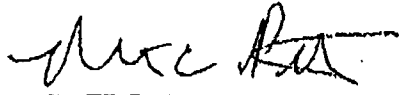
By _____
Name:
Title:

IN WITNESS WHEREOF, Direct Group, Inc. and Direct Group, LLC
have caused this Agreement to be executed and delivered as of the date first written
above.

DIRECT GROUP, INC.
(a New Jersey corporation)

By _____
Name:
Title:

DIRECT GROUP, LLC
(a Delaware limited liability
company)

By 
Name: Robert C. Potts
Title: President & Chief Executive
Officer