

TRADEMARK ASSIGNMENT

Electronic Version v1.1
 Stylesheet Version v1.1

SUBMISSION TYPE:	CORRECTIVE ASSIGNMENT
NATURE OF CONVEYANCE:	Corrective Assignment to correct the number of pages of merger document previously recorded on Reel 003067 Frame 0001. Assignor(s) hereby confirms the Merger.

CONVEYING PARTY DATA

Name	Formerly	Execution Date	Entity Type
Precision Door Service, Inc.		12/21/2004	CORPORATION: FLORIDA

RECEIVING PARTY DATA

Name:	Precision Holdings of Brevard, Inc.
Street Address:	2500 Carpenter Road
City:	Mims
State/Country:	FLORIDA
Postal Code:	32754
Entity Type:	CORPORATION: FLORIDA

PROPERTY NUMBERS Total: 24

Property Type	Number	Word Mark
Registration Number:	2171000	PRECISION DOOR SERVICE
Registration Number:	2580904	PRECISION
Registration Number:	2675187	GDN
Registration Number:	2709437	PDS
Registration Number:	2717607	PRECISION OVERHEAD GARAGE DOOR SERVICE
Registration Number:	2723414	PRECISION OVERHEAD GARAGE DOOR SERVICE
Registration Number:	2761985	A NAME YOU CAN TRUST
Registration Number:	2761986	PDS
Registration Number:	2766916	A NAME YOU CAN TRUST
Registration Number:	2791074	GARAGE DOOR NEWS
Registration Number:	2834387	PRECISION DOOR SERVICE
Registration Number:	2862835	WE FIX GARAGE DOORS RIGHT!
Registration Number:	2864051	PRECISION

OP \$615.00 2171000

Registration Number:	2864763	PRECISION
Registration Number:	2906714	PRECISION FISHING TEAM
Registration Number:	2906715	PRECISION HUNTING TEAM
Registration Number:	2912901	WE FIX GARAGE DOORS RIGHT!
Registration Number:	2919827	A NAME YOU CAN TRUST
Registration Number:	2924083	PRECISION
Serial Number:	78135733	PRECISION OVERHEAD GARAGE DOOR SERVICE
Serial Number:	78380972	PDS
Serial Number:	78381052	PRECISION
Serial Number:	78330553	PRECISION OVERHEAD GARAGE DOOR SERVICE
Serial Number:	78381026	PRECISION DOOR SERVICE

CORRESPONDENCE DATA

Fax Number: (321)633-9322
Correspondence will be sent via US Mail when the fax attempt is unsuccessful.
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Email: brianss@vol.com
Correspondent Name: Brian S. Steinberger
Address Line 1: 101 Brevard Avenue
Address Line 4: Cocoa, FLORIDA 32922

NAME OF SUBMITTER:	Brian S. Steinberger
Signature:	/brianss/
Date:	06/15/2005

Total Attachments: 59

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AGREEMENT AND PLAN OF MERGER

This AGREEMENT AND PLAN OF MERGER (the "Agreement") entered into as of the 23rd day of November, 2004 by and among PRECISION HOLDINGS OF BREVARD, INC., a Florida corporation ("HOLDINGS"), and PRECISION DOOR SERVICE, INC., a Florida corporation ("PDS")

WITNESSETH:

WHEREAS, this Agreement has been approved by the respective Boards of Directors of HOLDINGS and PDS; and

WHEREAS, this Agreement will be submitted for approval by the stockholders of HOLDINGS and PDS.

NOW, THEREFORE, in consideration of the mutual and dependent promises and the representations and warranties hereinafter contained, the parties hereto agree as follows:

SECTION 1. THE MERGER

1.1 The Merger. At the Effective Time (as defined in Section 1.4) and subject to the terms and conditions hereof and the provisions of the Chapter 607, Florida Statutes, the Florida Business Corporation Act (the "FBCA"), PDS will be merged with and into HOLDINGS in accordance with the FBCA, the separate existence of PDS shall thereupon cease and HOLDINGS shall continue as the surviving corporation (the "Surviving Corporation") (the "Merger"). PDS and HOLDINGS are sometimes hereinafter referred to collectively as the "Constituent Corporations." For purposes of the representations, warranties, covenants and agreements contained herein, references to the business, properties, assets, condition or prospects

of PDS and/or HOLDINGS will be deemed to refer to such business, properties, assets, conditions and prospects both before the Closing with respect to PDS and HOLDINGS after the Closing with respect to the Surviving Corporation.

1.2 Effects of the Merger. The separate corporate existence of HOLDINGS, as the Surviving Corporation, with all its purposes, objects, rights, privileges, powers, certificates and franchises, shall continue unimpaired by the Merger. The Surviving Corporation shall succeed to all the properties and assets of the Constituent Corporations and to all debts, choses in action and other interests due or belonging to the Constituent Corporations and shall be subject to, and responsible for, all the debts, liabilities and duties of the Constituent Corporations with the effect set forth in Section 607.1106 of the FBCA.

1.3 Closing.

(a) The transactions contemplated by this Agreement shall be consummated at a closing (the "Closing") which will take place at the offices of GrayRobinson, P.A. at 1800 West Hibiscus Boulevard, Melbourne, Florida 32901 not later than three (3) business days following the day on which all the conditions to Closing set forth in Section 4 have been satisfied or waived in accordance with the terms hereof (such date being referred to herein as the "Closing Date"); provided, however, that (i) PDS and HOLDINGS jointly, and not severally, may waive the satisfaction of any of the conditions set forth in Section 4.1, (ii) HOLDINGS exclusively may waive the satisfaction of any of the conditions set forth in Section 4.2 and (iii) PDS exclusively may waive the satisfaction of any of the conditions set forth in Section 4.3; and provided further,

however, that, in any event, the Closing will not occur later than December 30, 2004.

(b) If all of the conditions set forth in Section 4 shall not have been satisfied or waived as provided in Section 1.3(a), then the parties shall have the rights of termination specified in Section 5.

(c) Notwithstanding anything in this Section 1.3 to the contrary, in the event all conditions to the Closing have been satisfied or waived on or prior to the Closing, then neither party shall be entitled to exercise its right of termination as contemplated in Section 4 by reason of the fact that this Section 1.3 contemplates that the Closing shall occur three (3) business days after satisfaction or waiver of all such conditions, such provision being included for the convenience of the parties and their counsel in connection with the Closing.

1.4 **Effective Time.** Subject to the terms and conditions hereof, the Merger shall be consummated as promptly as practicable after the satisfaction or waiver of the conditions contained in Section 4 hereof by filing articles of merger (the "Articles of Merger") substantially in the form appended hereto as Exhibit A, executed in accordance with the FBCA. The Merger shall be effective at such time as the Articles of Merger shall have been duly filed with the Secretary of State of the State of Florida in accordance with the FBCA or on such date as the Constituent Corporations shall specify in the Articles of Merger (the "Effective Time").

1.5 **Certificate of Incorporation.** The articles of incorporation of HOLDINGS, as in effect as of the Effective Time, shall be the articles of incorporation of the Surviving Corporation (the "Articles of Incorporation"), until further amended in accordance with applicable law.

1.6 **Bylaws.** The bylaws of HOLDINGS, as in effect as of the Effective Time, shall from and after the Effective Time be and continue to be the bylaws of the Surviving Corporation (the "Bylaws") until amended as provided by law or such Bylaws.

1.7 **Directors and Officers.** Upon consummation of the Merger, the Board of Directors of the Surviving Corporation will consist of three (3) persons. Each director shall hold office, subject to the applicable provisions of the Articles of Incorporation and the Bylaws of the Surviving Corporation, until the next annual meeting of stockholders of the Surviving Corporation and until his successor shall be duly elected or appointed and shall duly qualify. The officers of the Surviving Corporation shall be: Brian D. Tindall, President, Daniel Edwards, Vice-President, James Wellbeloved, Secretary, and Daniel Edwards, Treasurer. Such officers shall hold office until respective successors are duly elected or appointed and qualified. If, on or after the Effective Time, a vacancy shall exist in the Board of Directors or in any of the offices of the Surviving Corporation by reason of death or inability to act, or for any other reason, such vacancy may be filled in the manner provided in the Bylaws of the Surviving Corporation

1.8 **Conversion of Shares.** At the Effective Time, by virtue of the Merger and without any action on the part of HOLDINGS, PDS or the holder of any of the following securities:

(a) Holders of shares of common stock of PDS, no par value ("PDS Common Stock"), who are also holders of shares of common stock of HOLDINGS, no par value ("HOLDINGS Common Stock"), shall be entitled to receive one (1) share of HOLDINGS Common Stock for each share of PDS Common Stock issued and outstanding immediately prior

to the Effective Time, other than Dissenting Shares as defined in Section 1.9(a).

(b) Holders of Preferred Shares-Series A of PDS (as defined by the articles of incorporation, as amended, of PDS) ("PDS Preferred Shares") who are also holders of Preferred Shares-Series A of HOLDINGS (as defined in the Articles of Incorporation) ("HOLDINGS Preferred Shares") shall be entitled to receive one (1) HOLDINGS Preferred Share in exchange for each PDS Preferred Share issued and outstanding immediately prior to the Effective Time, other than Dissenting Shares.

(c) Each share of HOLDINGS Common Stock and HOLDINGS Preferred Shares issued and outstanding immediately prior to the Effective Time, other than Dissenting Shares, shall continue as issued and outstanding HOLDINGS Common Stock and HOLDINGS Preferred Shares, respectively.

(d) Each share of PDS Common Stock issued and outstanding immediately prior to the Effective Time, other than Dissenting Shares, which is owned by a holder who is not also a holder of HOLDINGS' Common Stock shall be converted in a right to receive twenty-five and fifty-four hundredths cents (\$0.2554) for each share of PDS Common Stock to be paid to such holder at the Effective Time as hereinafter provided.

(e) Each share of PDS Preferred Shares issued and outstanding immediately prior to the Effective Time, other than Dissenting Shares as defined in Section 1.9(a)) owned by a holder who is not also an holder of HOLDINGS' Preferred Shares shall be converted into the right to receive thirty-five and fifty-four hundredths cents (\$0.3554) for each such PDS Preferred

Share at the Effective Time.

(f) In the event any holder of PDS Common Stock and/or PDS Preferred Shares who will be entitled to receive the cash consideration described in Section 1.8(d) and/or Section 1.8(e) or who will receive cash consideration upon exercise of his or her rights with respect to Dissenting Shares is indebted to PDS at the Effective Time, the cash consideration will be offset against such indebtedness and the balance, if any, shall be paid to such holder.

(g) As of and after the Effective Time, the Surviving Corporation shall not be bound by any options, warrants or agreements with respect to the issuance or acquisition of PDS Common Stock, PDS Preferred Shares, HOLDINGS Common Stock, HOLDINGS Preferred Shares or any other shares of capital stock of PDS or HOLDINGS which would entitle any person to own, purchase or receive any capital stock in the Surviving Corporation.

1.9 **Dissenting Shares.**

(a) Notwithstanding any provision of this Agreement to the contrary, any shares of PDS Common Stock, HOLDINGS Common Stock, PDS Preferred Shares or HOLDINGS Preferred Shares held by a holder who has demanded and perfected the right for appraisal for such share in accordance with Section 607.1323 of the FBCA and as of the Effective Time has not effectively withdrawn or lost such right to such appraisal ("Dissenting Shares") shall not be converted into or continue as HOLDINGS Common Stock or HOLDINGS Preferred Shares pursuant to Section 1.8(a), Section 1.8(b) and/or Section 1.8(c), or shall not be entitled to receive the amount of cash for PDS Common Stock or PDS Preferred Shares pursuant to Section 1.8(d) and/or Section 1.8(e), as the case may be, but the holder thereof shall only be

entitled to such rights as are granted by Sections 607.1323 through 607.1333 of the FBCA.

(b) Notwithstanding the provisions of Section 1.9(a), if any holder of shares of PDS Common Stock, HOLDINGS Common Stock, PDS Preferred Shares or HOLDINGS Preferred Shares who demands appraisal of such shares under the FBCA shall effectively withdraw or lose (through failure to perfect or otherwise) the right to such appraisal, then, as of the Effective Time or the occurrence of such event, whichever last occurs, such holder's shares of PDS Common Stock, HOLDINGS Common Stock, PDS Preferred Shares or HOLDINGS Preferred Shares shall automatically be converted into or continue as shares of HOLDINGS Common Stock or HOLDINGS Preferred Shares as provided in Section 1.8(a), Section 1.8(b) and Section 1.8(c), or shall receive the payment for such shares as provided in Section 1.8(d) and/or Section 1.8(e).

(c) Each of PDS and HOLDINGS shall give the other party:

(i) prompt notice of any written demands for appraisal of any shares, any withdrawals of such demands and any other instruments served pursuant to the FBCA received by either of them, and

(ii) the opportunity to jointly direct all negotiations and proceedings and jointly approve any resolution thereof with respect to demands for appraisal under the FBCA received prior to the Effective Time. Each of PDS and HOLDINGS shall not, except with the prior written consent of the other, voluntarily make any payment with respect to any demands for appraisal of shares or offer to settle or settle any such demands prior to the Effective Time.

1.10 Surrender of Certificates; Stock Transfer Books.

(a) At or after the Effective Time immediately upon surrender to the Surviving Corporation by each holder of PDS Common Stock and/or PDS Preferred Shares of a certificate or certificates representing such holder's shares of PDS Common Stock and/or PDS Preferred Shares, the Surviving Corporation shall deliver to such holder the shares of the Surviving Corporation pursuant to Section 1.8(a) and/or Section 1.8(b) or the amount of the cash payment described in Section 1.8(d) and/or Section 1.8(e).

(b) Until surrendered and exchanged as provided in Section 1.10(a) above, each certificate representing shares of PDS Common Stock or PDS Preferred Shares shall, from and after the Effective Time, be deemed to represent only the right to receive the shares of HOLDINGS Common Stock or HOLDINGS Preferred Shares pursuant to Section 1.8(a) and/or Section 1.8(b) or the right to receive the cash payment pursuant to Section 1.8(d) and/or Section 1.8(e). Upon surrender of each certificate representing shares of PDS Common Stock or PDS Preferred Shares, such certificate shall forthwith be canceled.

(c) At the Effective Time, the stock transfer books of PDS shall be closed and there shall be no further registration of transfers of shares of PDS Common Stock or PDS Preferred Shares hereafter on the records of PDS. From and after the Effective Time, the holders of certificates evidencing ownership of shares of PDS Common Stock or PDS Preferred Shares outstanding immediately prior to the Merger shall cease to have any rights as stockholders of PDS or otherwise with respect to such shares, except as otherwise provided herein or by law. No dividends or other distribution declared after the Effective Time with respect to any shares of

capital stock of the Surviving Corporation shall be paid to the holder of any unsurrendered certificate or certificates formerly representing shares of PDS Common Stock or PDS Preferred Shares.

(d) Notwithstanding anything to the contrary in this Section 1.10, neither of the Surviving Corporation nor any party hereto shall be liable to a holder of a certificate or certificates formerly representing shares of PDS Common Stock or PDS Preferred Shares for any amount properly paid to a public official pursuant to any applicable property, escheat or similar law.

SECTION 2. REPRESENTATIONS AND WARRANTIES.

2.1 **Making of Representations and Warranties by PDS.** PDS hereby makes to HOLDINGS the representations and warranties set forth in PDS Schedule of Representations and Warranties attached hereto, subject to the exceptions set forth in the PDS Disclosure Schedule attached hereto, as if set forth herein in full.

2.2 **Making of Representations and Warranties by HOLDINGS.** HOLDINGS hereby makes to PDS the representations and warranties set forth in the HOLDINGS Schedule of Representations and Warranties attached hereto, subject to the HOLDINGS Disclosure Schedule attached hereto, as if set forth herein in full.

SECTION 3. COVENANTS.

3.1 **Making of Covenants and Agreements.** HOLDINGS and PDS each covenant to the other as set forth in this Section 3. The party making the covenant shall be referred to as the

"Covenantor". The party in whose favor the covenant is performed is the "Covenantee".

3.2 **Conduct of Business.** Between the date of this Agreement and the Closing Date, Covenantor will do the following, unless the Covenantee shall otherwise consent in writing, which consent shall not be unreasonably withheld.

(a) conduct its business only in the ordinary course and refrain from changing or introducing any method of management or operations except in the ordinary course of business and consistently with past practices;

(b) refrain from making any purchase, sale or disposition of any asset or property other than in the ordinary course of business, from purchasing or selling any capital asset costing more than five thousand dollars (\$5000.00) and from mortgaging, pledging, subjecting to a lien or otherwise encumbering any of its properties or assets;

(c) refrain from incurring or modifying any contingent liability as a guarantor or otherwise with respect to the obligations of others, and from incurring or modifying any other contingent or fixed obligations or liabilities except in the ordinary course of business and consistently with past practices;

(d) refrain from making any change in its incorporation documents, bylaws or authorized or issued capital stock or from acquiring any securities issued by any other person, other than short-term investment in the ordinary course of business and consistently with past practices;

(e) refrain from declaring, setting aside or paying any dividend, making any other distribution in respect of their respective capital stock, making any direct or indirect redemption, purchase or other acquisition of their respective capital stock or options, warrants or other rights to acquire any such capital stock or issuing, granting, awarding, selling, pledging, disposing of or encumbering or authorizing the issuance, grant, award, sale, pledge, disposition or encumbrance of any shares of or securities convertible or exchangeable for, or options, warrants, commitments or rights of any kind to acquire, any shares of its capital stock;

(f) refrain from making any change in the compensation payable or to become payable to any of its officers, employees or agents, except for scheduled increases in salary or wages in the ordinary course of business consistently with past practices, or granting any severance or termination pay to, or entering into or amending any employment, severance or other agreement or arrangement with, any director, officer or other employee or establishing, adopting or entering into or amending any collective bargaining, bonus, incentive, deferred compensation, profit sharing, stock option or purchase, insurance, pension, retirement or other employee benefit plan;

(g) refrain from prepaying any loans from stockholders, officers or directors (if any), making any change in their borrowing arrangements or modifying, amending or terminating any of their respective contracts except in the ordinary course of business, or waiving, releasing or assigning any material rights or claims;

(h) use best efforts to prevent any change with respect to management and

supervisory personnel or banking arrangements;

(i) use its best efforts to keep intact its business organizations and to preserve the goodwill of and business relationships with all suppliers, customers and others having business relations with it;

(j) pay all accounts payable in the ordinary course of business and consistently with past practices unless they are being disputed in good faith, and otherwise refrain from paying, discharging or satisfying any claim liability or obligation (absolute, accrued, asserted or unasserted, contingent or otherwise), other than the payment, discharge or satisfaction in the ordinary course of business and consistently with past practices of liabilities reflected or reserved against in the financial statements referred to in Section 5 of the Schedule of Representations and Warranties or incurred since the date of such financial statements in the ordinary course of business and consistently with past practices;

(k) use its best efforts to have in effect and maintain at all times all insurance of the kind, in the amount and with the insurers set forth in the Disclosure Schedule or equivalent insurance with any substitute insurers approved by the Company;

(l) refrain from changing accounting policies or procedures (including, without limitation, procedures with respect to the payment of accounts payable and collection of accounts receivable) or from making any tax election or settling or compromising any federal, state, local or foreign income tax liability;

(m) refrain from entering into any executory agreement, commitment or

undertaking to do any of the activities prohibited by the foregoing provisions; and

(n) permit the Covenantee and its authorized representatives (including without limitation the Covenantee's attorneys, accountants, investment bankers, and pension and environmental consultants) to have full access to all of its properties, assets, books, records, business files, executive personnel, tax returns, contracts and documents and furnish to the Covenantee and its authorized representatives such financial and other information with respect to its business or properties as the Covenantee may from time to time reasonably request.

3.3 Authorizations from Others. Covenantor shall use its best efforts to cause all conditions to the obligations of the parties hereunder to be satisfied and to obtain or cause to be obtained prior to the Closing Date, all authorizations, consents and permits of others not heretofore obtained and required to permit the consummation of the transactions contemplated by this Agreement, and such other authorizations, waivers, consents and permits as may be necessary to transfer to the Surviving Corporation and/or to retain in full force and effect subsequent to the Closing all permits, licenses and franchises applicable to the business of Covenantor. In connection with the foregoing Covenantor will provide such notices to any applicable governmental authority, regulatory agency or other person as may be necessary pursuant to the terms of this Section 3.3.

3.4 Breach of Representations and Warranties. Promptly upon becoming aware of any breach of the impending or threatened occurrence of any event which would cause or constitute a breach, or would have caused or constituted a breach had such event occurred or been known prior to the date hereof, of any of the representations and warranties of Covenantor

contained in the Schedule of Representations and Warranties or otherwise or referred to in this Agreement, Covenantor shall give detailed written notice thereof to the Covenantee and shall use its best efforts to prevent or promptly remedy the same.

3.5 Acquisition Proposals. Neither Covenantor shall, directly or indirectly, through any director, officer, employee, agent or otherwise:

(a) take any action to solicit, initiate submission of, or encourage proposals or offers from any person relating to any acquisition or purchase of all or (other than in the ordinary course of business) a portion of the assets of, or any equity interest in, Covenantor, any merger or other business combination with Covenantor, any public or private offering of shares of the capital stock of Covenantor, or any other acquisition, transaction or financing involving Covenantor (an "Acquisition Proposal"),

(b) participate in any discussions or negotiations regarding an Acquisition Proposal with any person other than the Covenantee affiliates and representatives,

(c) furnish any information with respect to, or afford access to the properties, books or records of Covenantor to any person who may consider making or has made an offer with respect to an Acquisition Proposal other than the Covenantee and its affiliates and representatives, or

(d) otherwise cooperate in any way with, or assist or participate in, facilitate or encourage, any effort or attempt by any person other than Covenantee and its affiliates and representatives to do or seek any of the foregoing. Covenantor will promptly notify the

Covenantee upon receipt of any offer or indication that any person is considering making an offer with respect to an Acquisition Proposal or any request for information relative to Covenantor or for access to the properties, books and records of Covenantor and will keep the Covenantee fully informed of the status and details of any such offer, indication or request.

3.6 Consummation of Agreement; Cooperation. Covenantor shall use its best efforts, in addition to the performance and fulfillment of all covenants, agreements, conditions and obligations on its parts to be performed and fulfilled under this Agreement, to the end that the transactions contemplated by this Agreement shall be fully carried out as soon as practicable after the date hereof, and shall cooperate toward such end with all reasonable requests of the Covenantee and its counsel in connection with the consummation of the transactions contemplated hereby.

3.7 Corporate Action. Covenantor will call a special meeting of its stockholders to be held as promptly as practicable after the execution of this Agreement for the purpose of obtaining all stockholder approvals set forth as conditions to the Closing in Section 4.1 (a) hereof or otherwise required in connection with the transactions contemplated hereby (the "Stockholders' Meeting") and in connection therewith will prepare and distribute to stockholders a notice of meeting.

3.8 Regulatory Matters. Covenantor shall make or file all filings, document submissions, applications, statements and reports to all federal, state or local government agencies or entities which are required to be made prior to the Closing Date by or on behalf of Covenantor pursuant to any applicable statute, rule or regulation in connection with this

Agreement and the transactions contemplated hereby. Covenantor shall:

(a) file such information and documentary materials as may be requested pursuant to such laws and regulations,

(b) furnish to the Covenantee copies of all filings and such necessary information and reasonable assistance as may be requested by the Covenantee in connection with its preparation of required filings or submissions to any governmental agency including, without limitation, any additional filings necessary under the laws and regulations referred to above, and

(c) keep the Covenantee informed of the status of any inquiries made of it by any federal, state or local governmental agency or authority or members of its staff with respect to this Agreement or the transactions contemplated hereby

SECTION 4. CONDITIONS.

4.1 **Mutual Conditions.** The respective obligations of each party to consummate the Merger are subject to the satisfaction, at or before the Effective Time, of each of the following conditions:

(a) **Stockholder Approval.**

(i) The holders of shares of PDS Common Stock representing not less than a majority of all shares of PDS Common Stock issued and outstanding and the holders of shares of PDS Preferred Shares representing not less than a majority of all shares of PDS Preferred Shares issued and outstanding shall have affirmatively approved this Agreement and the Merger and PDS shall have delivered to HOLDINGS a certificate dated the Closing

Date to the foregoing effect and stating whether any holders of capital stock of PDS have demanded or perfected the right for appraisal of their shares in accordance with the FBCA and whether the approval of the Merger by the stockholders of PDS shall have been obtained in compliance with the FBCA.

(ii) The holders of shares of HOLDINGS Common Stock representing not less than a majority of all shares of HOLDINGS Common Stock issued and outstanding and the holders of shares of HOLDINGS Preferred Shares representing not less than a majority of all shares of HOLDINGS Preferred Shares issued and outstanding shall have affirmatively approved this Agreement and the Merger and HOLDINGS shall have delivered to PDS a certificate dated the Closing Date to the foregoing effect and stating whether any holders of capital stock of HOLDINGS have demanded or perfected the right for appraisal of their shares in accordance with the FBCA and whether the approval of the Merger by the stockholders of HOLDINGS shall have been obtained in compliance with the FBCA.

(b) Letters of Transmittal and Release Aereements. PDS shall have received from holders of capital stock of PDS duly executed and delivered Letters of Transmittal and Release Agreements in substantially the form of Exhibit B hereto, representing in the aggregate such deliveries by holders of capital stock of PDS representing not less than a majority of all shares of PDS Common Stock issued and outstanding and PDS shall have delivered to HOLDINGS a certificate dated as of the Closing Date to the foregoing effect.

4.2 **Conditions to the Oblil!ations of HOLDINGS.** The obligation of HOLDINGS to consummate this Agreement and the transactions contemplated hereby are subject to the

fulfillment, prior to or at the Closing, of the following conditions precedent:

(a) Representations; Warranties; Covenants. Each of the representations and warranties of PDS made pursuant to this Agreement or contained in the Schedule of Representations and Warranties shall be true and correct in all material respects on and as of the Closing Date with the same effect as though made on and as of the Closing Date (it being understood that representations and warranties made "as of the date hereof" shall be deemed to have been made as of the Closing Date); PDS shall, on or before the Closing Date, have performed and satisfied all agreements hereunder which by the terms hereof are to be performed and satisfied by PDS on or before the Closing Date; and PDS shall have delivered to HOLDINGS a certificate signed on its behalf by its President and dated as of the Closing Date certifying to the foregoing effect.

(b) Approvals and Consents. PDS shall have made all filings with and notifications of governmental authorities, regulatory agencies and other entities required to be made by PDS in connection with the execution, delivery and performance of this Agreement, the consummation of the transactions contemplated hereby and the continued operation of the business of PDS subsequent to the Effective Time, and PDS shall have received all required authorizations, waivers, consents and permits to permit the consummation of the transactions contemplated by this Agreement, in form and substance reasonably satisfactory to HOLDINGS from all third parties, including, without limitation, applicable governmental authorities, regulatory agencies, lessors, lenders and contract parties, required in connection with the Merger or PDS's permits, leases, licenses and franchises, to avoid a breach, default, termination,

acceleration or modification of any agreement, contract, instrument, mortgage, lien, lease, permit, authorization, order, writ, judgment, injunction, decree, determination or arbitration award as a result of the execution or performance of this Agreement, or otherwise in connection with the execution and performance of this Agreement.

(c) **No Actions or Proceedings.** No action or proceeding by any stockholder of PDS (excluding statutory appraisal proceedings initiated by dissenting stockholders of PDS pursuant to Section 607.1321 and Section 607.1323 of the FBCA) shall have been commenced or threatened against PDS, HOLDINGS or any officer, director, employee, stockholder, agent or affiliate of either of them. No action or proceeding by or before any court, administrative body or governmental agency shall have been instituted or threatened which seeks to enjoin, restrain or prohibit, or might result in damages in respect of, this Agreement or the complete consummation of the transactions contemplated by this Agreement, and which would in the reasonable judgment of HOLDINGS make it inadvisable to consummate such transactions. No law or regulation shall be in effect and no court order shall have been entered in any action or proceeding instituted by any party which enjoins, restrains or prohibits this Agreement or the complete consummation of the transactions as contemplated by this Agreement.

(d) **Material Adverse Changes.** There shall not have been any change or series of changes that, in the reasonable business judgment of HOLDINGS, acting in good faith, materially adversely affect the business, operations, results of operations, assets, condition (financial or other) or prospects of PDS since the date of this Agreement.

4.3 **Conditions to the Obligations of PDS.** The obligations of PDS to consummate

this Agreement and the transactions contemplated hereby are subject to the fulfillment, prior to or at the Closing Date, of the following conditions precedent:

(a) Representations; Warranties; Covenants. Each of the representations and warranties of HOLDINGS made pursuant to this Agreement as contained in the Schedule of Representations and Warranties shall be true and correct on and as of the Closing Date, with the same effect as though made on and as of the Closing Date (it being understood that representations and warranties made "as of the date hereof shall be deemed to have been made as of the Closing Date); HOLDINGS shall, on or before the Closing Date, have performed and satisfied all agreements and conditions hereunder which by the terms hereof are to be performed and satisfied by HOLDINGS on or before the Closing Date; and HOLDINGS shall have delivered to PDS a certificate signed on its behalf by its President and dated as of the Closing Date certifying to the foregoing effect.

(b) No Actions or Procedures. No action or proceeding by any stockholder of HOLDINGS (excluding statutory appraisal proceedings initiated by dissenting stockholders of HOLDINGS pursuant to Section 607.1321 and Section 607.1323 of the FBCA) shall have been commenced or threatened against HOLDINGS, PDS, or any officer, director, employee, stockholder, agent or affiliate of either of them. No action or proceeding by or before any court, administrative body or governmental agency shall have been instituted or threatened which seeks to enjoin, restrain or prohibit, or might result in damages in respect of, this Agreement or the complete consummation of the transactions as contemplated by this Agreement and which would in the reasonable judgment of PDS make it advisable to consummate such transactions, and no

law or regulation shall be in effect and no court order shall have been entered in any action or proceeding instituted by any party which enjoins, restrains or prohibits this Agreement or the complete consummation of the transactions as contemplated by this Agreement.

(c) Approvals and Consents. HOLDINGS shall have made all filings with and notifications of governmental authorities, regulatory agencies and other entities required to be made by HOLDINGS in connection with the execution, delivery and performance of this Agreement, the consummation of the transactions contemplated hereby and the continued operation of the business of HOLDINGS subsequent to the Effective Time, and HOLDINGS shall have received all required authorizations, waivers, consents and permits to permit the consummation of the transactions contemplated by this Agreement, in form and substance reasonably satisfactory to PDS, from all third parties, including, without limitation, applicable governmental authorities, regulatory agencies, lessors, lenders and contract parties, required in connection with the Merger or HOLDINGS' permits, leases, licenses and franchises, to avoid a breach, default, termination, acceleration or modification of any agreement, contract, instrument, mortgage, lien, lease, permit, authorization, order, writ, judgment, injunction, decree, determination or arbitration award as a result of the execution or performance of this Agreement, or otherwise in connection with the execution and performance of this Agreement.

SECTION 5. TERMINATION OF AGREEMENT.

5.1 Termination

(a) At any time prior to the Closing Date, this Agreement may be terminated:

(i) by mutual written consent of PDS and HOLDINGS

(ii) by PDS if HOLDINGS fails to comply with any of its covenants and agreements contained herein in any material respect or if any of the representations and warranties of HOLDINGS shall have been correct in any material respect where made or shall have ceased to be true and correct in all material respects, or

(iii) by HOLDINGS if PDS fails to comply with any of its covenants and agreements contained herein in any material respect or if any of the representations and warranties of PDS shall have been incorrect in any material respect when made or shall have ceased to be true and correct in all material respects.

(b) If either PDS or HOLDINGS exercises its right to terminate this Agreement, then this Agreement shall thereupon terminate and no party to this Agreement shall have any liability, responsibility or obligation to any other party hereto on account of this Agreement and the transactions contemplated by this Agreement; provided however, that nothing herein shall relieve any party to this Agreement from liability on account of a material and fraudulent breach of any of its representations and warranties contained herein or an intentional and material failure to comply with any of its conditions, agreements or covenants contained herein.

SECTION 6. SURVIVAL OR REPRESENTATIONS, WARRANTIES, ETC.; EXPENSES.

6.1 **Survival of Warranties.** All representations, warranties, agreements, covenants and obligations herein or in any schedule or certificate delivered by any party incident to the transactions contemplated hereby are material and may be relied upon by the party receiving the same and shall survive the Closing regardless of any investigation and shall not merge into the performance of any obligation by any party hereto, for a period of two years.

6.2 **Expenses.** All expenses and costs (including attorneys' fees) of the parties hereto in connection with this Agreement and the transactions contemplated hereby whether or not such transactions are consummated, shall be paid by the party incurring the expense.

SECTION 7. MISCELLANEOUS.

7.1 **Law Governing.** This Agreement shall be construed under and governed by the internal laws, and not the law of conflicts, of the State of Florida.

7.2 **Notices.** Any notice, request, demand other communication required or permitted hereunder shall be in writing and shall be deemed to have been given if delivered or sent by facsimile transmission, upon receipt, or if sent by registered or certified mail upon the sooner of the expiration of three days after deposit in United States post office facilities properly addressed with postage prepaid or acknowledgment or receipt, as follows:

To PDS	Precision Door Service, Inc. 571 Haverty Court, Suite W Rockledge, Florida 32955
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To HOLDINGS	Precision Holdings of Brevard, Inc. 3605 Sparrow Hawk Trail Mims, Florida 32754
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or to such other address of which any party may notify the other parties as provided above.

7.3 Prior Agreements Superseded. This Agreement and any agreements executed by the parties in connection herewith supersede all prior understandings and agreements among the parties relating to the subject matter hereof.

7.4 Assignability. This Agreement may not be assigned by PDS or HOLDINGS without the prior written consent of the other party hereto, this Agreement shall be binding upon and enforceable by, and shall inure to the benefit of, the parties hereto and their respective successors, heirs, executors, administrators and permitted assigns, and no others.

7.5 Publicity and Disclosures. Until the Effective Time, so long as this Agreement is in effect, neither PDS nor HOLDINGS nor any of their respective stockholders, subsidiaries or affiliates shall issue or cause the publication of any press release or other announcement with respect to the Merger, this Agreement or the other transactions contemplated hereby without the prior written consent of the other party hereto, which consent shall not be unreasonably withheld, except to the extent disclosure is required by any applicable law or regulation or by any court or authorized administrative or governmental agency.

7.6 Captions and Gender. The captions in this Agreement are for convenience only and shall not affect the construction or interpretation of any term or provision hereof. The use in this Agreement of the masculine pronoun in reference to a party hereto shall be deemed to include the feminine or neuter pronoun, as the context may require.

7.7 Certain Definitions. For purposes of this Agreement, the term:

(a) "affiliate" of a person shall mean a person that directly or indirectly through one or more intermediaries, controls, is controlled by, or is under common control with, the first mentioned person;

(b) "control" (including the terms "controlled by" and "under common control with") means the possession, directly or indirectly or as trustee or executor, of the power to direct or cause the direction of the management policies of a person, whether through the ownership of stock, as trustee or executor, by contract or credit arrangement or otherwise;

(c) "person" means an individual, corporation, partnership, association, trust or any unincorporated organization; and

(d) "subsidiary" of a person means any corporation more than fifty percent (50%) of whose outstanding voting securities, or any partnership, joint venture or other entity more than fifty percent (50%) of whose total equity interest, is directly or indirectly owned by such person.

7.8 Execution in Counterparts. For the convenience of the parties to facilitate execution, this Agreement may be executed in two (2) or more counterparts, each of which shall be deemed an original, but all of which shall constitute one and the same document.

7.9 Amendments; Waivers. This Agreement may not be amended or modified except by a writing duly and validly executed by each party hereto. No delay on the part of any party in exercising any right, power or privilege hereunder shall operate as a waiver thereof, nor shall any waiver on the part of any party of any such right, power or privilege, or any single or

partial exercise of any such right, power or privilege, preclude any further exercise thereof or the exercise of any other such right, power or privilege.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed as of the date set forth above by their duly authorized representatives.


[CORPORATE SEAL]

PRECISION DOOR SERVICE, INC.

Attest:



/s/ James Wellbeloved
Secretary




By: /s/ Brian Tindall
Title: President

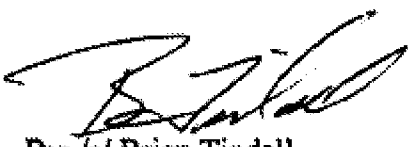
[CORPORATE SEAL]

**PRECISION HOLDINGS OF
BREVARD, INC.**

Attest:



/s/ James Wellbeloved
Secretary



By: /s/ Brian Tindall
Title: President

EXHIBIT A

ARTICLES OF MERGER
OF PRECISION DOOR SERVICE, INC.
INTO PRECISION HOLDINGS OF BREVARD, INC.

Pursuant to the provisions of Section 607.1101 of the Florida Business Corporation Act, as amended, the undersigned corporations adopt the following Articles of Merger for the purpose of merging them into one of such corporations:

FIRST: The names of the undersigned corporations and the States under the laws of which they re respectively organized are:

<u>Name of Corporation</u>	<u>State</u>
Precision Door Service, Inc.	Florida
Precision Holdings of Brevard, Inc.	Florida

SECOND: The surviving corporation is Precision Holdings of Brevard, Inc. and it is to be governed by Chapter 607 of the laws of the State of Florida.

THIRD: The Agreement and Plan of Merger (the "Plan of Merger") attached hereto as Exhibit A was approved by the shareholders of the undersigned corporations in the manner prescribed by Section 607.1103 of the Florida Business Corporation Act, as amended, on Dec. 21, 2004.

FOURTH: As to each of the undersigned corporations, the number of shares outstanding, and the designation and number of outstanding shares of each class entitled to vote as a class on such Plan of Merger, are as follows:

<u>Name of Corporation</u>	<u>Number of Shares Outstanding</u>	<u>Entitled to Vote as Class</u>	
		<u>Designation of Class</u>	<u>Number of Shares</u>
Precision Door Service, Inc.	9,900,000	Common	9,900,000
Precision Door Service, Inc.	820,000	Preferred Shares-Series A	820,000

Precision Holdings of Brevard, Inc.	5,700,000	Common	5,700,000
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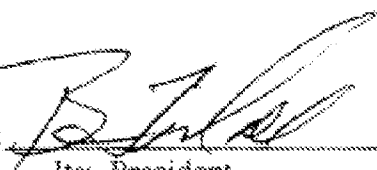
Precision Holdings of Brevard, Inc.	420,000	Preferred Shares-Series A	420,000
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FIFTH: As to each of the undersigned corporations, the votes in favor of the merger of each class entitled to vote thereon were sufficient to approve the merger. The total number of shares voted for and against the Plan of Merger as to each of the undersigned corporations, respectively, and, as to each class entitled to vote thereon as a class, the number of shares of such class voted for and against such Plan, respectively, are as follows:

<u>Name of Corporation</u>	<u>Total Voted For</u>	<u>Total Voted Against</u>	<u>Class</u>
Precision Door Service, Inc.	_____	_____	Common
	_____	_____	Preferred Shares-Series A
Precision Holdings of Brevard, Inc.	5,700,000	0	Common
	420,000	0	Preferred Shares-Series A

SIXTH: The effective date of the merger shall be December 31, 2004.

PRECISION DOOR SERVICE, INC.

By:  12/21/04
Its: President

PRECISION HOLDINGS OF BREVARD, INC.

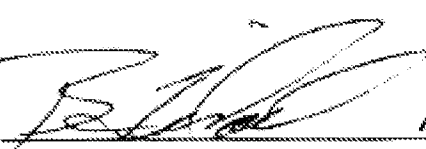
By:  12/21/04
Its: President

EXHIBIT B

Brevard, Inc.

LETTER OF TRANSMITTAL AND RELEASE AGREEMENT

The undersigned shareholder of Precision Door Service, Inc., a Florida corporation (the "Corporation"), owns the number and class of shares represented by the certificates for said shares as described below the signature of the undersigned.

This letter is delivered in conjunction with the merger of the Corporation into Precision Holdings of Brevard, Inc., a Florida corporation ("HOLDINGS"). The undersigned transmits herewith the certificate(s) for the shares owned by the undersigned in the Corporation. The transmittal of said certificate(s) is a surrender of the undersigned's rights in the Corporation's capital stock and the undersigned agrees to accept in exchange for such shares the consideration described in the Agreement and Plan of Merger between the Corporation and HOLDINGS dated _____, 2004

The undersigned does hereby remise, release, acquit, satisfy and forever discharge the Corporation and HOLDINGS and, their respective past and present officers, directors, shareholders, successors and assigns (hereinafter, collectively: the "Released Parties") from any and all debts, accounts, demands, actions, causes of actions, suits, proceedings, agreements, judgments, damages, reckonings, executions, obligations, controversies, covenants, contracts, promises, costs, expenses, attorney's fees, claims and liabilities whatsoever of every name and nature, whether now accrued or hereafter maturing and whether known or unknown, whether or not well-founded in fact or in law, whether in law, equity or otherwise, which the undersigned ever had, now has or which the undersigned or his or her successors and assigns can, shall or may have against the

TRADEMARK

Released Parties, for or by reason of any matter, cause or thing whatsoever, from the beginning of the world to and including the date of execution of this Letter, arising out of or in any way related to the ownership of shares in the Corporation or related to any agreement between the undersigned and the Corporation, except for any agreement for money loaned to the Corporation by the undersigned.

.....
Print Name: _____

Date: _____

Certificate(s) No.:

Number of Common Shares.

Number of Preferred Shares – Series A:

SCHEDULE OF REPRESENTATIONS AND WARRANTIES

For purposes of these representations and warranties, references to "knowledge" or "best knowledge" of PDS shall be deemed to include such knowledge as the President, Vice-President, Secretary or Treasurer actually has or reasonably ought to have in the prudent exercise of his or her duties. References to the "Merger Agreement" shall mean the Agreement and Plan of Merger of which this Schedule forms a part. Matters disclosed in any Section of the Disclosure Schedule attached hereto relating to the representations and warranties set forth herein (the "Disclosure Schedule") shall be deemed to have been disclosed in any other Section of the Disclosure Schedule in which disclosure would otherwise be required.

1. Organization, Existence and Authority. PDS and its subsidiaries, if any, is a corporation duly organized, validly existing and in good standing under the laws of the state or other jurisdiction of its incorporation, and as of the Closing will be duly qualified or registered as a foreign corporation (i) in each jurisdiction listed in the Disclosure Schedule attached hereto (the "Disclosure Schedule") or (ii) in which it is required to be licensed or qualified to conduct its business or own its property, except where the failure to so qualify or register would not have a material adverse effect on the business or condition of PDS or any of its subsidiaries. Each of PDS and its subsidiaries has all requisite power and authority and all material and necessary authorizations, approvals, orders, licenses, certificates and permits to conduct its business as presently conducted. PDS has all requisite power and authority to enter into, execute, deliver and perform all of its duties and obligations under the Merger Agreement and all related instruments and agreements executed in connection therewith. A true and complete copy of the certificate of incorporation and bylaws of each of PDS and its subsidiaries has previously been delivered to HOLDINGS. Neither PDS nor any of its subsidiaries is in violation of any term of its articles of incorporation and bylaws, or in violation, in any material respect, of any term of any agreement, instrument, judgment, decree, order, statute, rule or government regulation applicable to it or to which it is a party.

2. Authorization and Non-Contravention.

(a) The Merger Agreement and all documents and instruments executed pursuant thereto or contemplated thereby to which PDS is a party are valid and binding obligations of PDS, enforceable in accordance with their terms. Except as set forth in the Disclosure Schedule, the execution, delivery and performance of the Merger Agreement and all documents and instruments executed pursuant thereto or contemplated thereby to which PDS is a party and the consummation of all transactions contemplated thereby have been duly authorized by all necessary corporate or other action of PDS.

(b) Except as set forth in the Disclosure Schedule, no consent, approval or authorization of, or designation, declaration or filing with, any governmental authority is required in connection with the execution and delivery by PDS of the Merger Agreement or any other document or instrument executed pursuant thereto or contemplated thereby, or the performance or consummation of any transaction contemplated thereby, it being understood and agreed that, notwithstanding anything herein to the contrary, each of the parties to the merger has independently concluded that no filing is required under the Hart-Scott-Rodino Act ("HSR") and neither party has relied on the other party for purposes of its analysis under the HSR Act; and

(c) The execution, delivery and performance by PDS of the Merger Agreement and each agreement, document and instrument executed pursuant thereto or contemplated thereby to which it is a party and the consummation of the transactions contemplated thereby (i) do not and will not violate any provision of the articles of incorporation or bylaws of PDS or any of its subsidiaries; (ii) do not and will not violate any laws, rules or regulations of the United States, or any state or other jurisdiction applicable to PDS or any of its subsidiaries; (iii) does not and will not violate, conflict with, result in a breach a breach of, constitute a default under, accelerate any obligation under, or give rise to a right of termination of any indenture or loan or credit agreement or any other agreement, contract, instrument, mortgage, lien, lease, permit, authorization, order, writ, judgment, injunction, decree, determination or arbitration award to which PDS or any of its subsidiaries is a party or by which the property of PDS or any of its subsidiaries is bound or affected, or result in the creation or imposition of any mortgage, pledge, lien security interest or other charge or encumbrance on any shares of PDS Common stock or any assets of PDS or any of its subsidiaries.

3. Capitalization. The total authorized capital stock of PDS consists of one hundred million (100,000,000) shares of a class of common stock, no par value (the "Common Stock"), and one million (1,000,000) shares of Preferred Shares-Series A, par value ten cents (\$0.10) per share ("Preferred Shares"). As of the date hereof, nine million nine hundred thousand (9,900,000) shares of Common Stock and eight hundred twenty thousand (820,000) Preferred Shares were issued and outstanding, all of which are duly and validly issued, fully paid and nonassessable and were issued in compliance with all applicable state and federal securities laws. No shares of preferred stock are issued and outstanding. No shares of capital stock of PDS are held in the treasury of PDS or by any subsidiary except as set forth in the Disclosure Schedule. The Disclosure Schedule contains a true, correct and complete listing of all stockholders of record of PDS at the date hereof, together with the number of shares and class of capital stock owned by each such stockholder. Except as set forth on the Disclosure Schedule, (i) there are no outstanding subscriptions, options, warrants, commitments, agreements, arrangements or commitments of any kind for or relating to the issuance, sale, registration or voting of, or outstanding securities convertible into or exchangeable for, any shares of capital stock of any class or other equity interests of PDS or any subsidiary; (ii) no person has any preemptive right, right of first refusal or similar right to acquire additional shares of capital stock of PDS or any of its subsidiaries in connection with the transactions contemplated by the Merger Agreement or otherwise; (iii) there are no restrictions on the transfer of the shares of capital stock of PDS, other than those imposed by relevant state and federal securities laws; (iv) no person has any right to cause PDS or any subsidiary to effect the registration under the Securities Act of 1933, as amended, of any shares of its capital stock or any other securities (including debt securities); (v) neither PDS nor any of its subsidiaries has an obligation to purchase, redeem or otherwise acquire any of its equity securities or any interests therein, or to pay any dividend or make any other distribution in respect thereto; and (vi) there are no voting trusts, stockholders' agreements, or proxies relating to any securities of PDS to which PDS is a party or, to the best knowledge of PDS, any other voting trusts, stockholders' agreements or proxies relating to any securities of PDS.

4. Subsidiaries; Investments. A complete and correct list of all of the subsidiaries and the outstanding capital stock of each subsidiary is set forth in the Disclosure Schedule. All of the outstanding shares of capital stock of each subsidiary are duly authorized, validly issued,

fully paid and nonassessable and all of such shares or other equity interests are owned beneficially and of record by PDS or another subsidiary free and clear of all pledges, liens, encumbrances or other claims or charges. Except as set forth in the Disclosure Schedule, neither PDS nor any of its subsidiaries owns or has any direct or indirect interest in or control over any corporation, partnership, joint venture or other entity of any kind. For purposes hereof, the term "subsidiary" means, with respect to any person, any corporation more than fifty percent (50%) of the outstanding voting securities of which, or any partnership, joint venture or other entity more than fifty percent (50%) of the total equity interest of which, is directly or indirectly owned by such person.

5. Financial Statements. Included in the Disclosure Schedule are the following financial statements of PDS and its subsidiaries, all of which statements (including the footnotes and schedules thereto) were prepared in accordance with generally accepted accounting principles consistently applied during the periods covered thereby, are complete and correct in all material respects and fairly present the financial position of PDS and its subsidiaries on the dates of such statements and the results of their operations for the periods covered a thereby: Audited balance sheets at December 31, 2003, and the related statements of operations and cash flows (the "Balance Sheet") for the fiscal year then ended.

6. Absence of Undisclosed Liabilities. Except as disclosed in the Disclosure Schedule, neither PDS nor any of its subsidiaries has any liabilities (which liabilities, when taken individually or in the aggregate, are material) of any nature, whether accrued, absolute, contingent or otherwise, asserted or unasserted, known or unknown, except liabilities incurred in the ordinary course of business, which have been incurred since the date of such balance sheet.

7. Absence of Certain Developments. Since the date of the Balance Sheet, each of PDS and its subsidiaries has conducted its business only in the ordinary course consistent with past practice and, except as set forth in the Disclosure Schedule, there has been (i) no change in the condition, financial or otherwise, of PDS or any of its subsidiaries or in the assets, liabilities, properties, business or prospects of PDS or any of its subsidiaries which change by itself or in conjunction with all other such changes, whether or not arising in the ordinary course of business, has been materially adverse with respect to PDS or such subsidiary, as the case may be; (ii) no mortgage, encumbrance or lien placed on any of the properties of PDS or any of its subsidiaries; (iii) no declaration, setting aside or payment of any dividend or other distribution with respect to, or any direct or indirect redemption or acquisition of, any shares of any capital stock of any class of PDS or any options, warrants or other rights to acquire, or securities convertible into or exchangeable for, any such capital stock; (iv) no waiver of any valuable right of, or cancellation of any debt or claim held by, PDS or any of its subsidiaries; (v) no increase, direct or indirect, in the compensation paid or payable to any officer, director, employee, agent or stockholder (other than salary increases in the ordinary course of business consistently with past practice); (vi) no material loss, destruction or damage to any property of PDS or any of its subsidiaries, whether or not insured; (vii) no labor trouble or claim of unfair labor practices involving PDS or any of its subsidiaries and no material change in senior personnel of PDS or any of its subsidiaries; and (viii), no acquisition or disposition of any assets or any contract or arrangement therefor nor any other transaction by PDS or any of its subsidiaries otherwise than in the ordinary course of business.

8. Transactions with Affiliates. Except as set forth in the Disclosure Schedule, there are no loans, leases or other continuing transactions between PDS or any of its subsidiaries and any stockholder, director or officer of PDS or any of its subsidiaries, or, to the knowledge of PDS, any member of such officer's, director's or stockholder's immediate family, or any person controlled by such officer, director or stockholder or his or her immediate family. Except as set forth in the Disclosure Schedule, no stockholder, director or officer of PDS, or, to the knowledge of PDS, any of their respective spouses or family members, owns directly or indirectly on an individual or joint basis any material interest in, or serves as an officer or director or in another similar capacity of, any competitor or supplier of PDS or any of its subsidiaries, or any organization which has a material contract or arrangement with PDS or any of its subsidiaries.

9. Title to Properties. Each of PDS and its subsidiaries has good and marketable title to all of its properties and assets reflected on the balance sheet or acquired thereafter, free and clear of all liens, restrictions or encumbrances, except as set forth in the Disclosure Schedule. All equipment included in such properties which is necessary to the business of PDS or any of its subsidiaries is, to the best knowledge of PDS in good condition and repair (ordinary wear and tear excepted) and all leases of real or personal property to which PDS or any of its subsidiaries is a party are fully effective and afford PDS or such subsidiary, as the case may be, peaceful and undisturbed possession of the subject matter of the lease. Neither PDS nor any of its subsidiaries is in violation, in any material respect, of any material zoning, building or safety ordinance, regulation or requirement or other material law or regulation applicable to the operation of its owned or leased properties, nor has it received any notice of such violation.

10. Tax Matters. PDS and its subsidiaries have filed all federal and state and all material local and foreign tax returns required to be filed by them through the date hereof, and have paid or caused to be paid all federal and state and all material local, foreign and other taxes, including, without limitation, income taxes, estimated taxes, excise taxes, sales taxes, use taxes, gross receipts taxes, franchise taxes, employment and payroll - related taxes, withholding taxes, stamp taxes, transfer taxes, and property taxes, whether or not measured in whole or in part by net income, required to be paid by each of them through the date hereof whether disputed or not, except taxes which have not yet accrued or otherwise become due, for which adequate provision has been made in the pertinent financial statements referred to in Section 5 above or which will not have a material adverse effect on the business or financial condition of PDS. To the best knowledge of PDS, the provision for taxes on the balance sheet is sufficient as of its date for the payment of all accrued and unpaid federal, state, county and local taxes of any nature of PDS, and any applicable taxes owing to any foreign jurisdiction, whether or not assessed or disputed. All taxes and other assessments and levies which PDS is required to withhold or collect have been withheld and collected and have been paid over to the proper governmental authorities would not have a material adverse effect on the business or financial condition of PDS. Neither the Internal Revenue Service nor any other governmental authority is now asserting or, to the best knowledge of PDS, threatening to assert against PDS or any of its subsidiaries any deficiency or claim for additional Taxes. Except as set forth in the Disclosure Schedule, there has not been any audit of any tax return filed by PDS or any of its subsidiaries. Except as set forth in the Disclosure Schedule, no waiver or agreement by PDS is in force for the extension of time for the assessment or payment of any taxes.

11. Contracts and Commitments.

(a) Neither PDS nor any of its subsidiaries is a party to any contract, obligation or commitment which involves a potential commitment in excess of twenty-five thousand dollars (\$25,000.00) or which is otherwise material and which was not entered into in the ordinary course of business, and, except as set forth in the Disclosure Schedule, does not have any (i) employment contracts; (ii) stock redemption or purchase agreements; (iii) agreements providing for the indemnification of others against any liabilities or the sharing of the tax liability of others; (iv) license agreements (as licensor or licensee); (v) distributor or sales representative agreements; (vi) agreements with officers, directors, employees, or stockholders of PDS or any subsidiary or persons or organizations related to or affiliated with any such persons; (vii) leases; (viii) material agreements with customers of PDS or any subsidiary; (ix) plans or contracts providing for bonuses, pensions, options, stock purchases, deferred compensation, retirement payments, profit sharing, collective bargaining or the like, or any contract or agreement with any labor union; (x) agreements for the purchase of any commodity, material or equipment except purchase orders in the ordinary course of business consistent with past practice; (xi) other agreements creating any material obligations of PDS or any subsidiary with respect to any contract or agreement not specifically disclosed elsewhere herein or in the Disclosure Schedule; (xii) agreements containing covenants limiting the freedom of PDS or any subsidiary to compete in any line of business or territory or with any person or entity; or (xiii) indentures, mortgages, promissory notes, loan agreements, guaranties or other agreements or commitments for the borrowing of money or any related security agreements (provided that the Disclosure Schedule shall not be required to include any of the foregoing to the extent the same is on a standard form commonly used by PDS or its subsidiaries).

(b) All contracts, agreements, leases and instruments described in the Disclosure Schedule are valid and are in full force and effect and constitute legal, valid and binding obligations of PDS or a subsidiary, as the case may be, and, to the best knowledge of PDS, the other parties thereto, enforceable in accordance with their respective terms, and all other contracts, agreements, leases and instruments to which PDS or any subsidiary is a party or by which PDS or any subsidiary is obligated constitute legal, valid and binding obligations of PDS or such subsidiary, as the case may be, and, to the knowledge of PDS, the other parties thereto, enforceable in accordance with their respective terms, except to the extent that any failure to constitute legal, valid and enforceable obligations would not have a material adverse effect on the properties, assets, business, condition (financial or other) or prospects of PDS or such subsidiary, as the case may be.

(c) To the best knowledge of PDS, neither PDS nor any of its subsidiaries is a party to any contract or arrangement which under circumstances now foreseeable is likely to have a material adverse effect on the business, properties or prospect of PDS or such subsidiary, as the case may be.

(d) Neither PDS nor any of its subsidiaries (i) has any liability for renegotiation of government contracts or subcontracts, (ii) has been suspended or debarred from bidding on contracts or subcontracts with any federal, state or local agency or governmental authority, (iii) has been audited or investigated by any such agency or authority with respect to contracts entered into or goods and services provided by PDS or any of its subsidiaries or (iv)

has had a contract terminated by any such agency or authority for default or failure to perform in accordance with applicable standards.

12. Intellectual Property Rights; Employee Restrictions. Except as set forth in the Disclosure Schedule, PDS and its subsidiaries own or possess adequate license or other rights to use, free and clear of claims or rights of any other person, all patents, patent applications, trademarks, trademark applications, service marks, service mark applications, trade names, copyrights, manufacturing processes, programming processes, formulae, trade secrets and know how (collectively "Intellectual Property") material to the conduct of their respective business as presently conducted and as proposed to be conducted. The rights of PDS and its subsidiaries in all of such Intellectual Property are freely transferable. PDS is not aware of any infringement by any other person of any rights of PDS or any of its subsidiaries under any such Intellectual Property. No claim is pending or threatened against PDS or any of its subsidiaries to the effect that any such Intellectual Property infringes upon or conflicts with the asserted rights of any other person and, to the best knowledge of PDS, there is no basis for any such claim (whether or not pending or threatened). No claim is pending or threatened against PDS or any of its subsidiaries to the effect that any such Intellectual Property is invalid or unenforceable, and, to the best knowledge of PDS, there is no basis for any such claim (whether or not pending or threatened). All proprietary information developed by or belonging to PDS or any of its subsidiaries and which is material to the business of PDS or any subsidiary which has not been patented has been kept confidential. Neither PDS nor any of its subsidiaries is making unlawful use of any Intellectual Property of any other person, including without limitation any former employer or any past or present employees of PDS or any subsidiary in any such case where such use would have a material adverse effect on the properties, assets, business, condition (financial or other) or prospects of PDS or such subsidiary, as the case may be. Except as disclosed in the Disclosure Schedule, neither PDS nor any subsidiary nor, to the best knowledge of PDS, any of their respective employees has any agreements or arrangements with former employers of such employees relating to any Intellectual Property of such employers, which interfere or conflict with the performance of such employee's duties.

13. Litigation. There is no litigation or governmental or administrative proceeding or investigation pending or, to the best knowledge of PDS, threatened against PDS or any of its subsidiaries or affecting any of their respective properties or assets, or against any officer, director or stockholder or key employee of PDS or any of its subsidiaries, which may have a material adverse effect on the properties, assets, business condition (financial or otherwise) or prospects of PDS or any of its subsidiaries, or which may call into question the validity or hinder the enforceability or performance of the Merger Agreement or the agreements contemplated thereby or the consummation of the transactions contemplated by any of the foregoing; nor, to the best knowledge of PDS, has there occurred any event nor does there exist any condition on the basis of which any such claim may be asserted. No claim has been asserted against PDS or any of its subsidiaries for renegotiation or price redetermination of any business transaction, and, to the best knowledge of PDS, there are no facts upon which any such claim could be based.

14. Permits; Compliance with Laws. Each of PDS and its subsidiaries has all franchises, permits, licenses and other approvals, rights and privileges (collectively "Permits") required to permit it to own its property and to conduct its business as it is presently conducted or proposed to be conducted, except for such franchises, permits, licenses and other approvals,

rights and privileges the lack of which would not have a material adverse effect on the properties, assets, business, condition (financial or other) or prospects of PDS or any subsidiary, as the case may be, and all such Permits are valid and in full force and effect. No Permit is subject to termination as a result of the execution of the Merger Agreement or any document or instrument executed pursuant thereto or contemplated thereby, or consummation of the transactions contemplated by any of the foregoing. PDS and its subsidiaries are now and have heretofore been in compliance with all applicable statutes, ordinances, orders, rules and regulations (including all applicable environmental laws and regulations and subject to the materiality standards set forth in Section 9 with respect to the laws and regulations referred to in the last sentence thereof) promulgated by any federal, state, municipal or other governmental authority which apply to the conduct of its business, except for any such non-compliance or violation that, individually or in the aggregate, would not have a material adverse effect on the properties, assets, business, condition (financial or other) or prospects of PDS or any subsidiary. Neither PDS nor any of its subsidiaries has ever entered into or been subject to any judgment, consent decree, compliance order or administrative order with respect to any environmental or health and safety law or received any request for information, notice, demand letter, administrative inquiry or formal or informal complaint or claim with respect to any environmental or health and safety matter or the enforcement of any such law.

15. Labor Laws. Except as disclosed and set forth in the Disclosure Schedule, neither PDS nor any of its subsidiaries is delinquent in payments to any of its employees for any material wages, salaries, commissions, bonuses or other direct compensation for any services performed for it to the date hereof or material amounts required to be reimbursed to such employees. PDS has not received any oral or written charge or claim of employment discrimination or unfair labor practices or strikes, slowdowns, stoppages of work, or any other concerted interference with normal operations existing, pending or threatened against or involving PDS or any of its subsidiaries. No question concerning union representation exists respecting any group of employees of PDS or any of its subsidiaries.

16. Information Supplied. Except as further disclosed and set forth in the Disclosure Schedule, neither the Merger Agreement nor any document or instrument executed pursuant thereto or contemplated thereby, nor this Schedule or any document referenced herein, nor any certificate or statement furnished pursuant to any of the foregoing by or on behalf of PDS or any of its subsidiaries, or any stockholder of PDS, when taken together, to the best knowledge of PDS, contains any untrue statement of a material fact or omits to state a material fact necessary in order to make the statements contained therein not misleading. There is no material fact directly relating to the business, operations or condition of PDS and its subsidiaries (other than facts which relate to general economic trends or conditions) that materially adversely affects or, to the best knowledge of PDS, in the future may (so far as PDS may now reasonably foresee based upon material facts of which it is now aware) materially adversely affect the same that has not been set forth in the Merger Agreement, in this Schedule or in the Disclosure Schedule. To the best knowledge of PDS, none of the information contained in any proxy or informational materials distributed to the stockholders of PDS in connection with the approval of the transactions contemplated by the Merger Agreement contained, when first mailed to the stockholders of PDS or at the time of the meeting of the stockholders of PDS vote upon such transaction, any statement which, at such time and in light of the circumstances under which it

was made, was false or misleading with respect to any material fact or omitted to state any material fact necessary in order to make the statements therein not false or misleading.

17. Brokerage. There are no claims for brokerage commissions, finder's fees or similar compensation (exclusive of professional fees to lawyers and accountants) in connection with the transactions contemplated by the Merger Agreement based on any arrangement or agreement made by or on behalf of PDS or any subsidiary or any stockholder of PDS.

18. Employee Benefit Plans. Neither PDS nor any of its subsidiaries maintains or contributes to any employee benefit plan, stock option, bonus or incentive plan, severance pay policy or agreement, deferred compensation agreement, or any similar plan or agreement (an "Employee Benefit Plan") other than the Employee Benefit Plans identified in the Disclosure Schedule. The terms and operation of each Employee Benefit Plan comply with all applicable laws and regulations relating to such Employee Benefit Plans. There are no unfunded obligations of PDS or any subsidiary under any retirement, pension, profit-sharing, deferred compensation plan or similar program. Neither PDS nor any of its subsidiaries is required to make any payments or contributions to any Employee Benefit Plan pursuant to any collective bargaining agreement or, to the knowledge of PDS, any applicable labor relations law. Except as set forth in the Disclosure Schedule, neither PDS nor any of its subsidiaries has ever maintained or contributed to any Employee Benefit Plan providing or promising any health or other non pension benefits to terminated employees.

19. Insurance. The physical properties, assets, business, operations, employees, officers and directors of PDS and its subsidiaries are insured to the extent disclosed in the Disclosure Schedule. There is no claim by PDS or any of its subsidiaries pending under any such policies as to which coverage has been questioned, denied or disputed by the insurer. Said insurance policies and arrangements are in full force and effect, all premiums with respect thereto are currently paid, and PDS and its subsidiaries are in compliance in all material respects with the terms thereof. Said insurance is sufficient of compliance by PDS and its subsidiaries with all requirements of applicable law and all agreements and leases to which any of them is a party. To the best knowledge of PDS, each such insurance policy shall continue to be in full force and effect following consummation of the transactions contemplated by the Merger Agreement.

DISCLOSURE SCHEDULE

SECTION 1

Qualification in Foreign Jurisdiction

None.

SECTION 2

Lack of Consent or Approval

of

Transaction

None.

SECTION 3

A. Treasury Stock

None.

List of Shareholders

None.

Outstanding Rights in Stock Subsections 3(i) through 3(iv).

None.

SECTION 4

Subsidiaries

None.

SECTION 5

Financial Statements

None.

SECTION 6

Undisclosed Liabilities

None.

SECTION 7

Absence of Certain Developments

None.

SECTION 8

Transactions with Affiliates

None.

SECTION 9

Title to Properties

None.

SECTION 10

Tax Matters

None.

SECTION 11

Contracts and Commitments

None.

SECTION 12

Intellectual Property Rights --

Employer Restrictions

None.

SECTION 13

Litigation

None.

SECTION 14

Permits; Compliance with Laws

None.

SECTION 15

Labor Laws

None.

SECTION 16

Information Supplied

None.

SECTION 17

Brokerage

None.

SECTION 18

Employee Benefit Plans

None.

SECTION 19

Insurance

None.