THIS DOCUMENT IS A COPY OF THE DEFINITIVE PROXY MATERIALS FILED ON FEBRUARY 14, 1994 PURSUANT TO A RULE 201 TEMPORARY HARDSHIP EXEMPTION.

BURNUP & SIMS INC.

The undersigned hereby appoints Nick A. Caporella and George R. Bracken, or either of them, each with the power to appoint his substitute, proxies to represent the undersigned and to vote as designated below all of the shares of Common Stock of Burnup & Sims Inc. (the "Company") held of record by the undersigned on January 31, 1994 at the Annual and Special Meeting of Stockholders (the "Meeting") to be held on March 11, 1994 and at any adjournment or postponement thereof.

THIS PROXY IS SOLICITED ON BEHALF OF THE BOARD OF DIRECTORS

1. ELECTION OF SAMUEL C. HATHORN, JR. AS DIRECTOR.

/__/ FOR the nominee listed above

/__/ WITHHOLD AUTHORITY to vote for the nominee listed above

2. TO APPROVE THE TERMS OF AN AGREEMENT DATED AS OF OCTOBER 15, 1993, AS AMENDED, PURSUANT TO WHICH, AMONG OTHER THINGS, (i) THE COMPANY WILL ACQUIRE (THE "ACQUISITION") ALL OF THE OUTSTANDING CAPITAL STOCK OF CHURCH & TOWER, INC. ("CT") AND CHURCH & TOWER OF FLORIDA, INC. ("CTF") FOR $58.8 MILLION IN EXCHANGE FOR 10,250,000 SHARES OF COMMON STOCK OF THE COMPANY AND (ii) IMMEDIATELY THEREAFTER, THE COMPANY WILL REDEEM 3,153,847 SHARES OF COMMON STOCK OF THE COMPANY OWNED BY NATIONAL BEVERAGE CORP. ("NBC") IN CONSIDERATION FOR THE CANCELLATION OF $18,092,313 OF INDEBTEDNESS OWED BY NBC TO THE COMPANY.

/__/ FOR /__/ AGAINST /__/ ABSTAIN

MI1-52505.1

3. TO APPROVE AN AMENDMENT TO THE COMPANY'S CERTIFICATE OF INCORPORATION (THE "CERTIFICATE") CHANGING THE NAME OF THE COMPANY TO MASTEC INC.

/__/ FOR /__/ AGAINST /__/ ABSTAIN

4. TO APPROVE AN AMENDMENT TO THE CERTIFICATE INCREASING THE TOTAL NUMBER OF SHARES OF COMMON STOCK WHICH THE COMPANY IS AUTHORIZED TO ISSUE FROM 25,000,000 TO 50,000,000.

/__/ FOR /__/ AGAINST /__/ ABSTAIN

5. TO APPROVE AN AMENDMENT TO THE CERTIFICATE TO ELIMINATE ALL DESIGNATIONS, POWERS, PREFERENCES, RIGHTS, QUALIFICATIONS, LIMITATIONS AND RESTRICTIONS PRESCRIBED IN THE CERTIFICATE RELATING TO THE 5,000,000 SHARES OF PREFERRED STOCK AUTHORIZED BY THE CERTIFICATE AND WHICH MAY IN THE FUTURE BE ISSUED BY THE COMPANY.

/__/ FOR /__/ AGAINST /__/ ABSTAIN

6. TO APPROVE AN AMENDMENT TO THE CERTIFICATE TO ADOPT THE PROVISIONS OF SECTION 102(b)(7) OF THE DELAWARE GENERAL CORPORATION LAW ("DGCL") RELATING TO THE LIABILITY OF DIRECTORS.

/__/ FOR /__/ AGAINST /__/ ABSTAIN

7. TO APPROVE AN AMENDMENT TO THE CERTIFICATE TO BROADEN THE CORPORATE POWERS OF THE COMPANY TO THE MAXIMUM EXTENT PERMITTED BY THE DGCL AND MAKE CERTAIN OTHER CLARIFICATIONS TO THE CERTIFICATE.

/__/ FOR /__/ AGAINST /__/ ABSTAIN

8. TO APPROVE THE COMPANY'S 1994 STOCK OPTION PLAN FOR NON-EMPLOYEE DIRECTORS.

/__/ FOR /__/ AGAINST /__/ ABSTAIN

9. TO APPROVE THE COMPANY'S 1994 STOCK INCENTIVE PLAN.

/__/ FOR /__/ AGAINST /__/ ABSTAIN

AS A CONDITION TO THE CONSUMMATION OF THE ACQUISITION, THE STOCKHOLDERS OF THE COMPANY ARE REQUIRED TO HAVE APPROVED EACH OF THE FOREGOING AMENDMENTS TO THE CERTIFICATE (PROPOSALS NOS. 3 THROUGH 7), PROPOSED BY THE STOCKHOLDERS OF CT AND CTF. IF EACH OF THE PROPOSED AMENDMENTS TO THE CERTIFICATE ARE NOT APPROVED BY THE REQUISITE NUMBER OF STOCKHOLDER VOTES, THE ACQUISITION MAY NOT BE CONSUMMATED EVEN IF THE TERMS OF THE ACQUISITION AGREEMENT ARE APPROVED BY THE STOCKHOLDERS OF THE COMPANY. ADDITIONALLY, THE PROPOSALS TO (i) APPROVE THE AMENDMENTS TO THE COMPANY'S CERTIFICATE, (ii) APPROVE THE COMPANY'S 1994 STOCK OPTION PLAN FOR NON-EMPLOYEE DIRECTORS AND (iii) APPROVE THE COMPANY'S 1994 STOCK INCENTIVE PLAN ARE CONDITIONED UPON THE APPROVAL OF THE TERMS OF THE ACQUISITION AGREEMENT. ACCORDINGLY, IF THE ACQUISITION AGREEMENT IS NOT APPROVED, THESE PROPOSALS, EVEN IF APPROVED BY THE STOCKHOLDERS, WILL NOT BE EFFECTED.

THIS PROXY WHEN PROPERLY EXECUTED WILL BE VOTED IN THE MANNER DIRECTED HEREIN BY THE UNDERSIGNED STOCKHOLDER. IF NO DIRECTION IS MADE, THIS PROXY WILL BE VOTED, "FOR" PROPOSALS 1 THROUGH 9, AND WILL BE VOTED AT THE DISCRETION OF THE PROXIES ON ANY OTHER MATTER THAT MAY PROPERLY COME BEFORE THE MEETING.

Dated _____, 1994

_____
Signature

_____
Signature if held jointly

Please sign exactly as name appears opposite. When shares are held by joint tenants, both should sign. When signing as attorney, executor, administrator, trustee or guardian, please give full title as such. If a corporation, please sign in full corporate name by President or other authorized officer. If a partnership,

please sign in partnership name by authorized person.

PLEASE MARK, SIGN, DATE AND RETURN THIS PROXY
PROMPTLY USING ENCLOSED ENVELOPE

NOTICE OF 1993 ANNUAL AND SPECIAL MEETING OF STOCKHOLDERS -
BURNUP & SIMS INC.

TIME: 2:00 p.m. local time

DATE: March 11, 1994

PLACE: Palm Beach Gardens Marriott
4000 RCA Boulevard
Palm Beach Gardens, Florida 33410

At the 1993 Annual and Special Meeting of Stockholders of Burnup & Sims Inc. (the "Company"), and any adjournments or postponements thereof (the "Meeting"), the following proposals are on the agenda for action by the stockholders:

. To elect one director to serve as a Class II director.

. To approve the terms of an Agreement, dated as of October 15, 1993, as amended (the "Acquisition Agreement"), by and among the Company, and the stockholders of Church & Tower, Inc., a Florida corporation ("CT"), and Church & Tower of Florida, Inc., a Florida corporation ("CTF"), pursuant to which, among other things, (i) the Company will acquire (the "Acquisition") all of the issued and outstanding capital stock of CT and CTF for $58.8 million in exchange for 10,250,000 shares of the Company's Common Stock, par value $.10 per share ("Common Stock"), and (ii) immediately thereafter, the Company will redeem (the "Redemption") 3,153,847 shares of Common Stock owned by National Beverage Corp. ("NBC"), in consideration for the cancellation of $18,092,313 of indebtedness owed by NBC to the Company.

. To approve an amendment to the Company's Certificate of Incorporation (the "Certificate") changing the name of the Company to MasTec Inc.

. To approve an amendment to the Certificate increasing the total number of shares of Common Stock which the Company is authorized to issue from 25,000,000 to 50,000,000.

. To approve an amendment to the Certificate to eliminate all designations, powers, preferences, rights, qualifications, limitations and restrictions prescribed in the Certificate relating to the 5,000,000 shares of preferred stock authorized by the Certificate and which may in the future be issued by the Company.

. To approve an amendment to the Certificate to adopt the provisions of Section 102(b)(7) of the Delaware General Corporation Law ("DGCL") relating to the liability of directors.

. To approve an amendment to the Certificate to broaden the corporate powers of the Company to the maximum extent permitted by the DGCL and make certain other clarifications to the Certificate.

. To approve the Company's 1994 Stock Option Plan for Non-Employee

Directors.

. To approve the Company's 1994 Stock Incentive Plan.

. To transact such other business as may properly come before the Meeting.

The Redemption will not be consummated unless the Acquisition shall have occurred. Accordingly, assuming satisfaction of all other conditions to the consummation of the Acquisition, approval by stockholders of the Acquisition Agreement shall result in consummation of the Redemption. A vote in favor of the Acquisition Agreement may preclude a stockholder from challenging the Acquisition, the Redemption and the other transactions described in the accompanying Proxy Statement and from participating in, and receiving damages, if any, as a result of any action which has been or may be filed on behalf of any or all of the stockholders with respect to such transaction, including the class action and derivative complaint filed by a stockholder of the Company relating to, among other things, the Acquisition, the Redemption and certain other transactions described in the Proxy Statement.

Upon consummation of the Acquisition and the transactions contemplated thereby, the former stockholders of CT and CTF will own approximately 65% of the issued and outstanding shares of Common Stock of the Company. Accordingly, to the extent they act in concert, the former stockholders of CT and CTF will have the ability to control the affairs of the Company and control the election of the Company's directors regardless of how the other stockholders may vote. Furthermore, such persons will have the ability to control other actions requiring stockholder approval, including certain fundamental corporate transactions such as a merger or sale of substantially all of the assets of the Company, regardless of how the other stockholders may vote. This ability may be enhanced by the adoption of the proposed amendments to the Certificate, including those which would (i) increase the number of authorized shares of Common Stock from twenty-five million (25,000,000) to fifty million (50,000,000), and (ii) eliminate all designations, powers, preferences, rights, qualifications, limitations and restrictions in the Certificate relating to the Company's preferred stock.

These proposed amendments to the Certificate may be deemed to have the effect of making more difficult the acquisition of control of the Company after the consummation of the Acquisition by means of a hostile tender offer, open market purchases, a proxy contest or otherwise. On the one hand, these amendments may be seen as encouraging persons seeking to acquire control of the Company to initiate such an acquisition through arm's-length negotiations with the Company; on the other hand, the amendments may have the effect of discouraging a third party from making a tender offer or otherwise attempting to obtain control of the Company, even though such an attempt may be economically beneficial to the Company and its stockholders. Furthermore, the proposed amendments to the Certificate and the fact that the CT and CTF stockholders will own approximately 65% of the Common Stock after the consummation of the Acquisition and the Redemption may have a negative effect on the market price and liquidity of the Common Stock.

Only holders of record of Common Stock of the Company at the close of business on January 31, 1994 are entitled to notice of, and to vote at, the Meeting.

A complete list of the stockholders entitled to vote at the Meeting will be open to examination by any stockholder, for any proper purpose, during ordinary business hours for a period of ten days prior to the Meeting at the corporate offices of the Company at One North University Drive, Fort Lauderdale, Florida 33324. This list will also be kept at the

Meeting and may be inspected by any stockholder present.

A Proxy Statement, setting forth certain additional information, and the Company's Annual Report on Form 10-K for the fiscal year ended April 30, 1993 and Quarterly Report on Form 10-Q for the fiscal quarter ended October 31, 1993, as amended, accompany this Notice of Annual and Special Meeting.

All stockholders are cordially invited to attend the Meeting in person. Please complete and return the proxy in the enclosed envelope addressed to the Company, since a majority of the outstanding shares entitled to vote at the Meeting must be represented at the Meeting in order to transact business. Stockholders have the power to revoke any such proxy at any time before it is voted and the giving of such proxy will not affect the right to vote in person if the Meeting is attended. Your vote is important.

By Order of the Board of Directors,

/s/ Nick A. Caporella

_____
Nick A. Caporella
Chairman of the Board,
President and Chief Executive Officer

February 10, 1994
Fort Lauderdale, Florida

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1993 ANNUAL AND SPECIAL MEETING OF STOCKHOLDERS OF BURNUP & SIMS INC.

PROXY STATEMENT

This Proxy Statement is furnished in connection with the solicitation by the Board of Directors (the "Board of Directors" or the "Board") of Burnup & Sims Inc., a Delaware corporation ("Burnup & Sims" or the "Company"), of proxies from the holders of the Company's Common Stock, par value $.10 per share (the "Common Stock"), for use at the 1993 Annual and Special Meeting of Stockholders of the Company to be held at the Palm Beach Gardens Marriott, 4000 RCA Boulevard, Palm Beach Gardens, Florida 33410 on March 11, 1994 at 2:00 p.m., local time and any adjournments or postponements thereof (the "Meeting").

The approximate date on which this Proxy Statement and the enclosed form of proxy are first being sent to stockholders is February 10, 1994. Stockholders should review the information provided herein in conjunction with the Annual Report on Form 10-K of the Company for the fiscal year ended April 30, 1993 (the "Annual Report"), and the Quarterly Report on Form 10-Q of the Company for the six months ended October 31, 1993, as amended, which accompany this Proxy Statement.

INFORMATION CONCERNING PROXY

The giving of a proxy does not preclude the right to vote in person should any stockholder giving a proxy so desire. The mailing address of the principal executive offices of the Company is P.O. Box 15070, Fort Lauderdale, Florida 33318. A stockholder who gives a proxy may revoke it at any time before it is exercised, either in person at the Meeting or by filing with Ms. Margaret M. Madden, Vice President and Corporate Secretary of the Company, at the address of the executive offices set forth above, a

written revocation or a duly executed proxy bearing a later date than the date of the proxy being revoked.

The cost of preparing, assembling and mailing this Proxy Statement, the Notice of Annual and Special Meeting of Stockholders and the enclosed proxy will be borne by the Company. In addition to the use of mail, officers, directors and employees of the Company may solicit proxies personally and by telephone. The Company's officers, directors and employees will receive no compensation for soliciting proxies other than their regular salaries. The Company has retained Hill & Knowlton to assist in soliciting proxies for use at the Meeting for an aggregate fee of $8,000 plus reimbursement of reasonable out-of-pocket expenses. The

Company may request banks, brokers and other custodians, nominees and fiduciaries to forward copies of the proxy material to the beneficial owners on whose behalf they are holding shares of Common Stock and to request authority for the execution of proxies. The Company may reimburse such persons for their expenses in so doing.

PURPOSES OF THE MEETING

At the Meeting, the Company's stockholders will consider and vote upon the following matters:

1. The election of one member to the Company's Board of Directors to serve as a Class II director.

2. The approval of the terms of an Agreement, dated as of October 15, 1993 by and among the Company and the stockholders of Church & Tower, Inc., a Florida corporation ("CT"), and Church & Tower of Florida, Inc., a Florida corporation ("CTF"), as amended (the "Acquisition Agreement"), pursuant to which, among other things, (i) the Company will acquire all of the issued and outstanding capital stock of CT and CTF (collectively, the "CT and CTF Shares") for $58.8 million in exchange for 10,250,000 shares of Common Stock (the "Burnup Shares"), and (ii) immediately thereafter, the Company will redeem (the "Redemption") 3,153,847 shares of Common Stock owned by National Beverage Corp. ("NBC"), in consideration for the cancellation of $18,092,313 of indebtedness owed by NBC to the Company. The acquisition of CT and CTF by the Company pursuant to the terms of the Acquisition Agreement is sometimes herein referred to as the "Acquisition."

3. The approval of an amendment to the Company's Certificate of Incorporation (the "Certificate") changing the name of the Company to MasTec Inc.

4. The approval of an amendment to the Certificate increasing the total number of shares of Common Stock which the Company is authorized to issue from 25,000,000 to 50,000,000.

5. The approval of an amendment to the Certificate to eliminate all designations, powers, preferences, rights, qualifications, limitations and restrictions prescribed in the Certificate relating to the 5,000,000 shares of preferred stock authorized by the Certificate and which may in the future be issued by the Company.

6. The approval of an amendment to the Certificate to adopt the provisions of Section 102(b)(7) of the Delaware General Corporation Law (the "DGCL") relating to the liability of directors.

7. The approval of an amendment to the Certificate to broaden the corporate powers of the Company to the maximum extent permitted by the DGCL and make certain other clarifications to the Certificate.

8. The approval of the Company's 1994 Stock Option Plan for Non-Employee Directors.

9. The approval of the Company's 1994 Stock Incentive Plan.

10. The transaction of such other business as may properly come before the Meeting and any adjournments or postponements thereof.

As a condition to the consummation of the Acquisition, the stockholders of the Company are required to have approved each of the foregoing amendments to the Certificate, proposed by the stockholders of CT and CTF. If each of the proposed amendments to the Certificate are not approved by the requisite number of stockholder votes, the Acquisition may not be consummated even if the terms of the Acquisition Agreement are approved by the stockholders of the Company. Additionally, the proposals to (i) approve such amendments to the Company's Certificate, (ii) approve the Company's 1994 Stock Option Plan for Non-Employee Directors and (iii) approve the Company's 1994 Stock Incentive Plan are conditioned upon the approval of the terms of the Acquisition Agreement. Accordingly, if the Acquisition Agreement is not approved, these proposals, even if approved by the stockholders, will not be effected.

Unless a stockholder otherwise specifies therein, all shares represented by valid proxies will be voted FOR the election as director of the Company of the person named under the caption "Election of Director," FOR the adoption of the Acquisition Agreement, FOR each of the amendments to the Company's Certificate, FOR approval of the Company's 1994 Stock Option Plan for Non-Employee Directors and FOR approval of the Company's 1994 Stock Incentive Plan, and will be voted at the discretion of the

proxies on any other matter that may properly come before the Meeting. Where a stockholder has specified how a proxy is to be voted, it will be voted accordingly. The Board of Directors does not know of any action to be taken at the Meeting other than the foregoing.

SUMMARY OF THE ACQUISITION AND RELATED MATTERS

The following is a summary of certain information contained in this Proxy Statement concerning the Acquisition and matters related thereto. This summary is provided for your convenience, should not be considered complete, and is qualified in its entirety by the detailed discussions contained elsewhere in this Proxy Statement, the Financial Statements and Notes thereto included herein or incorporated by reference herein and by reference to the Acquisition Agreement, a copy of which is attached hereto as Appendix A. Certain terms which are used in this Proxy Statement are defined in the summary. THE COMPANY'S STOCKHOLDERS ARE URGED TO READ THE ENTIRE PROXY STATEMENT CAREFULLY, INCLUDING ALL APPENDICES HERETO AND ALL DOCUMENTS INCORPORATED HEREIN BY REFERENCE.

The Company. The Company is a corporation incorporated under the laws of the state of Delaware with its principal offices located at One North University Drive, Fort Lauderdale, Florida 33324. Where appropriate, the term the Company shall mean and include Burnup & Sims Inc. and its subsidiaries. The Company's telephone number is (305) 587-4512.

The Company was founded in 1929 and currently provides a wide range of cable design, installation and maintenance services to telephone, CATV and utility services throughout the United States. These services are rendered through various subsidiary companies located principally in California, Florida, Georgia, Mississippi, North Carolina and Texas. In addition, the Company manufactures power supplies for the CATV industry, operates a motion picture theater chain in the southeastern U.S. and also provides commercial printing and graphic arts services.

CT and CTF. CT and CTF provide a broad range of services to the telecommunications industry and are engaged in providing construction and design services to government and industry, in South Florida. CTF is principally involved in providing engineering, construction and

maintenance services to local utility companies under master contracts. CT is a subcontractor of CTF and engages in selected construction projects in the public and private sectors. CT and CTF are sometimes collectively referred to herein as the "CT Group." See "PROPOSAL TO APPROVE ACQUISITION AGREEMENT WITH CHURCH & TOWER, INC. AND CHURCH & TOWER OF FLORIDA, INC. - Background of CT and CTF."

The Proposed Acquisition. Pursuant to the terms of the Acquisition Agreement, the Company will acquire the CT and CTF Shares for $58.8 million in exchange for 10,250,000 shares of Common Stock issued to the present stockholders of CT and CTF. As a result of the Acquisition, CT and CTF will become wholly-owned subsidiaries of the Company. The Acquisition will become effective immediately following receipt of stockholder approval and satisfaction or waiver of all other conditions set forth in the Acquisition Agreement (the "Closing Date" or the "Closing"). See "PROPOSAL TO APPROVE ACQUISITION AGREEMENT WITH CHURCH &

TOWER, INC. AND CHURCH & TOWER OF FLORIDA, INC - Terms of the Acquisition Agreement."

Change of Control. As a result of transactions contemplated by and in connection with the Acquisition, the present stockholders of CT and CTF will own approximately 65% of the Common Stock outstanding immediately after consummation of the Acquisition and the Redemption. See "MANAGEMENT-Proposed Directors and Executive Officers." To the extent such persons act in concert, they will be controlling stockholders of the Company and will have the ability to control the election of the Company's directors and certain fundamental corporate transactions regardless of how the other stockholders may vote. See "PROPOSAL TO APPROVE ACQUISITION AGREEMENT WITH CHURCH & TOWER, INC. AND CHURCH & TOWER OF FLORIDA, INC. - Certain Effects of the Acquisition - Change of Control."

Requirements for Stockholder Approval. The listing requirements of The National Association of Securities Dealers Automated Quotation System ("NASDAQ") require stockholder approval of any transaction, such as the Acquisition, in which the issuer proposes to issue new shares of a listed

class of securities constituting 20% or more of the outstanding shares of such class prior to the date of issuance. The Burnup Shares will constitute approximately 65% of the outstanding Common Stock following consummation of the Acquisition and the Redemption. Accordingly, it is a condition to the consummation of the Acquisition that holders of a majority of the outstanding Common Stock approve the terms of the Acquisition Agreement. The terms of the Acquisition Agreement were reviewed and approved by the Special Transaction Committee of the Board of Directors of the Company (the "Special Transaction Committee") on behalf of the stockholders of the Company (other than NBC and its affiliates). See "MANAGEMENT - Meetings and Committees of Board of Directors" for the names of the members of the Special Transaction Committee and the functions of such committee.

The vote of a majority of the unaffiliated stockholders of the Company is not required to approve the Acquisition Agreement. NBC, which currently holds approximately 36% of the shares of outstanding Common Stock, will vote in connection with the proposal to approve the Acquisition Agreement. The Redemption will not be consummated unless the Acquisition shall have occurred. Accordingly, assuming satisfaction of all other conditions to the consummation of the Acquisition, approval by stockholders of the Acquisition Agreement shall result in consummation of the Redemption. A vote in favor of the Acquisition Agreement may preclude a stockholder of the Company from challenging the Acquisition, the Redemption and the other transactions described in this Proxy Statement and from participating in, and receiving damages, if any, as a result of any action which has been or may be filed on behalf of any or all of the stockholders with respect to such transactions. See "CERTAIN TRANSACTIONS AND LITIGATION" for a description of a class action and derivative complaint relating to, among other things, the Acquisition, the Redemption and certain other transactions described in this Proxy Statement. On November 16, 1993, the Board of Directors of the Company approved the Acquisition.

The Redemption. The Acquisition Agreement provides as a condition to the consummation of the Acquisition by the stockholders of CT and CTF and the Company that (i) the Company shall have entered into a written agreement with NBC pursuant to which the Company shall have agreed to redeem 3,153,847 shares of Common Stock owned by NBC, (ii) all of the conditions to the consummation of the Redemption shall have been satisfied

or waived, except the condition requiring consummation of the Acquisition, and (iii) the stockholders of CT and CTF shall have received a written certificate from the Chief Executive Officer and Chief Financial Officer of the Company that all of the conditions to the consummation of the Redemption shall have been satisfied or waived, except the condition to the Redemption that the Acquisition shall have occurred, which certificate shall be supported by a certificate from the Chief Executive Officer of NBC, to the same effect. Accordingly, the Acquisition will be consummated prior to the Redemption. The Acquisition and Redemption are sometimes referred to herein as the "Transaction."

The Redemption was negotiated and approved by the Special Transaction Committee on behalf of the stockholders of the Company (other than NBC and its affiliates). The consideration for the Redemption will be the cancellation of $18,092,313 of indebtedness owed by NBC to the Company, consisting of (x) the outstanding principal of $17,500,000 of a 14% Subordinated Debenture (the "Subordinated Debenture") owed to the Company by NBC and (y) a credit of the next succeeding principal payments in the amount of $592,313 of a promissory note with an outstanding principal amount of $1,371,430 owed to the Company by NBC (the "Other Indebtedness"). Nick A. Caporella, the Chairman of the Board of Directors, President and Chief Executive Officer of the Company is also the Chairman of the Board of Directors, President, Chief Executive Officer and controlling stockholder of NBC. On November 16, 1993, the Board of Directors of the Company approved the Redemption. The Board of Directors of NBC has not yet approved the terms of the Redemption. See "PROPOSAL TO APPROVE ACQUISITION AGREEMENT WITH CHURCH & TOWER, INC. AND CHURCH & TOWER OF FLORIDA, INC. - Interest of Certain Persons in Matters to be Acted Upon", and "CERTAIN TRANSACTIONS AND LITIGATION."

Fairness Opinion. The Special Transaction Committee has retained PaineWebber Incorporated ("PaineWebber") as a financial advisor in connection with the Acquisition and the transactions contemplated thereby to render an opinion to the Special Transaction Committee as to the fairness from a financial point of view of the Transaction. On November 16, 1993, representatives of PaineWebber advised the Special Transaction Committee of its valuation analysis and indicated that they were not aware of any facts on such date that would preclude such representatives from recommending to PaineWebber's fairness opinion committee that on such date, the Transaction is fair, from a financial point of view to the Company and the holders of Common Stock other than NBC and its affiliates. On January 18, 1994, PaineWebber delivered their written opinion which is attached hereto as Appendix B indicating that each of the Acquisition, Redemption and Transaction is fair, from a financial point of view to the Company and the holders of Common Stock, other than NBC and its affiliates. The opinion of PaineWebber sets forth the assumptions made, the matters considered and the scope of the review. PaineWebber will reaffirm its opinion immediately prior to the Meeting. See "PROPOSAL TO APPROVE ACQUISITION AGREEMENT WITH CHURCH & TOWER, INC. AND CHURCH & TOWER OF FLORIDA, INC. - Report and Opinion of Financial Advisor."

Outstanding Stock Options. Pursuant to the terms of the Acquisition Agreement, the Company is required to take all necessary action to cause the acceleration, in certain instances, of the vesting periods of options and rights to elect alternative settlement methods issued pursuant to the Company's 1976 Stock Option Plan and 1978 Stock Option Plan. See "PROPOSAL TO APPROVE ACQUISITION AGREEMENT WITH CHURCH & TOWER, INC. AND CHURCH & TOWER OF FLORIDA, INC. -Certain Effects of the Acquisition -- Outstanding Stock Options."

Conditions to Acquisition. There are a number of conditions which must be satisfied prior to or simultaneous with the Acquisition, including certain matters relating to the Redemption. See "PROPOSAL TO APPROVE ACQUISITION AGREEMENT WITH CHURCH & TOWER, INC. AND CHURCH & TOWER OF

FLORIDA, INC. -Terms of the Acquisition Agreement -- Conditions of the Acquisition."

Reasons for the Acquisition. In determining to recommend the approval of the Acquisition Agreement and the transactions contemplated thereby (including the Redemption) to the Board of Directors, and in approving the Acquisition Agreement and the transactions contemplated thereby (including the Redemption) and recommending that stockholders approve and adopt the Acquisition Agreement and the transactions contemplated thereby (including the Redemption), the Special Transaction Committee and the Board, respectively, considered and based their opinion as to the fairness of the transactions contemplated by the Acquisition Agreement, on a number of factors, including the following: (i) the belief of the Board and Special Transaction Committee that the combination of the Company, CT and CTF is an attractive business opportunity because the Company's financial condition, business prospects and senior management will be strengthened through the consummation of the Acquisition and greater economies of scale and synergies will be created; (ii) the belief of the Board and Special Transaction Committee that significant favorable recent developments are taking place in the domestic and international telecommunications industry and the combined entity will be better able to compete in the global marketplace; and (iii) the oral and written presentations and the written opinion of PaineWebber as to the fairness from a financial point of view of the Transaction to the Company and the holders of Common Stock other than NBC and its affiliates. See "PROPOSAL TO APPROVE ACQUISITION AGREEMENT WITH CHURCH & TOWER, INC. AND CHURCH & TOWER OF FLORIDA, INC. - Background of Transaction; Reasons for Engaging in the Acquisition."

Directors and Management of the Company Following the Acquisition. The Acquisition Agreement provides that upon consummation of the Acquisition and the transactions contemplated thereby, the Board of Directors will hold a meeting at which (i) Jorge Mas will be elected as President and Chief Executive Officer of the Company and the Board will determine his compensation and (ii) the size of the Board will be expanded

from five to seven members. The directors intend to appoint Jorge L. Mas Canosa as a Class II director and Jorge Mas as a Class I director. Prior to the conducting of any other business at such meeting, Nick A. Caporella (a Class I Director) and Leo J. Hussey (a Class III Director) will resign from the Board of Directors. The remaining directors will appoint Eliot C. Abbott as a Class II Director and Arthur B. Laffer as a Class III Director to fill the resulting vacancies. Messrs. Mas Canosa and Mas are controlling stockholders of CTF and CT, respectively. See "MANAGEMENT - Proposed Directors and Executive Officers" and "EXECUTIVE COMPENSATION - Report of the Compensation and Stock Option Committee."

Appraisal Rights. The holders of Common Stock are not entitled to appraisal rights under Delaware law with respect to the Acquisition or any transactions contemplated by the Acquisition Agreement.

Restrictions on Resales of Burnup Shares. The Burnup Shares received by the stockholders of CT and CTF in connection with the Acquisition will be subject to certain restrictions on transfer. Pursuant to the Acquisition Agreement, however, the Company has agreed, under certain circumstances, to register the Burnup Shares. See "PROPOSAL TO APPROVE ACQUISITION AGREEMENT WITH CHURCH & TOWER, INC. AND CHURCH & TOWER OF FLORIDA, INC. - Terms of the Acquisition Agreement -- Registration Rights" and "PROPOSAL TO APPROVE ACQUISITION AGREEMENT WITH CHURCH & TOWER, INC. AND CHURCH & TOWER OF FLORIDA, INC. -Restrictions on Resales of Burnup Shares to be Issued in the Acquisition."

Indemnification. The Acquisition Agreement provides that in certain circumstances (i) the Company will indemnify and hold harmless CT, CTF and their respective stockholders, and (ii) the CT and CTF stockholders will indemnify and hold harmless the Company, its subsidiaries and their respective officers and directors. The aggregate liability of the CT and CTF stockholders is limited to the sum of $1,000,000 plus the aggregate fair market value of 350,000 Burnup Shares on the date of payment. The Company's aggregate liability is limited to the sum of $2,500,000. The Acquisition Agreement also provides that at Closing, the Company will

enter into an Indemnification Agreement with certain current and former directors and officers of the Company pursuant to which the Company will be obligated to indemnify and hold harmless such directors and officers to the fullest extent permitted under Delaware law, subject to certain limitations, for a period of six years after Closing for all damages and costs which they suffer or incur by reason of the fact that they were or are a director or officer of the Company. See "PROPOSAL TO APPROVE ACQUISITION AGREEMENT WITH CHURCH & TOWER, INC. AND CHURCH & TOWER OF FLORIDA, INC. - Terms of the Acquisition Agreement - Indemnification."

Accounting Treatment. The Acquisition will be accounted for as a "purchase", as such term is used under generally accepted accounting principles, for accounting and financial reporting purposes. Because of certain factors, including the fact that the stockholders of the CT Group will hold a majority of the Common Stock subsequent to the Closing and that they or their designees will constitute a majority of the Board of Directors, it is anticipated that the Acquisition will be treated as a "reverse acquisition", with the CT Group considered to be the acquiring entity. See "PROPOSAL TO APPROVE ACQUISITION AGREEMENT WITH CHURCH & TOWER, INC. AND CHURCH & TOWER OF FLORIDA, INC. - Certain Effects of the Acquisition -- Accounting Treatment."

Certain Federal Income Tax Considerations. The stockholders of CT and CTF have received an opinion from Price Waterhouse substantially to the effect that, on the basis of the facts in existence at the Closing Date, the Acquisition constitutes a tax-free reorganization within the meaning of Section 368(a) of the Internal Revenue Code of 1986, as amended (the "Code"). See "PROPOSAL TO APPROVE ACQUISITION AGREEMENT WITH CHURCH & TOWER, INC. AND CHURCH & TOWER OF FLORIDA, INC. - Certain Effects of the Acquisition -- Federal Income Tax Considerations."

Other Approvals. The Acquisition is subject to the requirements of the Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended (the "HSR Act"), and the rules and regulations thereunder. On January 21, 1994, the Company and the CT Group made the necessary filings under the

HSR Act with the Federal Trade Commission and Justice Department and on February 2, 1994, the Company was notified that early termination of the waiting period had been granted. Additionally, under certain of the loan documents between the Company and its senior bank lender, and between the CT Group and its bank lender (which is the same as the Company's lender), the written consent of such lender is required to consummate the Acquisition. Such lender has orally indicated to each of the Company and the CT Group that it intends to provide its written consent for consummation of the Acquisition, subject to certain conditions. The Company and the CT Group are not currently aware of any other material permits, approvals, consents or similar actions that are required for consummation of the Acquisition.

Approval by CT and CTF Stockholders. The stockholders of each of CT and CTF have unanimously approved the Acquisition Agreement.

Amendments to the Company's Certificate. As a condition to the consummation of the Acquisition, the Company is required to have approved

certain amendments to the Certificate proposed by the CT Group. See "PROPOSAL TO APPROVE AMENDMENTS TO THE COMPANY'S CERTIFICATE OF INCORPORATION." The affirmative votes of the holders of a majority of the outstanding Common Stock will be required for approval of each amendment to the Certificate. The proposed amendments to the Certificate are contingent upon the consummation of the Acquisition and, as such, will not be effected unless the terms of the Acquisition Agreement are approved at the Meeting.

The Proposal to Approve the Company's 1994 Stock Option Plan for Non-Employee Directors. The CT and CTF stockholders have proposed, subject to approval by the holders of the Common Stock, the 1994 Stock Option Plan for Non-Employee Directors (the "Directors' Plan"). There will be 400,000 shares of Common Stock reserved for issuance pursuant to the Directors' Plan. The members of the Special Transaction Committee have agreed not to participate in the Directors' Plan. See "PROPOSAL TO APPROVE 1994 STOCK OPTION PLAN FOR NON-EMPLOYEE DIRECTORS."

The Proposal to Approve 1994 Stock Incentive Plan. The CT and CTF stockholders have proposed, subject to approval by the holders of Common Stock, the 1994 Stock Incentive Plan (the "Incentive Plan") for key employees of the Company and its subsidiaries to replace the existing 1976 Stock Option Plan (the "Current Plan"). There will be 800,000 shares of Common Stock reserved for issuance pursuant to the Incentive Plan. See "PROPOSAL TO APPROVE 1994 STOCK INCENTIVE PLAN."

Operations Following the Acquisition. Following consummation of the Acquisition, each of CT and CTF will become a wholly-owned subsidiary of the Company. Other than as described herein, it is the present intention of the CT and CTF stockholders to operate the subsidiaries of the Company under their present names and related trade names in substantially the same manner following consummation of the Acquisition as currently being operated. The proposed Board of Directors will, upon consummation of the Acquisition, review additional information about the Company and, upon completion of such review, may develop or propose plans which may result in changes in the operations of the Company. See "PROPOSAL TO APPROVE ACQUISITION AGREEMENT WITH CHURCH & TOWER, INC. AND CHURCH & TOWER OF FLORIDA, INC. - Operations Following the Acquisition."

PROPOSAL TO APPROVE ACQUISITION AGREEMENT WITH CHURCH & TOWER, INC. AND CHURCH & TOWER OF FLORIDA, INC.

General

A copy of the Acquisition Agreement is attached to this Proxy Statement as Appendix A and incorporated herein by reference. The

following summary of the material terms of the Acquisition Agreement, and the potential consequences thereof does not purport to be complete. The discussion of the Acquisition Agreement is qualified in its entirety by reference to the text of the Acquisition Agreement. The Company's stockholders are urged to read the entire proxy statement carefully, including all appendices hereto and all documents incorporated herein by reference.

The Closing under the Acquisition Agreement will occur immediately following receipt of stockholder approval and satisfaction or waiver of all other conditions set forth in the Acquisition Agreement. As a result, each of CT and CTF will become wholly-owned subsidiaries of the Company and the former stockholders of CT and CTF will own approximately 65% of the outstanding Common Stock after giving effect to the Acquisition and the Redemption and, to the extent they act in concert, will be controlling stockholders of the Company. See " - Certain Effects of the Acquisition - Change in Control."

The listing requirements of NASDAQ require stockholder approval of any acquisition transaction in which the issuer proposes to issue new shares of a listed class of securities constituting 20% or more of the outstanding shares of such class prior to the date of issuance. The Burnup Shares will constitute 65% of the outstanding Common Stock following consummation of the Acquisition and the Redemption contemplated thereby. Accordingly, it is a condition to the Acquisition that holders of a majority of the outstanding Common Stock of the Company approve the terms of the Acquisition Agreement.

The terms of the Acquisition Agreement were reviewed and approved by the Special Transaction Committee on behalf of the stockholders of the Company (other than NBC and its affiliates). The vote of a majority of the unaffiliated stockholders of the Company is not required to approve the Acquisition Agreement. NBC, which currently holds approximately 36% of the shares of outstanding Common Stock, will vote in connection with the proposal to approve the Acquisition Agreement. A vote in favor of the Acquisition Agreement may preclude a stockholder of the Company from challenging the Acquisition, the Redemption and the other transactions described in this Proxy Statement and from participating in, and receiving damages, if any, as a result of any action which has been or may be filed on behalf of any or all of the stockholders with respect to such transactions. See "CERTAIN TRANSACTIONS AND LITIGATION" for a description of a class action and derivative complaint relating to, among other things, the Acquisition, the Redemption and certain other transactions described in this Proxy Statement.

Background of CT and CTF

CTF was incorporated under the laws of Florida in 1968. Since 1969, CTF has performed engineering, construction and maintenance services on behalf of Southern Bell, an affiliate of BellSouth, pursuant to master contracts covering outside plant work. CTF currently holds three such master contracts, expiring at various times through 1996, for Dade County and south Broward County, Florida. The revenues generated under such contracts constitute approximately 70% of its total combined revenues. CTF also provides construction and maintenance services under individual contracts to local utilities, including the Miami-Dade Water and Sewer Department.

CT was incorporated under the laws of Florida in 1990 to engage in selected construction projects in the public and private sectors. In 1990, a joint venture (the "9001 Joint Venture") of which CT is the majority partner was established for the purpose of constructing a detention facility in Dade County with a capacity of approximately 2,500

beds which was completed in 1993. In September, 1990, CT entered into a

joint venture (the "OCT Joint Venture") of which CT is a 20% minority partner with Constructora Norberto Odebrecht, an international construction contractor, to construct governmental projects. The OCT Joint Venture has completed the Brickell Extension Project of the City of Miami's Metro Mover, an elevated transportation system, and has begun construction of a landfill in south Dade County.

In May 1992, CT merged with Communication Contractors, Inc., an affiliate of CTF engaged primarily in providing manpower and equipment to CTF. Since the merger, work under the Southern Bell master contracts has been subcontracted to CT. The principal offices of CT and CTF are located at 8600 N.W. 36th Street, Miami, Florida 33178 and their telephone number is (305) 599-1800.

Background of Transaction

The acquisition by the Company of CT and CTF represents the culmination of the Company's efforts to implement a transactional solution to the operational and strategic challenges resulting from the impact of the recession on the Company's core operations.

The recent recession resulted in the deferral or cancellation of construction projects and a general contraction in the market for the services comprising the Company's core business. The Company believed that while it had adequate resources to participate in renewed growth in the market expected to occur following the recession's anticipated end, its ability to participate in that growth would be enhanced if it combined with a strategic partner. It was the Company's view that an appropriate partner would be one which conducted substantial business in the telecommunications services industry, had strong operational management and a history of positive operating results. The Company's management and Board recognized that the search for a strategic partner would have to be conducted with sensitivity to the possible detrimental effects that such a search could have on the Company's core business.

In February 1992, the Company announced that it had entered into an agreement with certain stockholders of Dycom Industries, Inc. ("Dycom"), a

company engaged in the telecommunications industry, pursuant to which, among other things, the Company acquired an option to purchase approximately 9.9% of the outstanding common stock of Dycom. At the time, the Company was seeking to effect a merger or business combination with Dycom. The Company believed that the combined entity would result in cost saving efficiencies that would enhance earnings. Over the course of the next few months, representatives of the Company unsuccessfully attempted to commence discussions with members of senior management of Dycom, as well as its Board of Directors. On December 3, 1992, the Company announced that the agreement had expired pursuant to its terms.

In August 1992, after numerous attempts to negotiate with Dycom had failed, a meeting of the Special Transaction Committee of the Board of Directors was held to consider alternatives in light of the decline in profitability. The members of the Special Transaction Committee are Messrs. Conlee, Morse and Hathorn. During the course of the meeting, representatives of PaineWebber discussed with members of the Committee a variety of alternatives to enhance stockholder value, including a merger, sale of all or substantially all of the assets or other business combination. In addition, the Committee discussed the lack of any expression of interest by third parties to engage in a business combination with the Company in spite of the Company's public announcements that it was seeking to effect such a transaction. The difficulty of managing the Company's business during any attempt to seek

strategic partners was also discussed. Prior to conclusion of the meeting, the Special Transaction Committee requested PaineWebber to prepare a proposal for the Committee's review with respect to engaging PaineWebber as financial advisor in connection with the sale or merger of the Company.

In October 1992, the Board of Directors of the Company held a meeting to discuss the engagement of PaineWebber by the Special Transaction Committee to explore strategic alternatives for the Company, including the sale of part or all of the Company. Although PaineWebber was not formally engaged by the Special Transaction Committee, PaineWebber reflected upon strategic merger and acquisition alternatives and attempted to identify likely candidates for merger, joint ventures and/or partners for all or

part of the Company. While PaineWebber considered certain companies as potential candidates, preliminary analysis and efforts by PaineWebber led it to conclude that there was a very low likelihood of effecting a transaction with any such candidates. In the course of its activities, PaineWebber noted that the impact of the economic recession on the industry of which the Company is a part substantially reduced the likelihood of successfully concluding a transaction, both because of effects of that recession on the Company's performance and the effects of the recession on potential other parties to a transaction. In addition, the interrelationship between the Company and NBC increased the difficulty of effecting a transaction.

In April 1993, representatives of the Company were contacted by Jorge Mas, President of CT, who expressed an interest in meeting with the Company to discuss a possible business combination with the Company. From late April 1993 through July 1993, Nick A. Caporella, Chairman of the Board, President and Chief Executive Officer of the Company, met with representatives of the CT Group and discussed in conceptual terms the possibility of such a transaction. At these meetings, which were informal and general in nature, various structural possibilities pursuant to which the companies could be combined were explored.

On July 10, 1993, a meeting of the Executive Strategic Planning Committee of the Board of Directors (the "Strategic Planning Committee") of the Company (which includes the members of the Special Transaction Committee) was held. The members of the Strategic Planning Committee, who had been advised from time to time of the discussions with CT Group prior to the meeting, were informed of the nature of the business of CT and CTF, their management and financial results and the impact an acquisition would have on the operations of the Company. Mr. Caporella informed the members of the Strategic Planning Committee of the discussions he had held with representatives of the CT Group and explored with the members of the Strategic Planning Committee the possibility of a business combination transaction. Mr. Caporella also advised the Strategic Planning Committee that the CT Group indicated that it may require that the repurchase of the Company's stock held by NBC be a condition to any such acquisition. Mr. Caporella also noted that a likely result of the transaction would be that

the stockholders of the CT Group would become significant stockholders of the Company. Mr. Caporella also indicated that in light of a condition requiring repurchase of Common Stock from NBC, the terms of any such transaction would require the review and approval of the Special Transaction Committee of the Board of Directors. Mr. Caporella further indicated that stockholder approval would be required for such an acquisition in accordance with the rules of NASDAQ. The Strategic Planning Committee then discussed the various alternatives available to the Company, including the lack of any viable alternatives which could maximize stockholder value, such as a recapitalization, extraordinary dividend, or sale of assets to other third parties. The Strategic Planning

Committee noted that previous attempts to find a strategic partner for the Company were unsuccessful and that a recapitalization or extraordinary dividend could not be effectuated in light of the losses being reported by the Company, the effect such a transaction would have on the Company's cash flow and the inability of the Company to obtain sufficient borrowings to fund such transactions. At the conclusion of the meeting, the Strategic Planning Committee determined that Mr. Caporella should hold further meetings with the CT Group and report his progress to the Strategic Planning Committee or the full Board at a later date.

From late July through mid August 1993, the parties and their respective advisors negotiated the terms of a letter agreement (the "Letter Agreement"). On August 18, 1993, a meeting was held among representatives of the Company and the stockholders of the CT Group and their advisors at which time the Letter Agreement was executed. The Letter Agreement provided a format to proceed forward with a possible transaction pursuant to which the stockholders of the CT Group would exchange the CT and CTF Shares for shares of Common Stock of the Company and contained a number of conditions, including satisfactory completion of due diligence, an agreement as to the number of shares of Common Stock to be issued in the Acquisition, the requirement by the CT Group that the ownership by NBC of Common Stock of the Company be reduced or eliminated on terms acceptable to the Company and the stockholders of the CT Group and approval of the transaction by the stockholders and Board of Directors of the Company. During the meeting, the parties also discussed the due

diligence process, regulatory requirements and fiduciary obligations applicable to such a transaction.

Effective August 1, 1993, PaineWebber was retained by the Special Transaction Committee for the purpose of acting as its financial adviser to render an opinion with respect to the terms of the Acquisition. See "PROPOSAL TO APPROVE ACQUISITION AGREEMENT WITH CHURCH & TOWER, INC. AND CHURCH & TOWER OF FLORIDA, INC. - Report and Opinion of Financial Advisor."

In September 1993, representatives of the Company and the CT Group commenced negotiations of the terms of the Acquisition Agreement. Various issues regarding the structure of the transaction, indemnification obligations, conditions to the transaction and other material terms of the Acquisition Agreement were discussed and reviewed.

In September 1993, representatives of PaineWebber met with management of the Company and management of the CT Group to review the respective businesses, operations and prospects of each of the Company, CT and CTF. Thereafter, numerous discussions were held among PaineWebber, the Company and CT Group with respect to the financial results of each company.

On September 20, 1993, a meeting of the Board of Directors of the Company was held to discuss the status of the negotiations with the CT Group as well as financial due diligence . During the meeting, representatives of PaineWebber, at the request of the Special Transaction Committee, provided an overview of the due diligence that had been conducted to date by PaineWebber. The Committee also held lengthy discussions concerning the negotiations that had taken place to date with respect to the terms of the transaction. The Board discussed the desire to promptly pursue negotiations with representatives of the CT Group and the need to engage in negotiations which would result in the most favorable transaction for stockholders of the Company. The Board noted that the initial negotiations were held between management of each company and concluded that engaging outside advisors to negotiate the transaction would only increase the costs and length of time to complete the transaction and negatively impact the relationship which had been

established between the managements of each company. The Board authorized management of the Company, in consultation with the advisors to the Special Transaction Committee, to proceed forward with its negotiations based upon the matters discussed at the meeting and to review with the Board the final terms of the Acquisition Agreement prior to its execution.

Subsequent to this meeting, the Special Transaction Committee engaged outside counsel to represent it in connection with the transaction.

On September 23, 1993, the Company issued a press release announcing its negotiations with the CT Group. The high and low sales prices for the Common Stock as quoted on NASDAQ as of September 22, 1993 were $3.25 and $3.00, respectively.

On October 18, 1993, a meeting of the Board of Directors was held to discuss the terms of the Acquisition Agreement and other related matters. During the meeting, the Board reviewed the terms of the Acquisition Agreement as well as the financial results of the CT Group. The Board also discussed the number of shares of Common Stock that would be issued by the Company to the stockholders of the CT Group, including the fact that the CT Group had made known its intentions to be a significant stockholder following consummation of the Acquisition and the transactions contemplated thereby.

Later that day, a meeting of the Special Transaction Committee was held for the purpose of reviewing the terms of the Acquisition Agreement and for representatives of PaineWebber to present its preliminary valuation analysis. During the meeting, PaineWebber reviewed for the Committee its financial analysis, including background, operating and financial information of the Company and the CT Group, based upon various valuation analyses. PaineWebber advised the Committee that, subject to completion of its due diligence, the CT Group would have a preliminary range of value between approximately $45 million to $55 million, depending upon the amount of the distribution the CT Group makes to its stockholders prior to closing the Acquisition for previously taxed earnings not distributed to such stockholders. In addition, the Committee was informed by PaineWebber that a preliminary range of value for the shares of the

Company's Common Stock was between $4.50 to $6.00 per share. For information concerning the analysis undertaken by PaineWebber see "PROPOSAL TO APPROVE ACQUISITION AGREEMENT WITH CHURCH & TOWER, INC. AND CHURCH & TOWER OF FLORIDA, INC. - Report and Opinion of Financial Advisor." It was also noted that since September 23, 1993, the date negotiations with the CT Group were publicly disclosed, no offers or expressions of interest had been received by the Company from other third parties with respect to a potential business combination or other significant transaction.

The Committee also discussed the manner in which to negotiate the exchange ratio with the CT Group. The Committee indicated that the exchange ratio should be arrived at based upon an agreed upon valuation for the CT Group and the percentage of stock to be held by the stockholders of the CT Group following the Acquisition. PaineWebber advised the Committee that, based upon its preliminary analysis approximately 56% to 67% of the outstanding Common Stock could be held by the stockholders of the CT Group following the Acquisition and the transactions contemplated thereby. This analysis was based upon the relative values of the Company and the CT Group utilizing various valuation analyses. The Committee authorized Mr. Caporella to negotiate the terms of the exchange ratio with representatives of the CT Group within the parameters discussed by the Committee and in consultation with the members of the Special Transaction Committee and its legal and financial advisors. The Committee required that the exchange ratio for purposes of the Redemption would not be negotiated unless and until an agreement was reached with the CT Group. See "PROPOSAL TO APPROVE ACQUISITION AGREEMENT WITH CHURCH & TOWER, INC. AND CHURCH & TOWER OF

FLORIDA, INC. - Report and Opinion of Financial Advisor."

The Committee also reviewed the terms of the Acquisition Agreement with its special counsel. The Committee reviewed the overall structure of the transaction and certain material terms of the Acquisition Agreement, including: (i) the terms of the Memorandum of Understanding and the requirement that the memoranda be executed prior to execution and approval of the Acquisition Agreement, (ii) the provisions permitting the Board to review other proposals received by the Company with respect to an

acquisition proposal, (iii) the right to terminate the Acquisition Agreement without the Company being liable for "break-up" fees in excess of $500,000, (iv) the requirement for stockholder approval and delivery of a fairness opinion from PaineWebber, and (v) the fact that the Redemption would not occur unless and until the Acquisition was consummated.

After conclusion of the meeting of the Special Transaction Committee, a reconvened meeting of the Board of Directors was held. During the meeting, the Special Transaction Committee updated the Board concerning the discussions held at the Special Transaction Committee meeting. After discussing the terms of the Acquisition Agreement, the Board approved the execution of the Memorandum of Understanding and the Acquisition Agreement, subject to a number of conditions, including satisfactory conclusion of the negotiation of the valuation of the CT Group and the number of shares of Common Stock to be issued by the Company, approval by the stockholders and Special Transaction Committee of the Company and receipt of a written fairness opinion from PaineWebber.

On October 19, 1993, the Company, CT and CTF issued a press release announcing the execution of the Acquisition Agreement. The high and low sales price for the Common Stock as quoted on NASDAQ as of October 18, 1993, was $4.00 and $3.75, respectively.

Pursuant to the terms of the Acquisition Agreement, the parties completed their respective due diligence by November 1, 1993.

During the period from late October 1993 through November 4, 1993, representatives of the parties engaged in lengthy negotiations concerning the relative values of the Company and the CT Group for the purpose of determining the number of shares of Common Stock to be owned by the CT Group following consummation of the Acquisition and the Redemption. During this period, there were differing views regarding the proper relative valuations of the Company and the CT Group. On November 4, 1993, the Company and CT Group reached an agreement pursuant to which 10,250,000 shares of Common Stock would be exchanged for the CT and CTF Shares. In addition, in light of the fact that the CT Group would no longer be afforded Subchapter S status under the Internal Revenue Code of 1986, an

aggregate distribution of $11.5 million in the form of cash and notes would be made to the stockholders of the CT Group for undistributed earnings on which the stockholders of the CT Group had paid income taxes (a portion of which distribution was made during the period ended September 30, 1993). In a press release issued on November 5, 1993, the parties announced that 10,250,000 shares of Common Stock would be issued to the stockholders of CT and CTF upon consummation of the Acquisition subject to, among other things, receipt of financial advisory opinions, ratification by the Board of Directors of the Company, approval by the stockholders of the Company, and execution of an agreement with NBC regarding the Redemption.

In November, 1993, a purported class action and derivative suit was filed against the Company, the members of the Board of Directors, CT, CTF, Jorge Mas Canosa, Jorge Mas and Juan Carlos Mas with respect to the

Acquisition Agreement and the transactions contemplated thereby. See "CERTAIN TRANSACTIONS AND LITIGATION."

At a meeting of the Special Transaction Committee on November 9, 1993, the status of the Acquisition was reviewed by the Committee and the terms of the Redemption were discussed among the members of the Committee and their financial and legal advisors. It was indicated that a proposal had been received from NBC subsequent to November 4, 1993 pursuant to which (i) the Company would redeem the shares of Common Stock owned by NBC for $6.00 per share or a total redemption price of $18,923,082, and (ii) the Company would cancel (x) the Subordinated Debenture, having a book value of 17,291,000, at an amount equal to $17,250,000 and (y) the remaining balance outstanding under the Other Indebtedness. The Committee expressed the view that the per share redemption price should not exceed the value negotiated for the shares of Common Stock being issued in the Acquisition.

On November 10, 1993, discussions were held between PaineWebber and representatives of NBC with respect to the terms of the Redemption. During these discussions, the relative values of the Company, the Subordinated Debenture and the Other Indebtedness were analyzed by the respective parties. Later that evening, a meeting of the Special

Transaction Committee was held. PaineWebber indicated to the Committee that NBC was prepared to accept the per share value arrived at in the Acquisition, but was insistent on discounting the Subordinated Debenture. In addition, NBC had requested that all interest cease accruing on the Subordinated Debenture commencing December 1, 1993. PaineWebber then answered numerous questions concerning the terms proposed by NBC, including an analysis of the valuation of the Subordinated Debenture and Other Indebtedness. A discussion also ensued concerning the preferred stock of NBC owned by the Company and whether all or a portion of such preferred stock should be utilized in the Redemption. The Special Transaction Committee's advisers stated that NBC indicated it would not accept any terms requiring NBC to retire its preferred stock. The Committee concluded that it would be inappropriate to discount the Subordinated Debenture in connection with the Redemption and directed PaineWebber to propose the following to NBC: (i) the Company would redeem the 3,153,847 shares of Common Stock owned by NBC at $5.74 per share (the per share value of the Acquisition), (ii) the Company would cancel the Subordinated Debenture at its face value of $17,500,000, and (iii) the balance of $592,313 would be applied to reduce the Other Indebtedness.

Discussions continued on November 11, 1993 between PaineWebber and representatives of NBC. At a meeting of the Special Transaction Committee later that day, PaineWebber advised the Committee that representatives of NBC were prepared to recommend to the Board of Directors of NBC the Special Transaction Committee's proposal made by PaineWebber earlier in the day; provided all collateral underlying the Other Indebtedness was released by the Company. PaineWebber then reviewed for the Committee the terms of the Other Indebtedness and the security underlying the obligations. The Committee concluded that it would not agree to release any collateral and would not alter from its previous proposal and directed PaineWebber to communicate the Committee's position to representatives of NBC.

On November 16, 1993, a meeting of the Special Transaction Committee was held. During the meeting, an overview of the negotiations was presented as well as the historical and pro forma financial results of the

CT Group and the Company. Representatives from PaineWebber answered

questions and discussed in detail the structure of the transaction and the valuations utilized to negotiate the Acquisition and Redemption. During the meeting, PaineWebber advised the Committee of its valuation analysis and indicated that they were not aware of any facts on such date that would preclude such representatives from recommending to PaineWebber's fairness opinion committee that on such date, the Transaction is fair, from a financial point of view, to the Company and the holders of Common Stock other than NBC and its affiliates. The Committee's counsel then discussed legal issues concerning the Transaction and answered the questions of members of the Special Transaction Committee. The Special Transaction Committee then adopted a resolution to unanimously recommend that the Board approve the Acquisition Agreement and the transactions contemplated thereby (including the Redemption), subject to, among other things, receipt of stockholder approval and an amendment to the Acquisition Agreement described below. At a meeting held immediately thereafter, the Board, by the unanimous vote of all directors (other than, Mr. Caporella, who abstained with respect to the Redemption), concluded that the transactions contemplated by the Acquisition Agreement was in the best interest of the Company's stockholders, and approved the Acquisition Agreement and the transactions contemplated thereby (including the Redemption), subject to receipt of a written fairness opinion from PaineWebber, an executed Amendment to the Acquisition Agreement described below, waiver by the CT Group of its rights to terminate the Acquisition Agreement as a result of the filing of the 1993 Complaint (see, "CERTAIN TRANSACTIONS AND LITIGATION") and the execution of the agreement between the Company and NBC with respect to the Redemption. The Board also resolved to recommend that the stockholders approve and adopt the Acquisition Agreement and the transactions contemplated thereby (including the Redemption).

On November 23, 1993, the stockholders of the CT Group and the Company executed the First Amendment to the Acquisition Agreement (the "First Amendment") which provided for, among other things: (i) the exchange ratio of the CT and CTF Shares for the Burnup Shares, (ii) the waiver by the stockholders of the CT Group of their rights with respect to the 1993 Complaint and (iii) the amount and manner of payment of the

distribution to the stockholders of the CT Group. In addition, a Second Amendment to the Acquisition Agreement was executed by the parties, effective November 23, 1993, to clarify a mutual mistake in the First Amendment with respect to the calculation of the distribution to be made to the stockholders of the CT Group by CT and CTF. The parties have agreed to execute a Third Amendment to the Acquisition Agreement which provides for, among other things, (i) the extension of the termination date from February 28, 1994 to March 31, 1994, (ii) the elimination of certain conditions to the Closing, and (iii) the elimination of the provision relating to liquidated damages in the event of termination of the Acquisition Agreement.

On January 18, 1994, PaineWebber delivered its written fairness opinion to the Special Transaction Committee that each of the Acquisition, the Redemption and Transaction is fair, from a financial point of view, to the Company and the stockholders of the Company, other than NBC and its affiliates. The high and low sales price for the Common Stock as quoted on NASDAQ as of such date was $7.00 and $6.625, respectively.

Reasons for Engaging in the Acquisition

In determining to recommend the approval of the Acquisition Agreement and the transactions contemplated thereby (including the Redemption) to the Board of Directors, and in approving the Acquisition Agreement and the transactions contemplated thereby and recommending that stockholders approve and adopt the Acquisition Agreement and the transactions contemplated thereby (including the Redemption), the Special Transaction

Committee and the Board, respectively, considered and based their opinion as to the fairness of the transactions contemplated by the Acquisition Agreement, on a number of factors, including the following: (i) the belief of Board and the Special Transaction Committee, that the combination of the Company and the CT Group is an attractive business opportunity because the Company's core business operations, business prospects and senior operating management will be strengthened through the consummation of the Acquisition and greater economies of scale and synergies will be created through the Acquisition; (ii) the belief of the Board and the Special Transaction Committee that significant favorable

recent developments are taking place in the domestic and international telecommunications industry and that the combined entity will be better able to compete in the global marketplace; (iii) the fact that the transactions contemplated by the Acquisition Agreement require the approval of the stockholders of the Company; (iv) information with respect to the financial condition, results of operations, business and prospects of CT and CTF and the Company and current industry, economic and market conditions as well as the risks involved in achieving those prospects; (v) the possible alternatives to the Acquisition, including the prospects of the Company continuing to successfully operate as an independent entity, and in particular, the potential adverse consequences to the Company, including its business prospects and its ability to retain and attract talented operating management, in the event the Acquisition were not to occur; (vi) the fact that, notwithstanding the Company's objective to effect a business combination and the significant possibility of the Company being sold or a change in control of the Company occurring, no expressions of interest or proposals from third parties which might be interested in acquiring the Company were received by the Board of Directors; (vii) the fact that the Acquisition is not structured to preclude additional bona fide offers to acquire the Company and that the Acquisition Agreement permits the Board of Directors of the Company in the exercise of its fiduciary obligations under applicable law, to review and accept proposals from third parties relating to any acquisition of the Company; and (viii) the oral and written presentations of PaineWebber described under "Report and Opinion of Financial Advisor" and the written opinion of PaineWebber to the effect that, as of the date of its opinion, each of the Acquisition, the Redemption, and the Transaction, is fair from a financial point of view to the Company and the stockholders of the Company other than NBC and its affiliates.

In view of the wide variety of factors considered in connection with its evaluation of the transaction neither the Special Transaction Committee nor the Board found it practicable to and did not, quantify or otherwise attempt to assign relative weights to the specific factors in reaching its determination, although it viewed the matters set forth in (i), (ii), (iii), (iv) (v), (vi), (vii) and (viii) as favorable to its decision. Moreover, the Special Transaction Committee and the Board

placed special emphasis on the financial terms of the Acquisition and the transactions contemplated thereby (including the Redemption) and the absence of any other proposals from third parties to acquire the Company. The factors discussed above were considered by the Special Transaction Committee and the Board in the manner set below:

(i) As noted above, the Special Transaction Committee and the Board considered favorable the matters set forth in item (i). The Special Transaction Committee and the Board reviewed the financial results of the Company, including a three-year revenue decline and losses incurred during that period, and compared such results to the historical financial results of the CT Group and pro forma combined financial results of the Company and the CT Group. The Board and Special Transaction Committee noted that the CT Group results were obtained within a more contained geographic area. The Board and Special Transaction Committee also noted that

recently the Company had been required to obtain waivers of certain violations of its loan documents. The Special Transaction Committee and the Board considered the synergies that would result from combining the companies, and concluded that increased economies of scale are attainable through the Acquisition, primarily due to the more efficient use of equipment and personnel and the elimination of certain administrative redundancies. In addition, the combination of the financial strength and operational capabilities of the CT Group along with the potential increased efficiencies that would result from the Acquisition were considered by the Special Transaction Committee and the Board as being favorable to the development of business prospects. The Special Transaction Committee and Board noted the closing stock price of the Common Stock on NASDAQ had increased approximately 44% since the initial announcement of the transaction through November 15, 1993 and interpreted the increase as a favorable perception of the combined entities by the investment community. The Board and the Special Transaction Committee also considered as favorable the potential strengthening of senior operating management through the consummation of the Acquisition. The attraction and retention of management personnel who are experienced within the telecommunications industry and have demonstrated knowledge of the business, the customer base, and operating efficiencies as demonstrated by the strong operating margins attained by the CT Group was

considered important to the growth of the Company, particularly in view of anticipated capital spending programs expected to occur in the domestic and international telephone and cable industries.

(ii) As noted above, the Special Transaction Committee and the Board considered as favorable the matters set forth in item (ii). The Special Transaction Committee and the Board discussed the various opportunities which are available to the telecommunications industry in view of recent legislation allowing the formation of alliances between cable television and telephone companies and concluded that a business combination with the CT Group would result in the enhancement of earnings and stockholder value. Additionally, the Special Transaction Committee and the Board considered as favorable the combination of experience and customer contacts of management of the Company and the CT Group relative to international opportunities and the potential for further significant development of the Company's international telecommunications customer base resulting from the Acquisition, and concluded the combined entity would be better equipped and financially able to compete in the global marketplace. The Special Transaction Committee also noted the probable need for additional capital in order to take advantage of the projected expansion of telecommunications construction and the likelihood of the Company obtaining such capital as a stand alone entity.

(iii) As noted above, the Special Transaction Committee and the Board considered as favorable the matters set forth in item (iii). Specifically, the Special Transaction Committee and the Board viewed as favorable the requirement that the transactions contemplated by the Acquisition Agreement required the approval of holders of a majority of the outstanding Common Stock.

(iv) As noted above, the Special Transaction Committee and the Board considered as favorable the matters set forth in item (iv). The Special Transaction Committee and the Board reviewed the information provided in presentations by the Company's advisors and management, including summary historical financial information for both the Company and the CT Group and pro forma financial information for the combined entity. The Special Transaction Committee and the Board also reviewed the historical

volatility of the Company's financial performance and the demands placed on the Company and other large, telecommunications companies to compete

effectively, particularly in view of the past prolonged economic pressures. On the basis of such review, the Special Transaction Committee and the Board reconfirmed their understanding of the Company's and the CT Group's historical financial and business results and prospects, the necessity to stabilize and strengthen the Company's financial performance, and to increase the Company's presence in the global telecommunications marketplace. The Special Transaction Committee also reviewed such risks as currency and political risks associated with international opportunities and the potential returns to be realized if global business development can be efficiently implemented.

(v) As noted above, the Special Transaction Committee and the Board considered as favorable the matters set forth in item (v). Possible alternatives to the transactions contemplated by the Acquisition Agreement were discussed at various meetings of the Special Transaction Committee and the Board. In that connection, members of the Special Transaction Committee were advised of alternative transaction structures which had been discussed and rejected or withdrawn during the period from 1990 through 1993. Alternative transactions included the Company's entering into an agreement to acquire beneficial ownership of certain shares and other interests in Dycom for the purpose of effecting a merger with Dycom. See "Background of Transaction." The members of the Special Transaction Committee and the Board also explored the alternatives which may or may not be available to the Company in the event that the transactions contemplated by the Acquisition Agreement were not consummated, including the possible further deterioration in the Company's financial results. Based on its understanding of the potentially adverse consequences to the Company, including the potential loss of certain business opportunities and the Company's current ability to retain and attract talented operating management, the Special Transaction Committee considered favorably the terms of the Acquisition Agreement and the transactions contemplated thereby and recommended that the stockholders of the Company approve and adopt the Acquisition Agreement.

(vi) As noted above, the Special Transaction Committee and the Board considered as favorable the matters set forth in item (vi). In connection with their consideration of such matters, the Special Transaction Committee and the Board reviewed the fact that, notwithstanding the fact that several press releases and newspaper articles were disseminated to the public concerning the Company's desire to enhance stockholder value through a business combination as well as the announcement of the negotiations between the Company and the CT Group and the execution of the Acquisition Agreement, no proposals from third parties which might be interested in acquiring the Company have been received by the Board of Directors.

(vii) As noted above, the Special Transaction Committee and the Board considered as favorable the matters set forth in item (vii). Specifically, the fact that the Acquisition is not structured to preclude consideration of additional bona fide offers by third parties to acquire the Company and the Acquisition Agreement permits the Special Transaction Committee to provide information and to accept, review and negotiate with such parties prior to the Closing is fair to the stockholders of the Company. The Special Transaction Committee and the Board required that the terms of the Acquisition Agreement not preclude the Company from terminating the Acquisition Agreement if a more favorable transaction were to be proposed as a result of the Company's public announcement of the Acquisition and noted that no "lock-up" arrangements were entered into in connection with the Acquisition nor would break-up fees in excess of $500,000 be payable in the event the Acquisition were terminated.

(viii) As noted above, the Special Transaction Committee and the Board

considered as favorable the matter set forth in Item (viii). In connection with their consideration of such matters, the Special Transaction Committee and the Board relied in part on the presentation of PaineWebber described under "Report and Opinion of Financial Advisor" and adopted as reasonable both PaineWebber's presentations and analysis of various factors described therein. In addition, the Special Transaction Committee and Board considered the fairness of the process undertaken in approving the Acquisition Agreement and recommending its approval to stockholders of the Company. The Special Transaction Committee and Board

viewed as favorable the retention by the Special Transaction Committee of a financial advisor and legal counsel to assist it in reviewing and approving the Acquisition and negotiating and approving the Redemption. In addition, the Special Transaction Committee and Board considered the length and detail of the negotiations and manner in which the Acquisition and Redemption were independently negotiated. Moreover, the fact that no other third party offers were received by the Company or the Special Transaction Committee despite the Company's attempts to identify a strategic partner and following the announcement of the negotiations with CT and CTF in September 1993 were considered favorable in analyzing the negotiating process.

Report and Opinion of Financial Advisor

The Special Transaction Committee has retained PaineWebber as its financial advisor in connection with the Acquisition and to render a fairness opinion to the Special Transaction Committee with respect to the Company and the holders of Common Stock, other than NBC and its affiliates.

On November 16, 1993, in connection with the evaluation of the Acquisition, the Redemption and the transactions contemplated thereby by the Board of Directors and the Special Transaction Committee, representatives of PaineWebber advised the Special Transaction Committee of its valuation analysis and indicated that they were not aware of any facts on such date that would preclude such representatives from recommending to PaineWebber's fairness opinion committee that on such date, the Transaction is fair from a financial point of view to the Company and holders of Common Stock, other than NBC and its affiliates. On January 18, 1994, PaineWebber delivered its written opinion to the Special Transaction Committee indicating that each of the Acquisition, the Redemption and the Transaction is fair from a financial point of view to Company and the holders of Common Stock, other than NBC and its affiliates. Stockholders are urged to read such opinion in its entirety for a discussion of the assumptions made, the matters considered and the scope of the review undertaken in rendering such opinion. The fairness opinion will be updated by PaineWebber immediately prior to the Meeting.

A copy of the opinion letter of PaineWebber is attached as Appendix B and should be read carefully and in its entirety by the holders of Common Stock.

In rendering its written opinion to the Special Transaction Committee, PaineWebber: (i) reviewed the audited financial statements for CT and CTF for the three fiscal years ended December 31, 1992, and reviewed the unaudited financial statements for CT and CTF for the six months ended June 30, 1993; (ii) reviewed the combined audited financial statements for the CT Group for the three years ended December 31, 1992, and reviewed the unaudited financial statements for the CT Group for the nine months ended September 30, 1993; (iii) reviewed the Company's Annual Reports, Forms 10-K and related financial information for the three fiscal years ended April 30, 1993 and the Company's Form 10-Q and the related unaudited financial information for the six months ended October 31, 1993; (iv) reviewed an estimated income statement for the CT Group for the year

ended December 31, 1993 and an estimated income statement for the Company for the year ended April 30, 1994; (v) conducted discussions with members of senior management of the CT Group and the Company concerning their respective businesses and prospects; (vi) reviewed the summary appraisal reports dated June and July of 1991 and an updated market analysis dated August 12, 1993 prepared by an outside appraisal firm with respect to certain of the Company's real estate assets; (vii) reviewed the historical market prices and trading activity of the Company's Common Stock and compared them with that of certain publicly traded companies which PaineWebber deemed to be reasonably similar to the Company; (viii) compared the results of operations of the CT Group and the Company and compared them with that of certain publicly traded companies which PaineWebber deemed to be reasonably similar to the CT Group and the Company, respectively; (ix) reviewed the terms of the Subordinated Debenture and Other Indebtedness; (x) reviewed the Acquisition Agreement; and (xi) reviewed such other financial studies and analyses and performed such other investigations and took into account such other matters as PaineWebber deemed necessary, including PaineWebber's assessment of general economic, market and monetary conditions.

In preparing its opinion, PaineWebber relied on the accuracy and completeness of all information supplied or otherwise made available to PaineWebber by the Company, CT and CTF and assumed that estimates have been reasonably prepared on bases reflecting the best currently available information and judgments of the managements of the Company, CT and CTF as to the expected future financial performance of their respective companies. PaineWebber did not independently verify such information or assumptions, including estimates, or undertake an independent appraisal of the assets of the Company, CT or CTF. PaineWebber's opinion is based upon market, economic, financial and other conditions as they exist and can be evaluated as of the date of the opinion. PaineWebber's opinion does not constitute a recommendation to any holder of Common Stock of the Company as to how any such holder of Common Stock should vote on the Acquisition. The opinion does not address the relative merits of the Transaction and any other transactions or business strategies discussed by the Board of Directors of the Company as alternatives to the Transaction or the decision of the Board of Directors of the Company to proceed with the Transaction. Although various estimates of value were developed with respect to the combined entities, no opinion is expressed by PaineWebber as to the price at which the securities to be issued in the Transaction may trade at any time.

PaineWebber assumed that there had been no material change in the Company's, CT's or CTF's assets, financial condition, results of operations, business or prospects since the date of the last financial statements made available to PaineWebber. PaineWebber relied upon the Company with respect to the accounting treatment to be accorded in the Acquisition. In addition, PaineWebber did not make an independent evaluation, appraisal or physical inspection of the assets or individual properties of the Company, CT or CTF. In rendering its opinion, PaineWebber has not been engaged to act as an agent or fiduciary of, and the Company has expressly waived any duties or liabilities PaineWebber may otherwise be deemed to have had to, the Company's equity holders or any other third party.

The preparation of a fairness opinion involves various determinations as to the most appropriate and relevant quantitative and qualitative

methods of financial analyses and the application of those methods to the particular circumstances and, therefore, such an opinion is not readily susceptible to partial analysis or summary description. Furthermore, in arriving at its fairness opinion, PaineWebber did not attribute any

particular weight to any analysis or factor considered by it, but rather made qualitative judgments as to the significance and relevance of each analysis or factor. Accordingly, PaineWebber believes that its analysis must be considered as a whole and that considering any portion of such analysis and of the factors considered, without considering all analyses and factors, could create a misleading or incomplete view of the process underlying its opinion. In its analyses, PaineWebber made numerous assumptions with respect to industry performance, general business and economic conditions and other matters, many of which are beyond the control of the Company, CT and CTF. Any estimates contained in these analyses are not necessarily indicative of actual values or predictive of future results or values, which may be significantly more or less favorable than as set forth therein, and none of PaineWebber, the Company, CT or CTF assumes responsibility for the accuracy of such estimates. In addition, analyses relating to the value of such businesses do not purport to be appraisals or to reflect the prices at which business may actually be sold.

The following paragraphs summarize the significant analyses performed by PaineWebber in its presentations to the Special Transaction Committee of the Company and in delivering its written opinion dated January 18, 1994.

The Acquisition

Selected Comparable Public Company Analysis. Using publicly available information, PaineWebber compared selected historical and financial operating data of the Company and the CT Group and the stock market performance data of the Company to the corresponding data of certain publicly traded companies. These comparable companies consisted of Butler International, Inc., CRSS Services, Inc., Dycom Industries, Inc., L.E. Myers Co. Group and UTILX Corporation.

Because of the inherent differences between the operations of the Company, CT Group and the selected comparable companies, PaineWebber believed that a purely quantitative comparable company analysis would not be particularly meaningful in the context of the Acquisition. As PaineWebber informed the Special Transaction Committee of the Board of Directors of the Company, an appropriate use of comparable public company analysis in this instance would involve qualitative judgments concerning differences between the financial and operating characteristics which would affect the public trading values of the selected companies, the Company and CT Group.

To determine a valuation range for the CT Group based upon comparable public company analysis but subject to the foregoing limitations, PaineWebber determined ranges of multiples of total value to revenues, total value to earnings before interest, taxes, depreciation and amortization ("EBITDA"), total value to earnings before interest and taxes ("EBIT"), and equity value to net income. The comparable public company analysis resulted in a total value range for the CT Group of $50.0 million to $65.0 million, from which PaineWebber deducted the CT Group's pro forma total outstanding debt and added back its cash balance (after giving effect to the transactions contemplated by the Acquisition Agreement), resulting in an equity value range of $54.9 million to $69.9 million. PaineWebber noted that the negotiated equity value for the CT Group as disclosed in the Acquisition Agreement was $58.8 million.

Implied Stock Price Analysis. PaineWebber noted that because the stockholders of the CT Group will hold approximately 65% of the outstanding Common Stock of the Company on a pro forma basis after giving effect to the Acquisition and the Redemption, the historical market prices of the Company's Common Stock are not necessarily indicative of the fair value of the Company's Common Stock being issued in the Acquisition. Using the range of equity values that resulted from the comparable public

company analysis and dividing by the 10.25 million shares of Common Stock to be issued in the Acquisition, PaineWebber determined an implied stock price range of $5.36 to $6.82 per share at which the shares of Common Stock were being issued in the Acquisition. PaineWebber then compared the implied stock price to the price of the Company's Common Stock on

September 23, 1993 (the announcement date of the Transaction), and for an average of the Company's stock price for one month prior to the announcement to determine the premiums of the implied stock price over the price of the Company's Common Stock. This analysis indicated that the range of implied premiums to the September 23, 1993 stock market price is 64.8% to 109.9% and that the range to average stock market price is 96.2% to 149.8%.

Multiples Paid Analysis. PaineWebber performed an analysis of the implied multiples of the Acquisition for various historical operating results for the CT Group's nine months ended September 30, 1993, and the estimated operating results for the fiscal year ended December 31, 1993. PaineWebber utilized the same range of values derived from the comparable public company analysis to analyze the resulting multiples. Using the CT Group's historical operating results for the twelve months ended September 30, 1993 resulted in the following ranges: 0.9x to 1.2x sales; 3.6x to 4.7x EBITDA; 3.8x to 5.0x EBIT; and 6.8x to 8.6x net income. Using the CT Group's estimated operating results for the fiscal year ended December 31, 1993 resulted in the following ranges: 1.1x to 1.5x sales; 4.3x to 5.7x EBITDA; 4.6x to 6.0x EBIT; and 8.2x to 10.4x net income.

Discounted Cash Flow Analysis. PaineWebber analyzed the CT Group based on an unlevered discounted cash flow analysis of the projected financial performance of the CT Group. Because the management of CT Group did not provide projections other than an estimate of the financial results for the fiscal year ended December 31, 1993, PaineWebber performed several different discounted cash flow analyses utilizing a range of revenue growth rates and EBIT margins selected by PaineWebber based on discussions with the management of the Company and the CT Group.

The discounted cash flow analysis determined the present value of the CT Group's unlevered after-tax cash flows generated over a five year period and then added to such discounted value the present value of the estimated residual valuation at the end of the five years for each scenario to provide a total value. "Unlevered after-tax cash flows" were calculated as tax-effected EBIT plus depreciation and amortization, plus (or minus) net changes in non-cash working capital, minus capital

expenditures. The analysis utilized two methodologies for determining the terminal value. The first methodology calculated a terminal value based upon a range of multiples of EBIT from 6.0x to 7.5x. The second methodology calculated a terminal value based on a range of perpetual growth rates from 2.0% to 5.0% of the unlevered after-tax cash flows. The unlevered after-tax cash flows and the terminal values were discounted using a range of discount rates from 12.0% to 18.0% which were selected by PaineWebber based on PaineWebber's investment banking experience. This range also reflects the risk assumptions applied by PaineWebber to the financial forecasts. PaineWebber noted that because of the inherent uncertainties of the projections used in this analysis, the results of this analysis may not be considered particularly reliable.

The Redemption

PaineWebber noted that, as set forth in the Acquisition Agreement, the satisfaction of all of the conditions to the Redemption (other than consummation of the Acquisition), was a condition to consummation of the Acquisition and its analysis of the Redemption was performed in that context.

PaineWebber reviewed the terms of the Subordinated Debenture in the principal amount of $17,500,000 and the Promissory Note in the then principal amount of $1,374,000 issued by NBC to the Company. PaineWebber noted that the terms of the Subordinated Debenture included a provision which rendered the Subordinated Debenture callable at any time. PaineWebber also noted that the Company carried the Subordinated Debenture at a discount on its books, but in arriving at the terms of the Redemption, the Company valued the Subordinated Debenture at its face amount.

Break-up Analysis. PaineWebber analyzed the net book value per share of the Company assuming the termination of the Company's operating activities and the liquidation of the Company's assets and liabilities. This analysis was based upon: (i) the Company's October 31, 1993 balance sheet; (ii) discussions with the Company's management, including their estimates of the realizable value of certain assets and liabilities; (iii) real estate appraisals prepared by an outside appraisal firm and provided

by the Company to PaineWebber; and (iv) assumptions made by PaineWebber as to the liquidation value of certain assets and liabilities. To determine the net book value per share of the Company in a break-up scenario, PaineWebber determined the realizable value (net of taxes) of the Company's assets, deducted the book value of the Company's liabilities and an estimate of liquidation expenses, and then divided the result by approximately 8.8 million shares, the number of outstanding shares of the Company's Common Stock as of December 1, 1993. In performing this analysis, PaineWebber applied a range of discounts from 0.0% to 15.0% to the appraised/estimated value of the Company's plant, property and equipment. This analysis resulted in a range of net book value per share from $4.61 to $5.34. The negotiated stock price of $5.74 reflected in the Acquisition Agreement was used by PaineWebber to determine the implied premium to the range of net book values per share. This analysis indicated a range of premiums of 7.5% to 24.5% to the negotiated stock price of $5.74 per share as reflected in the Acquisition Agreement. In addition, PaineWebber applied a 27.1% premium, the average premium for the four week period prior to the announcement of selected transactions of between $30 to $400 million from January 1, 1992 to November 9, 1993, to the range of net book value per share determined by the break-up analysis. This analysis resulted in a range of stock prices for the Company from $5.86 to $6.79 per share.

Post-Acquisition; Pre-Redemption Analysis. PaineWebber analyzed the equity value per share of the Company assuming consummation of the Acquisition but prior to the consummation of the Redemption. In this analysis, the range of equity values ($54.9 million to $69.9 million) for the CT Group derived from the comparable public company analysis was added to the range of equity values ($40.4 million to $46.8) for the Company derived from the break-up analysis resulting in a combined equity value from $95.3 million to $116.7 million. Dividing this result by the number of shares outstanding after the Acquisition and prior to the Redemption (19.02 million shares) resulted in an equity value per share range of $5.01 to $6.14. PaineWebber used the resulting net book values per share to analyze the implied premiums to the negotiated stock price of the Company.

On the basis of, and subject to the foregoing, PaineWebber delivered a written opinion to the Special Transaction Committee that each of the Acquisition, the Redemption, and the Transaction is fair, from a financial point of view, to the Company and holders of Common Stock, other than NBC and its affiliates.

PaineWebber was selected by the Special Transaction Committee as its financial advisor in connection with the Acquisition because of its background, reputation and expertise as investment bankers and financial advisors. PaineWebber regularly provides a range of financial advisory and investment banking services, including providing financial advisory services to and valuations of companies involved in merger and acquisition transactions. PaineWebber has provided investment banking services to the Special Transaction Committee from time to time. During the past two years, PaineWebber was paid approximately $275,000 in connection with investment banking services provided.

For financial advisory services in connection with the Acquisition, including the rendering of its opinion, the Company has agreed to pay PaineWebber a fee of $10,000 per month for twelve months and $125,000 upon delivery of their written opinion. The Company has also agreed to reimburse PaineWebber for its reasonable fees and expenses of legal counsel, and to indemnify it against certain expenses and liabilities in connection with its services, including those arising under federal securities laws.

Terms of the Acquisition Agreement

Sale and Purchase of Shares. The Acquisition Agreement provides that the Company shall acquire all of the issued and outstanding capital stock of CT and CTF for $58.8 million in exchange for 10,250,000 shares of the Common Stock of the Company.

Representations and Warranties. The Acquisition Agreement contains various representations and warranties made by each of the Company, CT and CTF and relating to, among other things, organization and similar

corporate matters, financial statements, taxes, title to property and certain other matters.

Conditions of the Acquisition. The respective obligations of the Company, CT and CTF to effect the Acquisition are conditioned upon, among other things, (i) approval of the Acquisition Agreement and the transactions contemplated thereby by the Board of Directors of the Company and the holders of Common Stock; (ii) no order shall have been instituted to restrain or prohibit any of the transactions contemplated by the Acquisition Agreement; (iii) expiration or termination of the waiting period under the HSR Act and receipt of all material consents and approvals required to permit the consummation of the transactions contemplated by the Acquisition Agreement; (iv) the agreement effecting the Redemption having been duly executed and delivered and not having been terminated or amended, and all conditions to the consummation of the agreement between NBC and the Company contemplated thereby having been satisfied or waived to the satisfaction of CT and CTF, except the condition requiring the consummation of the Acquisition; (v) the receipt of a written fairness opinion from PaineWebber and (vi) the fulfillment or waiver of certain other conditions, including the receipt of the written consent of certain lenders to the Company and the CT Group. Under the terms and conditions of the First Amendment, the parties waived their rights under the Acquisition Agreement not to consummate the Acquisition pursuant to Article VII of the Acquisition Agreement as a result of the filing of the 1993 Complaint.

Certain Covenants. Each of the Company, CT and CTF have agreed, among other things, that, during the period from the date of the Acquisition Agreement to the Closing Date, except as permitted by the Acquisition Agreement or as consented to in writing by the other party, each will conduct its operations in the ordinary course of business, use its best efforts to do all things necessary in order to consummate the Acquisition and refrain from entering into certain transactions in excess of certain specified amounts.

Directors and Management of The Company Following the Acquisition. The Acquisition Agreement provides that upon consummation of the

Acquisition, the Board of Directors will hold a meeting at which (i) Jorge Mas will be elected as President and Chief Executive Officer of the Company and the Board will determine his compensation and (ii) the size of the Board will be expanded from five to seven members. The directors intend to appoint Jorge L. Mas Canosa as a Class II Director and Jorge Mas as a Class I Director. Prior to the conducting of any other business at such meeting, Nick A. Caporella (a Class I Director) and Leo J. Hussey (a Class III Director) will resign from the Board of Directors. The remaining directors will appoint Eliot C. Abbott as a Class II Director and Arthur B. Laffer as a Class III Director, to fill the resulting vacancies. Messrs. Canosa and Mas are controlling stockholders of CTF and CT, respectively.

Registration Rights. The Acquisition Agreement provides that within six months of the Closing Date, the Company would effect a shelf registration of 2,000,000 Burnup Shares on behalf of the CT and CTF stockholders pursuant to Rule 415 of the Securities Act of 1933. The Company is required to maintain such registration effective until such shares are sold, during which period the CT and CTF stockholders would be able to, but not obligated to, sell Burnup Shares in the market.

The Acquisition Agreement also provides that commencing six months following the Closing Date, if the Company shall conduct an offering of its securities, the Company will allow the CT and CTF stockholders, subject to certain conditions, to include a minimum of 50,000 shares in any such registration at the Company's expense.

Indemnification. The Acquisition Agreement provides that (i) the Company shall indemnify and hold harmless CT, CTF and their respective stockholders and (ii) the CT and CTF stockholders shall indemnify and hold harmless the Company, its subsidiaries and their respective officers and directors from all damages arising out of a misrepresentation or breach of a warranty or covenant, agreement or obligation contained in the Acquisition Agreement. The CT and CTF stockholders shall be deemed to have made a misrepresentation or breached a warranty only if the damages suffered by the Company exceed $1,000,000 and the aggregate liability of the CT and CTF stockholders is limited to the sum of $1,000,000 plus the

aggregate fair market value of 350,000 Burnup Shares on the date of payment. The Company shall be deemed to have made a misrepresentation or have breached a warranty only if the damages suffered by the CT and CTF stockholders exceed $2,750,000 and the Company's aggregate liability is limited to the sum of $2,500,000. The Acquisition Agreement provides that at Closing, the Company will enter into an Indemnification Agreement with certain current and former directors and officers of the Company pursuant to which the Company is obligated to indemnify and hold harmless such directors and officers to the fullest extent permitted under Delaware law, subject to certain limitations, for a period of six years after Closing for all damages and costs which arise by reason of the fact that they were or are a director or officer of the Company.

Termination; Expenses. The Acquisition Agreement will terminate if the Closing does not occur prior to March 31, 1994 unless extended by mutual agreement of the Company and the CT Group. The Acquisition Agreement also provides that in the event the Closing does not occur due to the failure of the Company or CT and CTF to fulfill certain conditions (other than approval of the Acquisition Agreement by the Company's stockholders) or due to a party's failure to close, the breaching/non-fulfilling party will pay the sum of $500,000 in damages (the "Expense Reimbursement"). The Company and the CT and CTF stockholders have agreed

to execute a Third Amendment to the Acquisition Agreement which provides for, among other things, (i) changing the termination date from February 28, 1994 to March 31, 1994 and (ii) eliminating the Expense Reimbursement provision.

Government Approvals. The Acquisition is subject to the requirements of the HSR Act and the rules and regulations thereunder. On January 21, 1994, the Company and the CT Group made the necessary filings under the HSR Act with the Federal Trade Commission and Justice Department and on February 2, 1994, the Company was notified that early termination of the waiting period had been granted.

Certain Effects of the Acquisition

General Effect. Upon consummation of the Acquisition, all the issued and outstanding capital stock of CT and CTF will be acquired by the Company and each of CT and CTF will be wholly-owned subsidiaries of the Company.

Change of Control. Upon consummation of the Acquisition and the Redemption, the former stockholders of CT and CTF will own approximately 65% of the outstanding Common Stock, and to the extent they act in concert, will be controlling stockholders of the Company. Accordingly, the former stockholders of CT and CTF will have the ability to control the affairs of the Company and control the election of the Company's directors regardless of how the other stockholders may vote. Furthermore, such persons will have the ability to control other actions requiring stockholder approval, including certain fundamental corporate transactions such as a merger or sale of substantially all of the assets of the Company, regardless of how the other stockholders may vote. This ability may be enhanced by the adoption of the proposed amendments to the Certificate, including those which would (i) increase the number of authorized shares of the Company's Common Stock from twenty-five million (25,000,000) to fifty million (50,000,000) and (ii) eliminate all designations, powers, preferences, rights, qualifications, limitations and restrictions in the Certificate relating to the Company's preferred stock. See "PROPOSAL TO APPROVE AMENDMENTS TO THE COMPANY'S CERTIFICATE OF INCORPORATION."

These proposed amendments to the Certificate may be deemed to have the effect of making more difficult the acquisition of control of the Company after the consummation of the Acquisition by means of a hostile tender offer, open market purchases, a proxy contest or otherwise. On the one hand, these amendments may be seen as encouraging persons seeking to acquire control of the Company to initiate such an acquisition through arms-length negotiations with the Company; on the other hand, the amendments may have the effect of discouraging a third party form making a tender offer or otherwise attempting to obtain control of the Company, even though such an attempt may be economically beneficial to the Company and its stockholders. Furthermore, the proposed amendments to the Certificate and the fact that the CT and CTF stockholders will own

approximately 65% of the Common Stock of the Company after the consummation of the Acquisition may have a negative effect on the market price and liquidity of the Common Stock of the Company.

Dilution. The issuance, pursuant to the Acquisition Agreement of the Burnup Shares to the stockholders of CT and CTF, will dilute proportionately the aggregate voting power of present holders of Common Stock. The stockholders of CT and CTF will have the ability to elect the entire Board of Directors and to approve certain transactions at meetings

of the Company's stockholders regardless of how the other stockholders may vote.

Outstanding Stock Options. Pursuant to the terms of the Acquisition Agreement, the Company is required to take such action as is necessary so that its 1976 Stock Option Plan and 1978 Stock Option Plan (the "Current Plans") provides that each option to purchase Common Stock (an "Option") and each right to elect an alternate settlement method ("SAR") held by (i) any employee of the Company who is terminated other than for just cause by the Company at any time during the twelve (12) month period subsequent to October 15, 1993 shall become immediately exercisable and vested, whether or not previously exercisable or vested, on the date of receipt by such employee of notice of termination of employment by the Company or receipt by the Company of notice of voluntary termination, as the case may be, and such employee shall, for a period of three months thereafter, have the right to exercise such Option or SAR, and (ii) any employee who is terminated for just cause, or who voluntarily terminates his employment subsequent to the Closing Date shall not become exercisable or vested except as currently provided under such plans. The Acquisition Agreement states that "termination for just cause" includes termination by reason of a material breach by the employee of his duties (after 10-day notice thereof and opportunity to cure), gross negligence, fraud or willful misconduct by the employee in the performance of his duties, excessive absences by the employee not related to illness, misappropriation by the employee of any assets of the Company or any of its subsidiaries, commission by the employee of any crime involving moral turpitude and conviction of a felony. On November 16, 1993, the Compensation and Stock Option Committee and the Board of Directors

authorized amendments to the Current Plans to comply with the terms of the Acquisition Agreement.

Federal Income Tax Considerations. The Company, CT and CTF do not intend to request a ruling from the Internal Revenue Service (the "IRS") regarding the federal income tax consequences of the Acquisition. CT and CTF have received an opinion from Price Waterhouse to the effect that the Acquisition constitutes a "reorganization" within the meaning of Section 368(a) of the Code as defined herein. This opinion (referred to herein as the "Tax Opinion") will neither bind the IRS nor preclude the IRS from successfully asserting a contrary position. In addition, the Tax Opinion is subject to certain assumptions and qualifications and is based on the truth and accuracy of representations made by CT and CTF and the CT and CTF stockholders.

A successful IRS challenge to the reorganization status of the Acquisition would result in each of the CT and CTF stockholders recognizing gain or loss with respect to each share of common stock of CT and CTF equal to the difference between such stockholder's basis in such share and the aggregate amount of consideration received in exchange therefor. Such stockholder's aggregate basis in the Common Stock so received would then equal its fair market value and his holding period for such stock would begin the day after the Acquisition.

Accounting Treatment. The Acquisition will be accounted for as a "purchase", as such term is used under generally accepted accounting principles, for accounting and financial reporting purposes. Because of certain factors, including the fact that the former stockholders of the CT Group will hold a majority of the Common Stock subsequent to the closing of the Acquisition and that they or their designees will constitute a majority of the Board of Directors, it is anticipated that the Acquisition will be treated as a "reverse acquisition," with the CT Group considered to be the acquiring entity. As a result, the Company will establish a new accounting basis for its assets and liabilities based upon the fair values thereof and the CT Group's purchase price (based on the market value of Common Stock immediately prior to Closing), including the costs of acquisition incurred by CT and CTF. A final determination of required

purchase accounting adjustments and of the fair value of the assets and liabilities of the Company has not been made as of the date of this Proxy Statement. Accordingly, the purchase accounting adjustments made in connection with the development of the unaudited pro forma financial information appearing elsewhere in this Proxy Statement are preliminary and have been made solely for purposes of developing such pro forma financial information to comply with disclosure requirements of the Securities and Exchange Commission ("SEC"). The Company will undertake a study to determine the fair value of its assets and liabilities and will make appropriate purchase accounting adjustments upon completion of that study. For financial purposes, the Company will consolidate the results of operations of CT and CTF with those of the Company's operations beginning with the consummation of the Acquisition, and the Company's financial statements for prior periods will reflect the historical results of CT and CTF. See "THE COMPANY, CT AND CTF UNAUDITED COMBINED PRO FORMA CONDENSED CONSOLIDATED FINANCIAL STATEMENTS."

Bonus Service Pool. At or prior to Closing, the Company may pay compensation in recognition of loyalty and past service in the aggregate amount of up to $1,000,000, to such executive officers and employees of the Company and in such amounts, as Nick A. Caporella shall determine in his sole discretion (after consultation with Jorge Mas). No bonuses will be awarded to Mr. Caporella.

Interest of Certain Persons in Matters to be Acted Upon

The Acquisition Agreement provides as a condition to the consummation of the Acquisition by the stockholders of CT and CTF and the Company that (i) the Company shall have entered into an agreement with NBC pursuant to which the Company shall have agreed to redeem and purchase 3,153,847 shares of Common Stock owned by NBC, (ii) all of the conditions to the consummation of the Redemption shall have been satisfied or waived, except the condition requiring consummation of the Acquisition, and (iii) the stockholders of CT and CTF shall have received a written certificate from the Chief Executive Officer and Chief Financial Officer of the Company that all of the conditions to the consummation of the Redemption shall have been satisfied or waived, except the condition to the Redemption that

the Acquisition shall have occurred, which certificate shall be supported by a certificate from the Chief Executive Officer of NBC, to the same effect. Accordingly, the Acquisition will be consummated prior to the Redemption and approval by stockholders of the Acquisition Agreement shall result in consummation of the Redemption. A vote in favor of the Acquisition Agreement may preclude a stockholder of the Company from challenging the Acquisition, the Redemption and the other transactions described in this Proxy Statement and from participating in, and receiving damages, if any, as a result of any action which has been or may be filed on behalf of any or all of the stockholders with respect to such transactions. See "CERTAIN TRANSACTIONS AND LITIGATION" for a description of a class action and derivative complaint relating to, among other things, the Acquisition, the Redemption and certain other transactions described in this Proxy Statement.

The Redemption was negotiated and approved by the Special Transaction Committee on behalf of the stockholders of the Company (other than NBC and its affiliates). The Redemption will not be consummated unless the Acquisition shall have occurred. Accordingly, assuming satisfaction of all other conditions to the consummation of the Acquisition, approval by stockholders of the Acquisition Agreement shall result in consummation of the Redemption. NBC, which currently holds approximately 36% of the Common Stock, will vote in connection with the proposal to approve the Acquisition Agreement. The consideration for the Redemption will be the

cancellation of $18,092,313 of indebtedness owed by NBC to the Company, consisting of (x) the outstanding principal of $17,500,000 under the Subordinated Debenture owed to the Company by NBC and (y) a credit of the next succeeding principal payments in the amount of $592,313 of Other Indebtedness with an outstanding principal amount of $1,371,430 owed to the Company by NBC. Nick A. Caporella, the Chairman of the Board of Directors, President and Chief Executive Officer of the Company is also the Chairman of the Board of Directors, President, Chief Executive Officer and controlling stockholder of NBC. On November 16, 1993, the Board of Directors of the Company approved the Redemption. The Board of Directors of NBC has not yet approved the terms of the Redemption. See "PROPOSAL TO APPROVE ACQUISITION AGREEMENT WITH CHURCH & TOWER, INC. AND CHURCH & TOWER OF FLORIDA, INC. - Interest of Certain Persons in Matters to be Acted

Upon." For a discussion of the negotiations relating to the Acquisition and the Redemption and a description of the terms of the Acquisition Agreement, see "PROPOSAL TO APPROVE ACQUISITION AGREEMENT WITH CHURCH & TOWER, INC. AND CHURCH & TOWER OF FLORIDA, INC. - Background of Transaction; Terms of the Acquisition Agreement."

Operations Following the Acquisition

Following consummation of the Acquisition, each of CT and CTF will be a wholly-owned subsidiary of the Company. Other than as described below, it is the present intention of the Company to operate CT and CTF under their present names and related trade names in substantially the same manner following consummation of the Acquisition as currently being operated.

Following consummation of the Acquisition, it is anticipated that the Board of Directors will attempt to integrate the businesses of the Company, CT and CTF as promptly and cost efficiently as is practicable, to assess the strengths and weaknesses of the combined enterprise and, in light of the foregoing, to attempt to capitalize on emerging opportunities both in the United States and abroad. In the process, changes may be effected in the Company's capitalization, dividend policy, corporate structure, business or management as the Board of Directors may from time to time determine to be necessary or desirable. However, except as noted in this Proxy Statement, the proposed Board of Directors (after the Acquisition) has no present plans or proposals which would result in an extraordinary corporate transaction, such as a merger, reorganization, liquidation, relocation of operations, or sale or transfer of assets involving the Company, or any material changes in the Company's corporate structure, or business.

Appraisal Rights

Holders of Common Stock are not entitled to dissenters' rights of appraisal or other dissenters' rights under Delaware law with respect to the Acquisition or any transactions contemplated by the Acquisition Agreement.

Restrictions on Resales of Burnup Shares to be Issued in the Acquisition

The Burnup Shares to be issued in the Acquisition shall be restricted from transfer, subject to the resale limitations of Rule 144 under the Securities Act of 1933, as amended (the "Securities Act") or pursuant to an exemption from the registration requirements of the Securities Act.

In general, under Rule 144 as currently in effect, a person who has beneficially owned restricted shares for at least two years, including an "affiliate" as that term is defined under the Securities Act, is entitled to sell, within any three-month period, a number of such shares that does not exceed the greater of 1% of the then outstanding shares of Common

Stock or the average weekly trading volume of the Common Stock during the four calendar weeks preceding such sale. Rule 144 also generally permits a person (other than an affiliate of the Company) who has owned restricted shares for at least three years to sell such shares without any volume limitation. For purposes of Rule 144, some or all of the stockholders of CT and CTF prior to Closing will be deemed to be affiliates of the Company following the consummation of the Acquisition. See "PROPOSAL TO APPROVE ACQUISITION AGREEMENT WITH CHURCH & TOWER, INC. AND CHURCH & TOWER OF FLORIDA, INC. - Terms of the Acquisition Agreement - Registration Rights."

Certain Expenses of the Acquisition

It is estimated that the expenses to be incurred in connection with the Acquisition and Redemption will be approximately $900,000. Included in this amount are legal, accounting, printing, solicitation and other costs in connection with the preparation and dissemination of this Proxy Statement, and the fees for financial advisory services and fairness opinions.

Memorandum of Understanding

The Company's Certificate requires the affirmative vote or consent of the holders of four-fifths of all classes of the Company's stock entitled to vote in elections of directors of the Company (the "Voting Shares") in connection with certain transactions with any person, corporation or other

entity ("Affiliated Entity") beneficially owning 10% or more of the outstanding Voting Shares. The Certificate provides, however, that the foregoing provision is not applicable to such transactions if the Board of Directors has approved by resolution a memorandum of understanding (a "Memorandum of Understanding") with such Affiliated Entity with respect to such transactions prior to the time such Affiliated Entity became an Affiliated Entity. In order to induce the stockholders of CT and CTF to enter into the Acquisition Agreement and by eliminating the effects of the foregoing provisions of the Certificate, the Company entered into a Memorandum of Understanding with each of Neff Machinery, Inc., Neff Rental, Inc. and Atlantic Real Estate Holding Corp. ("Neff Machinery," "Neff Rental" and "Atlantic," respectively) prior to the execution of the Acquisition Agreement. Each of Neff Machinery, Neff Rental and Atlantic is controlled by one or more stockholders of CT and CTF and accordingly, following consummation of the Acquisition and by virtue of the ownership of the Burnup Shares by the CT Group, would be deemed affiliates of the Company. Although the stockholders of CT and CTF have no present intention of selling these companies to the Company, following consummation of the Acquisition, the Company will purchase and lease equipment and parts from, and obtain services from, these companies upon such terms and conditions as the Board of Directors shall approve, which terms and conditions will be no less favorable to the Company than those that would be obtained in transactions of a similar type with unaffiliated third parties.

THE BOARD OF DIRECTORS OF THE COMPANY, BY THE UNANIMOUS VOTE OF ALL DIRECTORS (OTHER THAN WITH RESPECT TO THE REDEMPTION, MR. CAPORELLA, WHO ABSTAINED) HAVE CONCLUDED THAT THE TRANSACTIONS CONTEMPLATED BY THE ACQUISITION AGREEMENT ARE FAIR AND IN THE BEST INTEREST OF THE COMPANY'S STOCKHOLDERS AND RECOMMENDS THAT THE STOCKHOLDERS APPROVE AND ADOPT THE ACQUISITION AGREEMENT. THE COMPANY'S DIRECTORS AND NAMED EXECUTIVE OFFICERS ARE THE RECORD OWNERS OF 296,877 SHARES OF COMMON STOCK (APPROXIMATELY 3.3% OF THE OUTSTANDING SHARES) AND HAVE INDICATED THAT THEY INTEND TO VOTE THEIR SHARES FOR THE APPROVAL OF THE ACQUISITION AGREEMENT.

PROPOSAL TO APPROVE AMENDMENTS TO THE COMPANY'S CERTIFICATE OF INCORPORATION

As a condition to the consummation of the Acquisition, the Company is required to have approved each of the amendments to its Certificate proposed by the CT and CTF stockholders. The Board of Directors has approved a resolution proposing to amend and restate the Certificate, as described below, subject to approval of the Acquisition by the Company's stockholders. The proposed amendments to the Certificate will not be effected unless a majority of the shares of outstanding Common Stock vote in favor of each amendment. The Board of Directors believes that it is advisable and in the best interest of the Company to approve each of the amendments to the Certificate in order to assure that, assuming the requisite stockholder vote is obtained and all other conditions to the Acquisition Agreement are fulfilled, the Acquisition can be consummated. The adoption of the amendments is contingent upon the consummation of the Acquisition and, as such, will not be approved unless the Acquisition Agreement is approved by a vote of a majority of the shares of Common Stock represented in person or by proxy at the Meeting.

Upon consummation of the Acquisition, the former stockholders of CT and CTF will own approximately 65% of the issued and outstanding shares of voting common stock of the Company. Accordingly, the former stockholders of CT and CTF will have the ability to control the affairs of the Company and control the election of the Company's directors regardless of how the other stockholders may vote. Furthermore, such persons will have the ability to control other actions requiring stockholder approval, including certain fundamental corporate transactions such as a merger or sale of substantially all of the assets of the Company, regardless of how the other stockholders may vote. This ability may be enhanced by the adoption of the proposed amendments to the Certificate, including those which would (i) increase the number of authorized shares of the Company's common stock from twenty-five million (25,000,000) to fifty million (50,000,000), and (ii) eliminate all designations, powers, preferences, rights, qualifications, limitations and restrictions in the Certificate relating to the Company's preferred stock.

These proposed amendments to the Certificate may be deemed to have the effect of making more difficult the acquisition of control of the Company after the consummation of the acquisition by means of a hostile tender offer, open market purchases, a proxy contest or otherwise. On the one hand, these amendments may be seen as encouraging persons seeking to acquire control of the Company to initiate such an acquisition through arms-length negotiations with the Company; on the other hand, the amendments may have the effect of discouraging a third party form making a tender offer or otherwise attempting to obtain control of the Company, even though such an attempt may be economically beneficial to the Company and its stockholders. Furthermore, the proposed amendments to the Certificate and the fact that the CT and CTF stockholders will own approximately 65% of the Common Stock of the Company after the consummation of the Acquisition may have a negative effect on the market price and liquidity of the Common Stock of the Company.

The principal features of the proposed amendments are described below but this discussion is qualified in its entirety by reference to the text of the proposed Amended and Restated Certificate set forth in Appendix D hereto.

Generally. The proposed amendment to the Certificate would:

1. Change the name of the Company to MasTec Inc.;

2. Increase the total number of shares of Common Stock which the Company is authorized to issue from 25,000,000 to 50,000,000;

3. Eliminate all designations, powers, preferences, rights, qualifications, limitations and restrictions prescribed in the Certificate relating to the 5,000,000 shares of preferred stock authorized by the Certificate and which may in the future be issued by the Company; and

4. Approve the provisions of Section 102(b)(7) of the DGCL relating to the liability of directors.

In addition to the foregoing amendments, the Board of Directors has approved resolutions proposing to restate the Certificate in order to (i) clarify and/or shorten certain provisions of the Certificate, (ii) update the language of certain provisions of the Certificate to conform with applicable sections of the DGCL, (iii) incorporate into a single document various amendments made to the original Certificate since July 26, 1968, and (iv) renumber the various articles and paragraphs of the Certificate for ease of reference.

A copy of the proposed Amended and Restated Certificate is set forth in Appendix D hereto.

Change of Corporate Name. The first of the proposed amendments to the Certificate would change the name of the Company to MasTec Inc.

The CT and CTF stockholders have required this amendment to the Certificate because they believe that (i) the proposed name will make it easier for the financial community and others with whom the Company does business to associate the Company with its principal business, (ii) the proposed name, by indicating the Company's principal business, also indicates the technological and other resources of the Company, thus making it easier to attribute such resources to the Company's subsidiaries and affiliates and (iii) the founders of the Company, whose surnames form the current name of the Company, are no longer involved in its management.

THE BOARD OF DIRECTORS HAS UNANIMOUSLY APPROVED THE FOREGOING AMENDMENT TO THE CERTIFICATE OF INCORPORATION AND RECOMMENDS THAT STOCKHOLDERS VOTE IN FAVOR OF THE AMENDMENT. THE COMPANY'S DIRECTORS AND NAMED EXECUTIVE OFFICERS ARE THE RECORD OWNERS OF 296,877 SHARES OF COMMON STOCK (APPROXIMATELY 3.3% OF THE OUTSTANDING SHARES) AND HAVE INDICATED THAT THEY INTEND TO VOTE THEIR SHARES FOR THE APPROVAL OF THE FOREGOING AMENDMENT.

Increase In Authorized Capital Stock. The second of the proposed amendments to the Certificate would amend existing Article FIRST of the Certificate to increase the number of shares of Common Stock authorized to be issued by the Company from 25,000,000 to 50,000,000 shares. Such

additional shares of Common Stock will be a part of the existing class of Common Stock of the Company and, if and when issued, will have the same rights and privileges as the shares of Common Stock of the Company presently outstanding.

As of the Record Date, the Company had 8,768,339 shares of Common Stock outstanding, 1,459,000 shares of Common Stock reserved for issuance upon conversion of the Company's 12% Convertible Subordinated Debentures due November 15, 2000, and 547,000 shares of Common Stock reserved for issuance under the Company's 1976 and 1978 Non-Qualified Stock Option Plans. See "PROPOSAL TO APPROVE ACQUISITION AGREEMENT WITH CHURCH & TOWER, INC. AND CHURCH & TOWER OF FLORIDA, INC. - "Certain Effects of the Acquisition - Outstanding Stock Options."

Set forth below are the number of shares of capital stock authorized, issued and outstanding, and unissued, as of the Record Date, and assuming

the Certificate is amended as proposed and the Acquisition and the Redemption are consummated:

	At January 31, 1994			If Acquisition is Consummated		
Class	Authorized	Issued and Outstanding	Authorized & Not Outstanding	Authorized	Issued and Outstanding	Authorized & Not Outstanding
Common Stock	25,000,000	8,768,339	16,231,661	50,000,000	15,864,492	34,135,508
Preferred Stock	5,000,000	0	0	5,000,000	0	0

Once authorized, the additional shares of Common Stock will be issuable without further authorization of the stockholders and on such terms and for such consideration as may be determined by the Board of Directors provided that such consideration is at least equal to the par value thereof. No stockholder has preemptive rights.

The proposed increase in the number of authorized but unissued shares of Common Stock of the Company could have the effect of frustrating or discouraging an attempt to take over control of or merge with the Company because such shares could be issued to dilute the stock ownership of any person seeking to obtain control of or merge with the Company.

CT and CTF have required, as a condition of the Acquisition, that the Company increase the number of authorized and unissued shares of Common Stock of the Company. Such shares would be available for possible use in the future in connection with the raising of additional capital, the acquisition of other companies or assets, the payment of stock dividends, the subdivision of outstanding shares through stock splits, the adoption and implementation of additional share incentive plans and other corporate purposes approved by the Board of Directors. Except as discussed elsewhere in this Proxy Statement, the CT and CTF stockholders have no present plan to utilize any of the additional shares of Common Stock for which authorization is sought.

THE BOARD OF DIRECTORS HAS UNANIMOUSLY APPROVED THE FOREGOING AMENDMENT TO THE CERTIFICATE OF INCORPORATION AND RECOMMENDS THAT STOCKHOLDERS VOTE IN FAVOR OF THE AMENDMENT. THE COMPANY'S DIRECTORS AND NAMED EXECUTIVE OFFICERS ARE THE RECORD OWNERS OF 296,877 SHARES OF COMMON STOCK (APPROXIMATELY 3.3% OF THE OUTSTANDING SHARES) AND HAVE INDICATED THAT THEY INTEND TO VOTE THEIR SHARES FOR THE APPROVAL OF THE FOREGOING AMENDMENT.

Designations, Powers, Preferences, Rights, Qualifications, Limitations and Restrictions Relating to Preferred Stock. The third of the proposed amendments to the Certificate would delete paragraphs 3 through 14 from Section B of existing Article FOURTH of the Certificate. Paragraphs 3 through 14 prescribe certain powers, preferences, rights,

qualifications, limitations and restrictions for all series of preferred stock issued by the Company, including, among other things, (i) the declaration and payment of dividends on preferred stock, (ii) the distribution of the assets of the Company with respect to the preferred stock upon any liquidation, dissolution or winding up of the Company, (iii) the status of shares of preferred stock upon redemption or purchase

thereof by the Company, (iv) restrictions on the declaration and payment of dividends on, and the redemption or purchase of, any shares of common stock or other class of stock of the Company ranking junior to the preferred stock, (v) restrictions concerning the creation of other classes of preferred stock, (vi) restrictions concerning the ability of the Company to increase the authorized number of shares of preferred stock and (vii) the automatic right of holders of preferred stock to elect, as a separate class, two additional directors to the Board of Directors under certain circumstances. No shares of preferred stock are currently issued and outstanding.

By deleting paragraphs 3 through 14 of Section B of existing Article FOURTH of the Certificate, the Board of Directors would have the authority to determine, among other things, with respect to each series of preferred stock which may be issued (i) the distinctive designation and number of shares constituting such series, (ii) the dividend rates, if any, on the shares of that series and whether dividends would be payable in cash, property, rights or securities, (iii) whether dividends would be non-cumulative, cumulative to the extent earned, partially cumulative or cumulative and, if cumulative, the date from which dividends on the series would accumulate, (iv) whether, and upon what terms and conditions, the shares of that series would be convertible into or exchangeable for other securities or cash or other property or rights, (v) whether, and upon what terms and conditions, the shares of that series would be redeemable, (vi) the rights and the preferences, if any, to which the shares of that series would be entitled in the event of voluntary or involuntary dissolution or liquidation of the corporation, (vii) whether a sinking fund would be provided for the redemption of the series and, if so, the terms of and amounts payable into such sinking fund, (viii) whether the holders of such securities would have voting rights and the extent of those voting rights, (ix) whether the issuance of any additional shares of such series, or any

other series, would be subject to restrictions as to issuance or as to the powers, preferences or rights of any such other series and (x) any other preferences, privileges and relative rights of such series as the Board of Directors may deem advisable.

It is not possible to state the precise effect of the deletion of paragraphs 3 through 14 of Section B of existing Article FOURTH upon the rights of holders of Common Stock until the Board of Directors determines the respective preferences, limitations and relative rights of the holders of one or more series of the preferred stock. Such effect might include, however, (i) reduction of the amount otherwise available for payment of dividends on Common Stock, (ii) restrictions on dividends on Common Stock if dividends on the preferred stock are in arrears, (iii) dilution of the voting power of the Common Stock to the extent that the preferred stock has voting rights and (iv) reduction in the interests of the holders of Common Stock in the Company's assets upon liquidation to the extent of any liquidation preference granted to the preferred stock.

Deletion of paragraphs 3 through 14 of Section B of existing Article FOURTH may be viewed as having the effect of discouraging an unsolicited attempt by another person or entity to acquire control of the Company. Issuances of authorized preferred shares can be implemented with voting or conversion privileges which make acquisition of control of the Company more difficult or more costly. Such an issuance could discourage or limit the stockholders' participation in certain types of transactions that might be proposed (such as a tender offer), whether or not such transactions were favored by a majority of the stockholders, and could enhance the ability of officers and directors to retain their positions with the Company.

The CT and CTF stockholders believe that paragraphs 3 through 14 of Section B of existing Article FOURTH of the Certificate overly restrict the ability of the Board of Directors to issue shares of preferred stock

with such powers, preferences and rights as may be suitable for achieving a valid corporate purpose. The CT and CTF stockholders believe that the complexity of modern business financing and acquisition transactions requires greater flexibility in the Company's capital structure than now

exists. By deleting paragraphs 3 through 14 of Section B of Article FOURTH, the Board of Directors would have the authority to issue shares of preferred stock from time to time with such powers, preferences and rights as the Board of Directors may determine appropriate to achieve a valid corporate purpose, including, the raising of additional capital and the acquisition of other companies or assets. The CT and CTF stockholders do not presently have any plan to issue any shares of preferred stock.

THE BOARD OF DIRECTORS HAS UNANIMOUSLY APPROVED THE FOREGOING AMENDMENT TO THE CERTIFICATE OF INCORPORATION AND RECOMMENDS THAT STOCKHOLDERS VOTE IN FAVOR OF THE AMENDMENT. THE COMPANY'S DIRECTORS AND NAMED EXECUTIVE OFFICERS ARE THE RECORD OWNERS OF 296,877 SHARES OF COMMON STOCK (APPROXIMATELY 3.3% OF THE OUTSTANDING SHARES) AND HAVE INDICATED THAT THEY INTEND TO VOTE THEIR SHARES FOR THE APPROVAL OF THE FOREGOING AMENDMENT.

Liability of Directors for Monetary Damages for Certain Breaches of Fiduciary Duty. Pursuant to Section 102(b)(7) of the DGCL, the Company is permitted to include in its Certificate a provision limiting the liability of its directors for monetary damages for breaches of their fiduciary duty of care.

In accordance with such statute, it is proposed that the Certificate be amended by adding thereto the following:

> No director of the Company shall have personal liability to the Company or its stockholders for monetary damages for breach of fiduciary duty as a director except (i) for any breach of such director's duty of loyalty to the Company or its stockholders, (ii) for acts or omissions not in good faith or which involve intentional misconduct or a knowing violation of law, (iii) under Section 174 of Delaware Law relating to unlawful distributions and (iv) for any transaction from which such director derives an improper personal benefit.

The proposed limitations on a director's liability to the Company and its stockholders (i) will have no effect on the availability of equitable

remedies such as injunction or rescission in the event of a breach of a director's fiduciary duty of care and (ii) relates only to future conduct and will not eliminate liability, even monetary, for conduct which pre-dates the effectiveness of the proposed amendment. The Company is not aware of any pending or threatened claims which would be affected or covered by the proposed amendment.

The proposed limitations will reduce the availability of remedies to the Company and its stockholders for negligent misconduct by directors in certain circumstances. However, the CT and CTF stockholders believe that it is in the best interests of the Company to approve such limitations for two reasons. First, although the CT and CTF stockholders have received no indications that qualified persons would be unwilling to serve as independent directors in the absence of such limitations, the CT and CTF stockholders believe, based on discussions with some of the proposed nominees, that the presence of such provisions makes it easier to attract qualified independent directors to serve on the Company's Board of Directors. Second, the CT and CTF stockholders believe that such limitations may reduce the Company's cost to maintain directors' and

officers' liability insurance coverage.

THE BOARD OF DIRECTORS HAS UNANIMOUSLY APPROVED THE FOREGOING AMENDMENT TO THE CERTIFICATE OF INCORPORATION AND RECOMMENDS THAT STOCKHOLDERS VOTE IN FAVOR OF THE AMENDMENT. THE COMPANY'S DIRECTORS AND NAMED EXECUTIVE OFFICERS ARE THE RECORD OWNERS OF 296,877 SHARES OF COMMON STOCK (APPROXIMATELY 3.3% OF THE OUTSTANDING SHARES) AND HAVE INDICATED THAT THEY INTEND TO VOTE THEIR SHARES FOR THE APPROVAL OF THE FOREGOING AMENDMENT.

Restatement of Certificate. The Company, directly or through one or more of its subsidiaries, conducts a variety of businesses. The conduct of some of those businesses is specifically authorized under Paragraphs 1 through 9 of existing Article THIRD of the Certificate while others are conducted under Paragraph 10 of existing Article THIRD which authorizes the Company "to conduct any lawful business, to exercise any lawful purpose and power, and to engage in any lawful act or activity for which corporations may be organized."

The authority granted under Paragraph 10 of existing Article THIRD of the Certificate is sufficiently broad to authorize the Company to conduct all businesses in which it is currently engaged or may in the future engage. Accordingly, the CT and CTF stockholders believe that Paragraphs 1 through 9 of existing Article THIRD are unnecessary and have proposed that they be deleted from the Certificate and that the text of Article THIRD of the Certificate be restated to read in its entirety as follows:

> The purpose of the Company is to engage in any lawful act or activity for which corporations may be organized under Delaware Law.

The CT and CTF stockholders have proposed that the text of paragraph 3 of Section A of existing Article FOURTH of the Certificate be restated as follows in order to clarify its meaning and conform it with Sections 243 and 244 of DGCL:

> The Board of Directors may retire any and all shares of Common Stock that are issued but are not outstanding, including shares of Common Stock purchased or otherwise reacquired by the Company, and may reduce the capital of the Company in connection with the retirement of such shares in the manner provided for under Delaware Law.

The CT and CTF stockholders have proposed that the text of paragraph 4 of Section A of existing Article FOURTH of the Certificate be restated in order to clarify that upon liquidation of the Company each holder of Common Stock will be entitled, after payment or provision for payment of the debts and other liabilities of the Company and the amounts to which the holders of the preferred stock are entitled, to share in the remaining net assets of the Company on a pro-rata basis based on the number of shares of Common Stock held by such holder and the total number of shares of Common Stock then outstanding.

Section 245 of DGCL permits the Company to omit from a restated certificate of incorporation any provision of the original certificate of incorporation which named the incorporator. Accordingly, the CT and CTF

stockholders have proposed that Article FIFTH of the existing Certificate be deleted from the proposed Amended and Restated Certificate of the Company.

In addition to the amendments and restatements described above, the CT and CTF stockholders have proposed that (i) certain other provisions of the Certificate be restated for the purpose of clarifying such provisions or making them consistent with the proposed amendments described above, without changing the substance of such provisions, (ii) the various amendments made to the original Certificate since July 26, 1968 to the extent not amended in the foregoing amendments be incorporated into a single document, and (iii) the various articles and paragraphs of the Certificate be renumbered for ease of reference.

THE BOARD OF DIRECTORS HAS UNANIMOUSLY APPROVED THE FOREGOING AMENDMENTS TO THE CERTIFICATE OF INCORPORATION AND RECOMMENDS THAT STOCKHOLDERS VOTE IN FAVOR OF THE AMENDMENTS. THE COMPANY'S DIRECTORS AND NAMED EXECUTIVE OFFICERS ARE THE RECORD OWNERS OF 296,877 SHARES OF COMMON STOCK (APPROXIMATELY 3.3% OF THE OUTSTANDING SHARES) AND HAVE INDICATED THAT THEY INTEND TO VOTE THEIR SHARES FOR THE APPROVAL OF THE FOREGOING AMENDMENTS.

PROPOSAL TO APPROVE 1994 STOCK OPTION PLAN FOR NON-EMPLOYEE DIRECTORS

The CT and CTF Stockholders have proposed, subject to approval by the holders of Common Stock, the Burnup & Sims Inc. 1994 Stock Option Plan for Non-Employee Directors (the "Directors' Plan"). The Directors' Plan is designed to maintain the Company's ability to attract and retain the services of experienced and highly qualified non-employee or outside directors and to increase the proprietary interest of such directors in the Company's continued success. The Directors' Plan will have been approved if a majority of the shares present, or represented, and entitled to vote at the Meeting are voted in favor of it. The adoption of the Directors' Plan is contingent upon consummation of the Acquisition and, as such, will not be approved unless the Acquisition Agreement is approved by a vote of a majority of the shares of Common Stock represented in person or by proxy at the Meeting.

The principal features of the Directors' Plan are summarized below, but this summary is qualified in its entirety by reference to the terms of the Directors' Plan, which is attached hereto as Appendix E.

Summary of Directors' Plan

If authorized at the Meeting, grants of stock options will automatically be made to each individual who is elected to the Board of Directors at a meeting of stockholders held at any time after the day on which the Directors' Plan is approved by the stockholders, provided the individual (i) is not and has not been an employee of the Company or any of its subsidiaries and (ii) is not otherwise eligible to participate in any plan of the Company or any of its subsidiaries which would entitle such director to acquire securities or derivative securities of the Company. Grants of stock options will also be automatically made to each

director who is at any time after the Directors' Plan is approved by the stockholders appointed by the Board of Directors to fill a vacancy on the Board, subject to the same eligibility requirements stated above.

An aggregate of 400,000 shares of Common Stock (subject to adjustment as described below and provided in the Directors' Plan) will be subject to the Plan. Shares subject to options which terminate or expire unexercised will become available for future option grants. Subject to the maximum number of shares which are subject to the Plan, options will be granted to each then eligible director on the day after the day on which the Directors' Plan is approved by the stockholders and on the day after each annual meeting of stockholders held thereafter, until that held in the year 2004.

Subject to certain restrictions and limitations set forth below, each option will permit the non-employee director, for a period of up to ten years from the date of grant (unless the period is shortened as indicated below), to purchase from the Company 15,000 shares of the Company's Common Stock (subject to adjustment as provided in the Directors' Plan) at the fair market value of such shares on the date the option is granted as reported on NASDAQ.

Except as noted below, an option shall not be exercisable prior to the expiration of one year from the date of grant. One third of the total number of shares covered by the option shall become exercisable on the first anniversary date of the grant and an additional one-third of the total number of shares covered by the option shall become exercisable on each of the two succeeding anniversary dates of the grant date. Except as noted below, an option may be exercised, only if the optionee at the time of exercise is, and at all times since the grant of the option, has been a director of the Company. Each option is nonassignable and non-transferable other than by will or the laws of descent and distribution.

In the event a non-employee director terminates service on the Board of Directors by reason of retirement, each unexpired option held by the optionee will, to the extent otherwise exercisable on such date, remain exercisable until the earlier of ten years from the date of grant or three years following such retirement. The term "retirement" means termination after at least six years of service as a director.

In the event a non-employee director terminates service on the Board of Directors by reason of death or disability, any then unexpired option that has been outstanding for at least one year (six months in the case of death) will become exercisable in its entirety and those and all other exercisable options will continue to be exercisable until the earlier of ten years from the date of grant or three years after such termination. In the event a non-employee director terminates service on the Board of Directors other than by reason of retirement, death or disability, all unexercised options shall terminate upon such termination of service.

In the event of a "change in control" of the Company at any time on or after March 15, 1994, then all of the optionee's outstanding options become immediately exercisable. However, the provisions regarding termination of service as a director continue to apply and in no event may an option be exercised prior to the expiration of six months from the date of grant or after ten years from the date of grant. Change in control is generally defined to include (i) a merger or consolidation in which the Company is not the surviving corporation or pursuant to which any shares of the Company are to be converted into cash, securities or other

property, or any sale, lease, exchange or other transfer of all, or substantially all, of the assets of the Company, (ii) the approval by the stockholders of any plan for the liquidation or dissolution of the Company, (iii) the acquisition by a "person" or "group," as defined in the Directors' Plan, of 33% or more of the Company's Common Stock or (iv) if individuals constituting the "Incumbent Board," as defined in the Directors' Plan, cease to constitute a majority of the whole Board of Directors of the Company.

Payment of the option price upon exercise may be made in cash, by the delivery of Common Stock already owned by the non-employee director, a combination of cash and shares, or in accordance with a cashless exercise program under which shares of Common Stock may be issued directly to the optionee's broker or dealer upon receipt of the purchase price in cash from the broker or dealer. No optionee shall have any rights to dividends or other rights of a stockholder with respect to his or her shares subject to the option until the optionee has given written notice of exercise and has paid in full for such shares. The optionee shall be required to pay

to the Company, such amount as the Company may demand to satisfy any tax withholding obligation. Tax withholding obligations may be met by a withholding of stock otherwise deliverable to the optionee under procedures approved by the Board of Directors.

The Directors' Plan will be administered by the Board of Directors who will be authorized to interpret the Directors' Plan. However, the Board will have no authority in respect of the selection of directors to receive options, the number of shares subject to the Directors' Plan, the number of options to be granted, the number of shares in each grant, the option price for shares subject to options, the period during which options may be granted or exercised, or the class of persons eligible to receive options. The Board also may not materially increase the benefits under the Directors' Plan or, without further approval of the stockholders, amend the Plan in any of the foregoing respects provided, however, that the Directors' Plan provisions affecting the amount of Common Stock to be awarded to eligible directors, the timing of those awards or the determination of those eligible to receive such awards may not be amended more than once every six months, other than to comport with changes in the Code, the Employee Retirement Income Security Act of 1974, as amended, or the rules thereunder. No stockholder approval will be required, however, if the Board of Directors obtains a legal opinion stating that such approval is not required under the Securities Exchange Act of 1934, as amended, in order for the options granted under the Plan to continue to be exempt from the operation of Section 16(b) of such Act.

Adjustments shall be made in the number and class of shares available under the Directors' Plan and the number, class and price of shares subject to outstanding option grants, in each such case to reflect changes in the Company's Common Stock through changes in the Company's corporate structure or capitalization, such as through a merger or stock split.

Federal Income Tax Consequences

The following is a brief description of the federal income tax consequences, under existing law, of the Directors' Plan:

The options under the Directors' Plan are nonstatutory options not intended to qualify as incentive stock options under Section 422 of the Code. The grant of options will not result in taxable income to the non-employee director or a tax deduction to the Company. The exercise of an option by a non-employee director will result in taxable ordinary income to the non-employee director and, if applicable withholding requirements are satisfied, a corresponding deduction for the Company, in each case

equal to the difference between the fair market value of the acquired shares on the date the option was exercised and the fair market value of such shares on the date the option was granted (the option price).

An optionee's tax basis for shares acquired upon exercise of an option will be equal to the fair market value of such shares on the date the option is exercised. The holding period for such shares will commence on such date and, accordingly, will not include the period during which the option was held. The payment of the option exercise price by delivery of Common Stock of the Company will constitute a non-taxable exchange by the optionee. Use of Common Stock in payment of the option price will result in the same tax consequences to the Company as if the exercise were effected by a cash payment.

In the event of a sale of shares received upon exercise of an option, any gain or loss will generally be a capital gain or loss. The capital gain or loss will be a long-term capital gain or loss if the shares were held for more than one year after the date on which the option was exercised.

THE BOARD OF DIRECTORS RECOMMENDS THAT THE HOLDERS OF COMMON STOCK VOTE FOR APPROVAL OF THE COMPANY'S 1994 STOCK OPTION PLAN FOR NON-EMPLOYEE DIRECTORS. THE COMPANY'S DIRECTORS AND NAMED EXECUTIVE OFFICERS ARE THE RECORD OWNERS OF 296,877 SHARES OF COMMON STOCK (APPROXIMATELY 3.3% OF THE OUTSTANDING SHARES) AND HAVE INDICATED THAT THEY INTEND TO VOTE THEIR SHARES FOR THE APPROVAL OF THE 1994 STOCK OPTION PLAN FOR NON-EMPLOYEE DIRECTORS.

PROPOSAL TO APPROVE 1994 STOCK INCENTIVE PLAN

The CT and CTF stockholders have proposed, subject to approval by the holders of Common Stock, the Burnup & Sims Inc. 1994 Stock Incentive Plan (the "Incentive Plan") for key employees, including officers, of the Company and its subsidiaries to replace the Current Plans. The Incentive Plan is more flexible than the Current Plans, containing provisions which the Company believes are similar to those presently approved by other large corporations. The Incentive Plan is designed to provide for the grant of options that qualify as "incentive stock options" under the Internal Revenue Code of 1986, as amended (the "Code"), or options other than "incentive stock options," as well as provide for the award of restricted stock and bonuses payable in stock. In addition to the replacement of the Current Plans, the purpose of approving the Incentive Plan, consistent with the purposes of the Current Plans is to continue to have available a stock compensation plan that will encourage and enable participating employees of the Company to acquire a proprietary interest in the Company through stock ownership and will assist the Company in attracting and retaining key employees. The Incentive Plan will have been approved if a majority of the shares present or represented, and entitled to vote at the Meeting are voted in favor of it. The adoption of the Incentive Plan is contingent upon consummation of the Acquisition and, as such, will not be approved unless the Acquisition Agreement is approved by a vote of a majority of the shares of Common Stock represented in person or by proxy at the Meeting.

The principal features of the Incentive Plan are summarized below, but this summary is qualified in its entirety by reference to the terms of the Incentive Plan, which is attached hereto as Appendix F.

Summary of Incentive Plan

Subject to adjustment as noted below, the total number of shares that may be optioned or awarded under the Incentive Plan is 800,000 shares of

the Company's Common Stock of which 200,000 shares may be awarded as restricted stock. If the Incentive Plan is approved by stockholders, no

further awards will be made under the Current Plans. However, approximately 252,000 shares will continue to be reserved with respect to the shares outstanding under Current Plans. No employee may receive, over the term of the Incentive Plan, awards in the form of options, whether incentive stock options or options other than incentive stock options, to purchase more than 200,000 shares of the Company's Common Stock. Any shares subject to an option under the Incentive Plan which for any reason expires, is relinquished or is terminated unexercised and any restricted stock which is forfeited may again be optioned or awarded under the Incentive Plan, provided, however, that forfeited shares shall not be available for further awards if the employee has realized any benefits of ownership from such shares.

Key salaried employees, including officers, of the Company and its subsidiaries, shall be eligible to participate in the Incentive Plan. The Compensation Committee of the Board of Directors (the "Compensation Committee") will administer the Incentive Plan and determine the recipients of options and awards, their terms and conditions within the parameters of the Incentive Plan and the number of shares covered by each option or award. The Compensation Committee may approve rules and regulations to carry out the Incentive Plan and its decision with regard to any question arising under the Incentive Plan shall be final and conclusive on all employees of the Company or its subsidiaries participating or eligible to participate in the Incentive Plan. The Compensation Committee shall consist of not less than three outside non-employee directors of the Company. Such directors are not eligible to participate in the Incentive Plan. No award or option may be granted under the Incentive Plan after January, 2004, but awards or options theretofore granted may extend beyond that date.

The Board of Directors of the Company may amend, alter or discontinue the Incentive Plan, but no amendment, alteration or discontinuation may be made which would (i) impair the rights of any recipient of restricted stock or option or stock bonus already granted, without his or her written consent, or (ii) without the approval of the stockholders (A) increase the total number of shares reserved for the Incentive Plan, (B) decrease the option price of an incentive stock option to less than 100% of the fair

market value of the stock on the date the option was granted, (C) change the class of persons eligible to receive an award of restricted stock or options under the Incentive Plan, or (D) extend the duration of the Incentive Plan. The Compensation Committee may, retroactively or prospectively, amend the terms of any award of restricted stock or option already granted, provided no such amendment will impair the rights of any holder without his or her written consent.

The option price per share shall be determined by the Compensation Committee, but shall not be less than 100% of the fair market value of a share of Common Stock at the time the option is granted as reported on NASDAQ. Options granted under the Incentive Plan will expire on a date fixed by the Compensation Committee, but not more than ten years from the date of grant in the case of incentive stock options or such later date as may be permitted under the Code. Each option will state whether it is immediately exercisable in full or when and to what extent it shall be exercisable. All options become exercisable over a five year period in equal increments of 20% per year beginning twelve months after the date of grant.

Payment of the option price upon exercise of an option may be made in cash, by the delivery of Common Stock already owned by the optionee, a combination of cash and shares, or in accordance with a cashless exercise

program under which shares of Common Stock may be issued directly to the optionee's broker or dealer upon receipt of the purchase price in cash from the broker or dealer. No optionee shall have any rights to dividends or other rights of a stockholder with respect to his or her shares subject to the option until the optionee has given written notice of exercise and has paid in full for such shares. Tax withholding obligations may be met by a withholding of stock otherwise deliverable to the optionee under procedures approved by the Compensation Committee.

Each option granted under the Incentive Plan may provide for stock appreciation rights, that is, the right to exercise such option in whole or in part without payment of the option price. If an option is exercised without payment, the optionee shall be entitled to receive the excess of the fair market value of the stock covered by the option on the date of

exercise over the option exercise price. Such amount is payable in stock or in cash or in a combination of stock and cash at the discretion of the Compensation Committee.

If an optionee's employment terminates by reason of his or her retirement under a retirement plan of the Company or a subsidiary or death, the optionee's option may thereafter be exercised by the optionee or by his or her estate or beneficiary within the period specified in the option (not to exceed 3 years from the date of termination) but not beyond the termination date of the option. Unless otherwise determined by the Compensation Committee, if an optionee's employment terminates for any reason other than death or retirement, the optionee's option shall thereupon terminate. During the optionee's lifetime, the option is exercisable only by the optionee and shall not be transferable except by will or the laws of descent and distribution.

No incentive stock option will be granted to an employee who owns or would own immediately before the grant of such option, directly or indirectly, stock possessing more than 10% of the total combined voting power of all classes of stock of the Company. This restriction will not apply if, at the time such incentive stock option is granted, the option price is at least 110% of the fair market value of one share of Common Stock on the date of grant and the incentive stock option by its terms is not exercisable after the expiration of five years from the date of grant.

Awards of restricted stock may be in addition to or in lieu of option grants. During the restriction period (as set by the Compensation Committee) the recipient of restricted stock is not permitted to sell, transfer, pledge, or assign the shares. Shares of restricted stock shall become free of all restrictions if the recipient dies or his or her employment is terminated by reason of permanent disability during the restriction period, and to the extent set by the Compensation Committee, if the recipient retires under a retirement plan of the Company or any subsidiary. In the event of a termination of employment during the restriction period for any reason other than death, disability or, to the extent determined by the Compensation Committee, retirement under a retirement plan of the Company or a subsidiary, shares of restricted stock

will be forfeited and revert to the Company, except to the extent that the Compensation Committee determines that such forfeiture is not in the best interests of the Company and waives the forfeiture provision with respect to all or some of the restricted stock held by the employee.

The recipient of restricted stock shall be entitled to vote the shares and receive all dividends paid thereon, except that dividends paid in Company Common Stock or other property shall also be subject to the same restrictions. Tax withholding obligations shall be paid in cash by the recipient or may be met by the withholding of Common Stock otherwise deliverable to the recipient pursuant to procedures approved by the

Compensation Committee.

In lieu of cash bonuses otherwise payable to eligible employees under the Company's compensation practices, the Compensation Committee may determine that such bonuses shall be payable in Common Stock or partly in Common Stock and partly in cash. Any such shares of Common Stock shall be free of any restrictions imposed by the Plan. The Company shall withhold from any such cash bonuses an amount of cash sufficient to meet its tax withholding obligations. If the cash portion of the bonus is not sufficient, the tax withholding obligations shall be paid in cash by the recipient or may be met by the withholding of Common Stock otherwise deliverable to the recipient pursuant to procedures approved by the Committee.

In the event of a "change in control" of the Company, in addition to any action required or authorized by the option or award, the Compensation Committee may in its discretion recommend that the Board of Directors take certain actions as a result of, or in anticipation of, the change in control, to assure fair and equitable treatment of the employees who hold options or restricted stock, including an offer to purchase any outstanding option or restricted stock granted or issued pursuant to the Incentive Plan for its cash value as determined by the Compensation Committee. However, in no event may an option be made exercisable prior to the expiration of six months from the date of grant or, in the case of an incentive stock option, after ten years from the date it was granted.

Change in control is generally defined to include (i) a merger or consolidation in which the Company is not the surviving corporation or pursuant to which any shares of the Company are to be converted into cash, securities or other property, or any sale, lease, exchange or other transfer of all, or substantially all, of the assets of the Company, (ii) the approval by the stockholders of any plan for the liquidation or dissolution of the Company, (iii) the acquisition by a "person" or "group," as defined in the Incentive Plan, of 33% or more of the Company's Common Stock or (iv) if individuals constituting the "Incumbent Board," as defined in the Incentive Plan, cease to constitute a majority of the whole Board of Directors of the Company.

Adjustments shall be made in the number and class of shares available under the Incentive Plan and the number, class and price of shares subject to outstanding option grants, in each such case to reflect changes in the Company's Common Stock through changes in the Company's corporate structure or capitalization such as through a merger or stock split.

Federal Income Tax Consequences

The following is a brief description of the federal income tax consequences, under existing law, of the Incentive Plan:

Incentive Stock Options

(a) Neither the grant nor the exercise (while the employee is employed or within three months after termination of employment, or twelve months in the case of termination on account of disability) of an incentive stock option will be treated as the receipt of taxable income by the employee or a deductible item by the Company. The amount by which the fair market value of the shares issued upon exercise exceeds the option price will constitute an item of "tax preference" to the employee for purposes of the alternative minimum tax. For alternative minimum tax purposes only the tax basis of the Common Stock

acquired upon the exercise of such option, is increased by the amount of such excess.

(b) If the employee holds shares acquired by him or her upon the exercise of an option for the two-year period from the date of grant of the option and the one-year period beginning on the day after such exercise, and if he or she has been an employee of the Company or its subsidiaries at all times from the date of grant to the day three months before exercise, or twelve months in the case of termination on account of disability, then any gain realized by the employee on a later sale or exchange of such shares will be a long-term capital gain and any loss sustained will be a long-term capital loss. The Company will realize no tax deduction with respect to any such sale or exchange of option shares.

(c) If the employee disposes of any shares acquired upon the exercise of an option during the two-year period from the date of grant of the option or the one-year period beginning on the day after such exercise, the employee will generally be obligated to report as ordinary income for the year in which the disposition occurred the amount by which the fair market value of such shares on the date of the exercise of the option (or, as noted in clause (d) below, in the case of certain sales or exchanges of such shares for less than such fair market value, the amount realized upon such sale or exchange) exceeds the option price, and the Company will be entitled to a deduction equal to the amount of such ordinary income. Any such ordinary income will increase the employee's tax basis for the purpose of determining gain or loss.

(d) If an option holder who has acquired stock upon the exercise of an incentive stock option makes a disposition within the two-year period described above, and the disposition is a sale or exchange with respect to which a loss (if sustained) would be recognized to the option holder, then the amount includible in the option holder's gross income, and the amount deductible by

the Company, will not exceed the excess (if any) of the amount realized on the sale or exchange over the tax basis of the stock.

Non-Qualified Stock Options

In the case of an option granted under the Incentive Plan that is not an incentive stock option, the grant of the option will not result in taxable income to the option holder or a tax deduction to the Company. The option holder recognizes ordinary income at the time the option is exercised in the amount by which the fair market value of the shares acquired exceeds the option price. The Company is entitled to a corresponding ordinary income tax deduction at that time, if applicable withholding requirements are satisfied. The option holder's tax basis for purposes of determining gain or loss on a subsequent sale of the shares is the fair market value of the shares at the date of exercise of the option. The holding period for such shares will commence on such date and, accordingly, will not include the period during which the option was held. In the event of a sale of shares received upon exercise of the option, any gain or loss will generally be a capital gain or loss. The capital gain or loss will be a long-term capital gain or loss if the shares were held for more than one year after the date on which the option was exercised.

Use of Stock to Exercise Options

The payment of the option exercise price by delivery of Common Stock of the Company will constitute a non-taxable exchange by the optionee and will not affect the incentive stock option status of the Common Stock acquired in the case of an incentive stock option. However, if the Common Stock delivered in payment was previously acquired pursuant to the exercise of an incentive stock option and has not been held for the requisite one-year period, the exchange would constitute a premature disposition of such Common Stock for purposes of the

incentive stock option holding requirements. Use of Common Stock in payment of the option price will result in the same tax consequences to the Company as if the exercise were effected by a cash payment.

Stock Appreciation Rights

The amount received by an optionee who exercises a stock appreciation right with respect to his or her option is taxable as ordinary income at the time of exercise and the Company is entitled to a corresponding ordinary income tax deduction.

Bonus Stock

The grantee will realize ordinary income during his or her taxable year in which the shares of Common Stock are issued pursuant to the award of bonus stock in an amount equal to the fair market value of the shares of Common Stock at the date of issue. The Company is entitled to a corresponding ordinary income tax deduction. If the grantee thereafter disposes of such shares of Common Stock, any amount received in excess of the market value of the shares on the date of issue will be treated as long- or short-term capital gain depending upon the holding period of the shares.

Restricted Stock

A grantee will not realize any taxable income upon the award of Restricted Stock unless a grantee elects under Section 83(b) of the Code to have the fair market value of the Common Stock (determined without regard to the possibility of forfeiture) included in his or her gross income in the year the Restricted Stock is issued. In the absence of such an election, the grantee will realize ordinary income during his or her taxable year in which the possibility of forfeiture lapses. If the grantee thereafter disposes of the Common Stock, any amount received in excess of the fair market value of the shares on the

date the possibility of forfeiture lapsed will be treated as long- or short-term gain depending upon the holding period (measured from the date the possibility of forfeiture lapsed) of the shares. The Company will be entitled to an ordinary tax deduction in the same amount and at the same time the grantee is considered to have realized ordinary income.

Change in Control

Under certain circumstances, accelerated vesting or exercise of options or stock appreciation rights, or the accelerated lapse of restrictions on restricted stock, in connection with a "change in control" of the Company might be deemed an "excess parachute payment" for purposes of the golden parachute tax provisions of Section 280G of the Code. To the extent it is so considered, the optionee or grantee may be

subject to a 20% excise tax and the Company may be denied a tax deduction.

THE BOARD OF DIRECTORS RECOMMENDS THAT THE HOLDERS OF COMMON STOCK VOTE FOR APPROVAL OF THE COMPANY'S 1994 STOCK INCENTIVE PLAN. THE COMPANY'S DIRECTORS AND NAMED EXECUTIVE OFFICERS ARE THE RECORD OWNERS OF 296,877 SHARES OF COMMON STOCK (APPROXIMATELY 3.3% OF THE OUTSTANDING SHARES) AND HAVE INDICATED THAT THEY INTEND TO VOTE THEIR SHARES FOR THE APPROVAL OF THE 1994 STOCK INCENTIVE PLAN .

ELECTION OF DIRECTOR

The Board of Directors is currently comprised of five directors elected in three classes (the "Classes"), with two Class I, one Class II and two Class III directors. Directors in each Class hold office for three-year terms. The terms of the Classes are staggered so that the term of one Class terminates each year. The term of the current Class II Director expires at the Meeting and when his respective successor has been duly elected and qualified.

Samuel C. Hathorn, Jr., the current Class II Director, has been nominated by the Board of Directors to be reelected as the Class II Director at the Meeting. The Company has no reason to believe that Mr. Hathorn will refuse or be unable to accept election; however, in the event he is unable to accept election or if any other unforeseen contingencies should arise, each proxy that does not direct otherwise will be voted for such other person as may be designated by the Board of Directors.

MANAGEMENT

Information as to Nominees and Other Directorships

The following information concerning principal occupation or employment during the past five years, other directorships and age, has been furnished to the Company by the nominee for director in Class II, by the directors in Classes III and I whose terms expire at the Company's Annual Meetings of Stockholders in 1994 and 1995, respectively, and when their respective successors have been duly elected and qualified, all executive officers of the Company, and the individuals who will become additional executive officers and directors of the Company if the Acquisition is consummated.

Nominee for Director

Class II (Term, if elected, expires at the Annual Meeting of Stockholders in 1996)

Name	Age	Principal Occupation or Employment During the Past Five Years	Director Since
Samuel C. Hathorn, Jr.	50	President of Trendmaker Homes, and since December 1, 1990, President of Centennial Homes, Inc., subsidiaries of Weyerhaeuser Co., Houston and Dallas, Texas, homebuilders and real estate developers	1981

Directors Whose Terms of Office will Continue After the Annual Meeting

Class III (Terms expire at the Annual Meeting of Stockholders in 1994)

Name	Age	Principal Occupation or Employment During the Past Five Years	Director Since
Cecil D. Conlee	57	Chairman, CGR Advisors, Atlanta, Georgia, real estate investment advisors	1973
Leo J. Hussey	54	Executive Vice President of the Company and President of Southeastern Printing Company, Inc., and The Deviney Company, wholly-owned subsidiaries of the Company	1976

Class I (Terms expire at the Annual Meeting of Stockholders in 1995)

Name	Age	Principal Occupation or Employment During the Past Five Years	Director Since
Nick A. Caporella	57	Chairman of the Board of Directors, Chief Executive Officer and President of the Company and Chairman of the Board of Directors, Chief Executive Officer and President of NBC	1974
William A. Morse	66	Attorney-at-Law, Danville, California President, Behring-Hofmann Educational Institute, Danville, California	1977

Mr. Caporella is a director of NBC. Mr. Conlee is a director of Cousins Properties, Inc. and Oxford Industries, Inc. Mr. Morse is a director of Behring-Hofmann Educational Institute, Inc.

Executive Officers

Name	Age	Principal Occupation or Employment During the Past Five Years
George R. Bracken	48	Vice President & Treasurer of the Company, since March 1992; Vice President Financial Planning of the Company since May 1985
Michael Brenner	45	General Counsel of the Company since June 1988
Gerald W. Hartman	53	Senior Vice President of the Company since September 1988

Margaret M. Madden	41	Vice President of the Company since September 1987; Corporate Secretary since August 1984
Linda L. Rine	46	Vice President - Insruance of the Company since September 1987

Proposed Directors and Executive Officers

The following individuals will be appointed as officers and directors of the Company, in the capacities indicated below, assuming consummation of the Acquisition. See "ELECTION OF DIRECTOR" and "PROPOSAL TO APPROVE ACQUISITION AGREEMENT WITH CHURCH & TOWER, INC. AND CHURCH & TOWER OF FLORIDA, INC. - Terms of the Acquisition Agreement -- Directors and Management of the Company Following the Acquisition."

Name	Age	Principal Occupation or Employment During the Past Five Years	Proposed Class	Percentage Ownership of Common Stock Before Acquisition	Percentage Ownership of Common Stock After Acquisition
Jorge L. Mas Canosa	54	Proposed Director; during the past five years has served as President and Chief Executive Officer of CTF	II	-0-	33.6%
Jorge Mas	30	Proposed Director, President and Chief Executive Officer; during the past five years has served for part or all of such period as President and Chief Executive Officer of CT (and its predecessor company Communication Contractors, Inc.), Neff Rental, Inc., Neff Machinery, Inc., Atlantic Real Estate Holding Corp. and U.S. Development Corp., each a company controlled by the CT and CTF stockholders	I	-0-	24.8%

				Percentage Ownership	Percentage Ownership of

Name	Age	Principal Occupation or Employment During the Past Five Years	Proposed Class	of Common Stock Before Acquisition	Common Stock After Acquisition
Eliot C. Abbott	44	Proposed Director; during the past five years has been a stockholder in the law firm of Carlos & Abbott, P.A., Miami, Florida	II	-0-	-0-
Arthur B. Laffer	53	Proposed Director; President, Canto Advisors Incorporated, an investment advisor, since May 1993; Chief Executive Officer, Calport Asset Management, a money management firm, since June 1992; Chairman, A.B. Laffer, V.A. Canto & Associates, an economic research and financial consulting firm (formerly known as A.B. Laffer Associates), since 1979; Chief Executive Officer, Laffer Advisors Incorporated, an investment advisor and broker-dealer, since 1975	III	-0-	-0-

Mr. Laffer is a director of U.S. Filter Corporation, Nicholas Applegate Growth Equity Fund and Nicholas Applegate Mutual Fund. Mr. Mas Canosa is a director of The Wackenhut Corporation and Landair Transport, Inc.

Jorge L. Mas Canosa is the father of Jorge Mas.

Directors Following Consummation of the Acquisition

In the event Mr. Hathorn is elected and the Acquisition is consummated, the Company's Board of Directors will be comprised of the following individuals:

Name	Class	Term Expires
Cecil D. Conlee	III	1994
Arthur B. Laffer	III	1994
Jorge Mas	I	1995
William A. Morse	I	1995
Eliot C. Abbott	II	1996
Jorge L. Mas Canosa	II	1996
Samuel C. Hathorn, Jr.	II	1996

Meetings and Committees of the Board of Directors

During Fiscal 1993 (i) the Board of Directors held four meetings and all of the members of the Board of Directors attended each of such meetings and (ii) each member of the Board of Directors also attended all meetings of those committees of which he was a member. The Board of Directors has standing Audit, Compensation and Stock Option, Finance, Stock Purchase Plan, Nominating, Special Transaction and Executive Strategic Planning Committees.

The members of the Company's Audit Committee are Messrs. Conlee, Hathorn and Morse. During Fiscal 1993, the Audit Committee met four times. The principal functions of the Audit Committee are to review with management and the Company's independent accountants the scope of proposed audits, the Company's annual financial statements, the results of audits

and the Company's system of internal accounting controls and to be available to meet with the independent accountants to resolve matters, if any, that may arise in connection with audits or otherwise.

The members of the Company's Compensation and Stock Option Committee are Messrs. Hathorn and Morse. During Fiscal 1993, the Compensation and Stock Option Committee met twice. The principal functions of the Compensation and Stock Option Committee are to recommend to and review with the Board of Directors the compensation arrangements for the executive officers of the Company, and to review with management grants under the Company's non-qualified stock option plans, and overall compensation arrangements and employee benefits for the Company's employees.

The members of the Company's Finance Committee are Messrs. Morse, Conlee, Hathorn and Hussey. The principal function of the Finance Committee, which met twice during Fiscal 1993, is to review the Company's long and short-term financial strategies with management and the Board of Directors.

The members of the Company's Stock Purchase Plan Committee are Messrs. Morse, Hussey and Hathorn. During Fiscal 1993, the Stock Purchase Plan Committee, whose principal function is to monitor the administration of the Company's Employee Stock Purchase Plan, met once.

The members of the Company's Nominating Committee are Messrs. Hathorn, Caporella and Hussey. The Nominating Committee, which met once during Fiscal 1993, recommends to the Board of Directors candidates for election to the Board of Directors. The Committee considers candidates recommended by the stockholders pursuant to written applications submitted to the Corporate Secretary.

The members of the Company's Special Transaction Committee are Messrs. Conlee, Morse and Hathorn. The primary function of the Special Transaction Committee, which met twice during Fiscal 1993, is to review related party transactions between the Company and any officer, director or affiliate of the Company. The Committee was responsible for reviewing and approving the terms of the Acquisition and negotiating and approving the Redemption on behalf of stockholders of the Company (other than NBC and its affiliates).

The members of the Executive Strategic Planning Committee are Messrs. Conlee, Morse, Hathorn, and Caporella. During Fiscal 1993, the Executive Strategic Planning Committee met twice. The principal function of the Executive Strategic Planning Committee is to review future strategic courses available to the Company.

If the Acquisition is consummated, the composition of some or all of the foregoing committees may change.

Director Compensation

The directors, except directors who are employees of the Company or of any subsidiary, are paid attendance fees at the rate of $600 for each meeting of the Board of Directors and $400 for each committee meeting attended ($1,000 for Executive Strategic Planning Committee meetings), regardless of the number of committees on which they serve. In addition, directors who are not employees of the Company or any of its subsidiaries are paid retainer fees at the rate of $15,000 per annum and Chairmen of committees are paid an additional $200 for each meeting of their respective committees attended by them.

EXECUTIVE COMPENSATION

Summary Compensation Table

The following table sets forth certain information for the last three fiscal years concerning the compensation earned by or awarded to the Chief Executive Officer of the Company and each of the other three most highly compensated executive officers of the Company whose combined salary and bonus exceeded $100,000 in such fiscal year. The table does not set forth certain of the tabular formats set forth in the SEC's recently expanded rules on executive compensation disclosure in proxy statements dealing with other annual compensation and long-term compensation awards and pay-outs, since none of these executive officers received any such compensation during such three-year period.

Name and Principal Position	Year	Annual Compensation	
		Salary ($)	Bonus ($)
Nick A. Caporella, Chairman of the Board, President and Chief Executive Officer	1993	0	0
	1992	0	0
	1991	600,000	375,000
Gerald W. Hartman, Senior Vice President of the Company and President of Burnup & Sims ComTec, Inc. and Burnup & Sims of California, Inc., wholly-owned subsidiaries of the Company	1993	211,870	60,000
	1992	200,922	40,000
	1991	200,288	70,000
Leo J. Hussey, Executive Vice President, and Director of the Company, and President of Southeastern Printing Company, Inc. and The Deviney Company, wholly-owned subsidiaries of the Company	1993	193,694	30,000
	1992	155,000	25,000
	1991	155,000	25,000
George R. Bracken, Vice President & Treasurer	1993	105,945	28,000
	1992	101,345	25,000
	1991	101,474	20,000

Options Granted in Last Fiscal Year

No stock options were granted during Fiscal 1993.

Aggregate Fiscal Year-End Stock Option Value Table

The following table summarizes the options held at April 30, 1993 by individuals named in the Summary Compensation Table; no stock options were exercised by such persons during Fiscal 1993.

	Number of Unexercised Options at April 30, 1993(#)		Value of Unexercised In-the-Money Options at April 30, 1993 ($)	
Name	Exercisable	Unexercisable	Exercisable	Unexercisable
Nick A. Caporella	200,000	0	0	0
Leo J. Hussey	2,000	0	0	0
Gerald W. Hartman	2,800	0	0	0
George R. Bracken	500	0	0	0

Long-Term Incentive and Pension Plans

The Company does not have any long-term incentive or pension plans.

Notwithstanding anything to the contrary set forth in any of the Company's previous filings under the Securities Act of 1933, as amended, or the Securities Exchange Act of 1934, as amended, that might incorporate future filings, including this Proxy Statement, in whole or in part, the following Compensation and Stock Option Committee Report and Performance Graph on page 55 shall not be incorporated by reference into any such filings.

Report of the Compensation and Stock Option Committee

The Compensation and Stock Option Committee of the Board of Directors is responsible for approving the compensation levels of the executive officers of the Company, including the Chief Executive Officer. The Compensation Committee also reviews with the Chief Executive Officer guidelines for salary adjustments and aggregate bonus awards applicable to management and employees other than executive officers. The Compensation Committee, which is composed of two non-employee directors of the Company, reviews its recommendations with the members of the Board. The following report is submitted by the Compensation Committee regarding compensation paid during fiscal year 1993:

The compensation program of the Company is designed to enable the Company to attract, motivate, reasonably reward, and retain professional personnel who will effectively manage the assets of the Company and maximize corporate performance and stockholder value over time. Compensation packages include a mix of salary, incentive bonus awards, and stock options.

Salaries of executive officers are established based on an individual's performance and general market conditions. Salary levels are determined based upon the challenge and responsibility of an individual's position with the Company and are dependent on subjective considerations. In addition to paying a base salary, the Company provides incentive bonus awards as a component of overall compensation. Bonus awards are measured based upon overall performance of the executive officer's area of responsibility or operating performance of the operation under control of the executive, if any. Due to the fact that the Company's financial results for the last three years reflect volume declines and net losses, salaries of executive officers during fiscal 1994 (with certain exceptions

for outstanding merit) are frozen at previous levels. In addition, in light of these factors, the Company's President and Chief Executive Officer and Chairman of the Board, Nick A. Caporella, declined to accept any salary or bonus compensation for either fiscal year 1992 and 1993.

Long-term incentive compensation for executives consists of stock-based awards made under the Company's two non-qualified stock option plans (the "Option Plans"). The Option Plans provide for the granting of options to purchase Common Stock to key employees at prices equal to the fair market value on the date of grant. The Compensation Committee believes that the maximization of stockholder wealth through appreciation in the value of Common Stock is created through the use of stock options. At April 30, 1993, there were 205,300 stock options granted under the Option Plans held by executive officers.

Compensation and Stock Option Committee
Samuel C. Hathorn, Jr.
William A. Morse

Executive Compensation Subsequent to the Acquisition

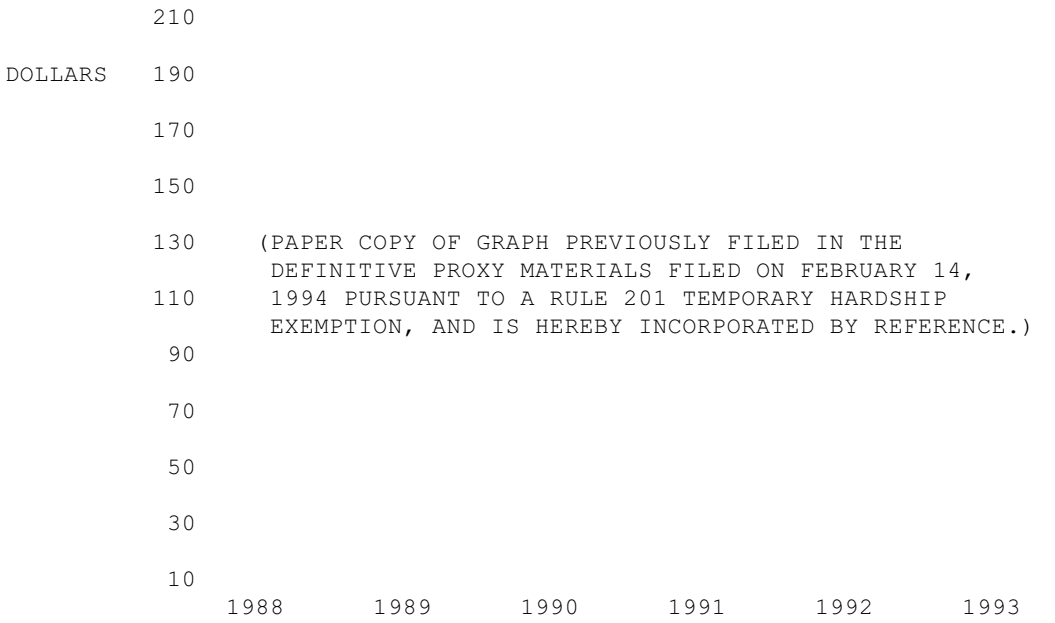
The proposed Board of Directors has no plans to materially change the Company's overall compensation structure after the Acquisition. The Board of Directors, however, will meet after the Acquisition to determine the compensation of Jorge Mas who will serve as the President and Chief Executive Officer of the Company. It is anticipated that Mr. Mas will be paid annual base compensation of $300,000 and bonus compensation as determined by the Compensation and Stock Option Committee of the Board of Directors. If the 1994 Stock Incentive Plan is approved, both Mr. Mas and

other key salaried employees of the Company will be eligible to receive options and awards as determined from time to time by the Compensation and Stock Option Committee of the Board of Directors, which shall consist of not less than three non-employee directors. If the Stock Option Plan for Non-Employee Directors is approved, directors who have never been employees of the Company or any of its subsidiaries, and who are not otherwise eligible to participate in any plan of the Company or any of its subsidiaries which would entitle such directors to receive securities of the Company, would automatically receive stock options upon their election as directors.

PERFORMANCE GRAPH

The following graph compares the cumulative total stockholder return on Common Stock from April 30, 1988 through April 30, 1993 with the cumulative total return of the S & P 500 Stock Index and a Company constructed index of two peer companies consisting of Dycom Industries, Inc. and the L.E. Myers Company. The graph assumes that the value of the investment in Common Stock was $100 on April 30, 1988 and that all dividends were reinvested.

Comparison of Five Year Cumulative Total Return Among
Burnup & Sims Inc., S & P 500 Stock Index, and Peer Group Companies



CERTAIN TRANSACTIONS AND LITIGATION

The Company has billed NBC approximately $662,000 for certain services rendered and expenses for the year ended April 30, 1993. NBC

owns approximately 36% of the outstanding Common Stock. Nick A. Caporella, the President, Chief Executive Officer and Chairman of the Board of the Company is also the Chairman of the Board, Chief Executive Officer, President and the controlling stockholder of NBC.

As described elsewhere in this Proxy Statement, it is a condition to the consummation of the Acquisition by the stockholders of CT and CTF and the Company that (i) the Company shall have entered into a written agreement with NBC, pursuant to which the Company will redeem and purchase 3,153,847 shares of Common Stock owned by NBC (which constitutes all of the Common Stock owned by NBC), (ii) all of the conditions to the consummation of the Redemption shall have been satisfied or waived, and (iii) the stockholders of CT and CTF shall have received a written certificate from the Chief Executive Officer and Chief Financial Officer of the Company that all of the conditions to the consummation of the Redemption shall have been satisfied or waived, except the condition to

the Redemption that the Acquisition shall have occurred, which certificate shall be supported by a certificate from the Chief Executive Officer of NBC, to the same effect. Accordingly, the Acquisition will be consummated prior to the Redemption. The Redemption was negotiated and approved by the Special Transaction Committee on behalf of the stockholders of the Company (other than NBC and its affiliates). The Redemption will not be consummated unless the Acquisition shall have occurred. Accordingly, assuming satisfaction of all other conditions to the consummation of the Acquisition, approval by stockholders of the Company of the Acquisition Agreement shall result in consummation of the Redemption. A vote in favor of the Acquisition Agreement may preclude a stockholder of the Company from challenging the Acquisition, the Redemption and the other transactions described in this Proxy Statement and from participating in, and receiving damages, if any, as a result of any action which has been or may be filed on behalf of any or all of the stockholders with respect to such transactions. See below for a description of a class action and derivative complaint relating to, among other things, the Acquisition Agreement and certain other transactions described in this Proxy Statement. The consideration for the redemption of the 3,153,847 shares will be the cancellation of $18,092,313 of indebtedness owed by NBC to the Company, consisting of (x) the outstanding principal of $17,500,000 under

the Subordinated Debenture owed to the Company by NBC and (y) a credit of the next succeeding principal payments in the amount of $592,313 of Other Indebtedness with an outstanding principal amount of $1,371,430 owed to the Company by NBC. On November 16, 1993, the Board of Directors of the Company approved the Redemption. The Board of Directors of NBC has not yet approved the terms of the Redemption. See "PROPOSAL TO APPROVE ACQUISITION AGREEMENT WITH CHURCH & TOWER, INC. AND CHURCH & TOWER OF FLORIDA, INC. - Interest of Certain Persons in Matters to be Acted Upon."

Albert H. Kahn v. Nick A. Caporella, et al., Civil Action No. 11890 was filed in December 1990 by a stockholder of the Company in the Court of Chancery of the State of Delaware in and for New Castle County against the Company, the members of the Board of Directors, and against NBC, as a purported class action and derivative lawsuit. In May 1993, plaintiff filed a motion to amend its class action and stockholder derivative complaint (the "Amended Complaint"). The class action claims allege, among other things, that the Board of Directors, and NBC as its largest stockholder, breached their respective fiduciary duties in approving (i) the distribution to the Company's stockholders of all of the common stock of NBC owned by it (the "Distribution") and (ii) the exchange by NBC of 3,846,153 shares of Common Stock for certain indebtedness of NBC held by the Company (the "Exchange") (the Distribution and the Exchange are hereinafter referred to as the "1991 Transaction"), in allegedly placing the interests of NBC ahead of the interests of the other stockholders of the Company. The derivative action claims allege, among other things, that the Board of Directors has breached its fiduciary duties by approving executive officer compensation arrangements, by financing NBC's operations on a current basis, and by permitting the interests of the Company to be subordinated to those of NBC. In the lawsuit, plaintiff seeks to rescind the 1991 Transaction and to recover damages in an unspecified amount.

The Amended Complaint alleges that the Special Transaction Committee that approved the 1991 Transaction was not independent and that, therefore, the 1991 Transaction was not protected by the business judgment rule or in accordance with a settlement agreement (the "1990 Settlement") entered into in 1990 pertaining to certain prior litigation. The Amended Complaint also makes other allegations which involve (i) further

violations of the 1990 Settlement by the Company's engaging in certain transactions not approved by the Special Transaction Committee; (ii) the sale of a subsidiary of the Company to a former officer of the Company; (iii) the timing of the 1991 Transaction and (iv) the treatment of executive stock options in the 1991 Transaction.

In November 1993, plaintiff filed a class action and derivative complaint, Civil Action No. 13248 (the "1993 Complaint") against the Company, the members of the Board of Directors, CT, CTF, Jorge Mas Canosa, Jorge Mas and Juan Carlos Mas (CT, CTF, Jorge Mas Canosa, Jorge Mas and Juan Carlos Mas are referred to as the "CT Defendants"). In December 1993, plaintiff amended the 1993 Complaint ("1993 Amended Complaint"). The 1993 Amended Complaint alleges, among other things, that (i) the Board of Directors and NBC, as the Company's largest stockholder, breached their respective fiduciary duties by approving the Acquisition Agreement and the Redemption which, according to the allegations of the 1993 Complaint, benefits Mr. Caporella at the expense of the Company's stockholders, (ii) the CT Defendants had knowledge of the fiduciary duties owed by NBC and the Board of Directors and knowingly and substantially participated in their breach thereof; (iii) the Special Transaction Committee of the Board of Directors which approved the Acquisition Agreement and the Redemption was not independent and, as such, was not in accordance with the 1990 Settlement; (iv) the Board of Directors breached its fiduciary duties by failing to take an active and direct role in the sale of the Company and failing to ensure the maximization of stockholder value in the sale of control of the Company; and (v) the Board of Directors and NBC, as the Company's largest stockholder, breached their respective fiduciary duties by failing to disclose completely all material information regarding the Acquisition Agreement and the Redemption. The 1993 Complaint also claims derivatively that each member of the Board of Directors engaged in mismanagement, waste and breach of their fiduciary duties in managing the Company's affairs. The 1993 Amended Complaint seeks, among other things, to enjoin the Acquisition and Redemption or in the alternative, rescission and damages in an unspecified amount.

The Company believes that the allegations in the complaint, the Amended Complaint, the 1993 Complaint and the 1993 Amended Complaint are without merit, and intends to vigorously defend these actions.

CERTAIN CT AND CTF TRANSACTIONS

CT currently leases equipment storage facilities from Jorge L. Mas Canosa and his spouse, Irma Mas. The term of the lease expires on October 31, 1998, and the annual rent under the lease is $48,000.

The Company's Certificate requires the affirmative vote or consent of the holders of four-fifths of all classes of the Company's stock entitled to vote in elections of directors of the Company (the "Voting Shares") in connection with certain transactions with any person, corporation or other entity ("Affiliated Entity") beneficially owning 10% or more of the outstanding Voting Shares. The Certificate provides, however, that the foregoing provision is not applicable to such transactions if the Board of Directors has approved by resolution a memorandum of understanding (a

"Memorandum of Understanding") with such Affiliated Entity with respect to such transactions prior to the time such Affiliated Entity became an Affiliated Entity. In order to induce the stockholders of CT and CTF to enter into the Acquisition Agreement and by eliminating the effects of the foregoing provisions of the Certificate, the Company entered into a Memorandum of Understanding with each of Neff Machinery, Neff Rental and Atlantic prior to execution of the Acquisition Agreement. Each of Neff Machinery, Neff Rental and Atlantic is a Florida corporation controlled by the stockholders of CT and CTF and accordingly, following consummation of the Acquisition and by virtue of the ownership of the Burnup Shares by the CT Group, would be deemed affiliates of the Company. CT and CTF currently rent and purchase construction equipment from Neff Machinery and Neff Rental. The Company anticipates that, following the Acquisition, the Company and its subsidiaries, including CT and CTF, will from time to time purchase and lease equipment and parts, and obtain services from, these companies upon such terms and conditions as the Board of Directors shall approve, which terms and conditions will be no less favorable to the stockholders of the Company than those that would be obtained in

transactions of a similar type with unaffiliated third parties. The stockholders of CT and CTF have no present intentions of selling Neff Machinery, Neff Rental or Atlantic to the Company following consummation of the Acquisition. See "PROPOSAL TO APPROVE ACQUISITION AGREEMENT WITH CHURCH & TOWER, INC. AND CHURCH & TOWER OF FLORIDA, INC. - Memorandum of Understanding."

Carlos & Abbott, P.A. a law firm of which Eliot C. Abbott is a stockholder, has provided legal services to CT and CTF and their stockholders since 1983, and such representation will continue following the Acquisition. For the fiscal year ended March 31, 1993, such legal fees were approximately $52,000. It is anticipated that Carlos & Abbott, P.A. will also provide legal services to the Company if the Acquisition is consummated.

SELECTED FINANCIAL DATA

The following information sets forth selected consolidated historical data of the Company, the selected combined historical data of CT and CTF and the pro forma consolidated selected financial data giving effect to the Acquisition and the Redemption. This information should be read in conjunction with the unaudited pro forma condensed consolidated financial statements and the separate historical consolidated financial statements of the Company incorporated by reference herein and combined financial statements of CT and CTF and the notes thereto appearing elsewhere herein. The financial information relating to the CT Group contained in this Proxy Statement was provided to the Company by the CT Group in connection with the Acquisition for the preparation of this Proxy Statement and the Company has relied upon such financial information in the preparation of this Proxy Statement.

The Company
Selected Historical Financial Data

(Dollars in Thousands Except Per Share Amounts)

	Six Months Ended Oct. 31,		Fiscal Years Ended April 30				
	1993	1992	1993	1992	1991	1990	1989
Statement of Operations Data:							
Revenues	$ 72,004	$ 73,834	$140,987	$153,521	$175,236	$192,712	$178,380
Costs and Expenses	74,023	73,439	151,917	157,114	174,155	192,007	174,695
Interest Expense	2,043	2,402	4,583	4,847	6,161	8,362	6,616
Interest and Other Income(1)	(5,256)	(2,781)	(2,255)	(6,833)	(2,388)	(10,411)	(15,503)
Income (Loss) Before Income Taxes and Equity in Net Income of NBC	1,194	774	(13,258)	(1,607)	(2,692)	2,754	12,572
Provisions (Credit) for Income Taxes	284	286	(3,950)	(560)	(1,082)	2,120	4,858

Income (Loss) Before Equity in Net Income of NBC	910	488	(9,308)	(1,047)	(1,610)	634	7,714
Equity in Net Income of NBC	0	0	0	0	828	151	1,525

Net Income (Loss)	$910	$488	$(9,308)	$(1,047)	$ (782)	$ 785	$ 9,239
Average Shares Outstanding (000)	8,815	8,768	8,768	8,768	9,460	9,662	10,304
Earnings (Loss) Per Share	$ 0.10	$ 0.06	$(1.06)	$ (.12)	$ (.08)	$ .08	$ .90
Balance Sheet Data (at end of period):							
Capital Expenditures	$1,133		$ 4,338	$ 4,493	$ 4,395	$ 7,449	$ 9,533
Working Capital	14,220		16,199	21,798	21,103	50,907	48,934
Property - Net	17,904		18,036	19,211	23,933	28,544	30,202
Total Assets	103,393		108,917	118,460	122,673	158,922	150,697
Non-Current Debt	32,085		36,756	40,030	37,087	43,784	50,079
Deferred Income Taxes-Non-Current	4,390		3,612	3,218	4,272	4,424	4,766
Stockholders' Equity	34,574		33,664	41,788	42,835	60,135	58,955
Number of Employees	2,225		2,255	2,250	2,565	3,151	3,174
Book Value Per Share	$3.94		$3.84	$4.77	$4.89	$4.77	$4.69

See the Notes to Consolidated Financial Statements for information relating to accounting policies and other disclosures.

(1) Includes gains on real estate transactions of $2.4 million for the six months ended October 31, 1993 and $5.6 million for the fiscal year ended April 30, 1989. Also includes gains (losses) related to subsidiaries sold of $1.1 million and ($7.4) million for the fiscal years ended April 30, 1992 and 1991 respectively.

CT Group

Selected Historical Financial Data

(Dollars In Thousands, Except Earnings Per Common Share)

	Nine Months Ended September 30		Years Ended December 31				
	1993	1992	1992	1991	1990	1989	1988
Statement of Income Data:							
Contract Revenue	$37,034	$17,325	$34,136	$31,588	$18,640	$15,670	$14,807
Costs and Expenses	28,358	12,856	25,474	26,124	14,196	12,896	12,180
Income from Operations	8,676	4,469	8,662	5,464	4,444	2,774	2,627
Other Income (Expense) - Net	(1,240)	(154)	(340)	462	350	319	766
Income before Minority Interest	7,436	4,315	8,322	5,926	4,794	3,093	3,393
Minority Interest	(4)	(43)	(42)	(625)	(37)	0	0
Net Income	$7,432	$4,272	$8,280	$5,301	$4,757	$3,093	$3,393
Common Shares Outstanding	1,100	1,100	1,100	1,100	1,100	1,100	1,100
Earnings per Common Share (1)	$6,756	$3,884	$7,527	$4,819	$4,325	$2,812	$3,085

Balance Sheet Data (at end of period):						
Working Capital	$15,354	$13,752	$ 7,154	$5,209	$4,254	$3,762
Property - Net	4,867	3,656	2,406	2,100	2,039	1,752
Total Assets	27,499	24,432	11,733	8,849	7,613	6,849
Non-Current Debt	1,076	1,840	371	333	323	276
Stockholders' Equity	19,203	15,690	9,436	7,296	6,127	5,292
Book Value Per Share	$17,457	$14,264	$ 8,578	$6,633	$5,570	$4,811

See the Notes to the Combined Financial Statements of the Church & Tower Group.

(1) Reflects the exchange of shares pursuant to a business combination effected June 1, 1992.

The Company and CT Group

Pro Forma Consolidated Selected Financial Data

The following pro forma consolidated statement of operations information reflects the effects of the Acquisition and the Redemption as if they had occurred on January 1, 1992. The amounts are provided for comparative purposes only and do not purport to be indicative of results which may be obtained in the future. The following pro forma consolidated balance sheet information which is presented reflects amounts as if the Acquisition and the Redemption occurred on September 30, 1993. See "Unaudited Pro Forma Condensed Consolidated Financial Statements" and the notes thereto for a description of assumptions and adjustments.

(Dollars in thousands except per share data)

	Nine Months Ended 9/30/93	Twelve Months Ended 12/31/92
Revenues	$143,415	$178,126
Earnings (Loss) from Continuing Operations	(3,427)	525
Earnings (Loss) per Share from Continuing Operations	($.22)	$.03

	9/30/93
Working Capital	$ 22,483
Total Assets	137,984
Non-Current Debt	35,160
Stockholders' Equity	43,231
Book Value per Share	$ 2.73

COMPARATIVE PER SHARE DATA

The following table sets forth certain historical per share data for the

Company and the CT Group and combined unaudited pro forma per share data giving effect to the Transaction. This data should be read in conjunction with the Selected Financial Data, Unaudited Pro forma Condensed Consolidated Financial Statements, and the historical Financial Statements of the Company and the CT Group and the notes thereto included elsewhere herein. The amounts are provided for comparative purposes only and do not purport to be indicative of results which may be obtained in the future.

	CT Group		The Company	
	Year Ended 12/31/92	Nine Months Ended 9/30/93	Year Ended 1/31/93	Nine Months Ended 10/31/93
Earnings (Loss) per Share from Continuing Operations				
Historical (1)	$4,592	$4,122	($.34)	($0.77)
Pro Forma			0.03	(0.22)
Equivalent Pro Forma(2)	308	(2,013)		

	As of 9/30/93	As of 10/31/93
Book Value per Share		
Historical	$17,457	$3.94
Pro Forma		2.73
Equivalent Pro Forma (2)	25,392	

(1) Includes pro forma provision for income taxes for the CT Group as if it were taxed as a C corporation.

(2) Equivalent pro forma per share amounts are calculated by multiplying the pro forma amounts by the exchange ratio of 9,318 shares of Company Common Stock to be issued for each share of CT Group common stock.

THE COMPANY AND THE CT GROUP
UNAUDITED PRO FORMA CONDENSED
CONSOLIDATED FINANCIAL STATEMENTS

The following pro forma condensed consolidated statements of operations of the Company and the CT Group for the year ended December 31, 1992 and the nine months ended September 30, 1993 are presented as if the Acquisition and the Redemption had occurred on January 1, 1992. The pro forma condensed consolidated balance sheet is presented as if the Acquisition and Redemption had occurred on September 30, 1993.

It is anticipated that the Acquisition will be treated as a "reverse acquisition" for financial reporting purposes, with the CT Group considered to be the acquiring entity. As a result, the pro forma adjustments include adjustments to reflect the estimated fair values of certain assets of the Company and the capital structure of the CT Group has been adjusted to reflect the outstanding capital structure of the surviving legal entity. A final determination of required purchase accounting adjustments and of the fair value of the assets and liabilities of the Company has not been made as of the date of this Proxy Statement. In addition, certain purchase accounting adjustments have been made assuming a fair value of $5.74 per share for the Company's Common Stock. Actual adjustments will be made based on the market price of the Common Stock immediately prior to Closing. Accordingly, the purchase accounting adjustments made in connection with the development of the pro forma financial information are preliminary and have been made solely for purposes of developing such pro forma financial information to comply with disclosure requirements of the SEC. The Company will undertake a study to determine the fair value of its assets and liabilities and will make appropriate purchase accounting adjustments upon completion of that study.

The pro forma condensed consolidated financial statements are derived from the historical financial statements of the Company and the CT Group which are included elsewhere in this Proxy Statement. The pro forma condensed consolidated balance sheet combines the Company's October 31,

1993 balance sheet with the CT Group's September 30, 1993 balance sheet. The pro forma condensed consolidated statements of operations combine the Company's historical statements of operations for the twelve months ended January 31, 1993 and the nine months ended October 31, 1993 with the CT Group's historical statements of operations for the fiscal year ended December 31, 1992 and the nine months ended September 30, 1993, respectively.

The financial information relating to the CT Group contained in this Proxy Statement was provided to the Company by the CT Group in connection with the Acquisition for the preparation of this Proxy Statement and the Company has relied upon such financial information in the preparation of this Proxy Statement.

The pro forma data is presented for informational purposes only and may not be indicative of the future results of operations or financial position of the Company or the CT Group, or what the results of operations or financial position of the Company would have been if the Acquisition

and Redemption had occurred on the dates set forth.

These pro forma condensed consolidated financial statements should be read in conjunction with the historical financial statements and notes thereto of the Company and the CT Group included elsewhere herein. See "Index to Financial Statements."

Burnup & Sims/CT Group
Pro Forma Financial Statements
Unaudited Condensed Consolidated Balance Sheet
(In thousands)

	CT Group	Burnup & Sims	Pro Forma Adjust's		Combined Pro Forma
ASSETS					
Current Assets					
Cash	$14,163	$ 6,853	($4,580)	(1)	$ 16,436
Receivables	7,811	19,300	0		27,111
Other Current Assets	582	11,179	0		11,761
Total Current Assets	22,556	37,332	(4,580)		55,308
Investment in NBC		31,134	(18,918)	(2)	12,216
Property - Net	4,867	17,904	21,499	(3)	44,270
Real Estate Investments		12,514	12,402	(3)	24,916
Goodwill		3,209	(3,209)	(3)	0
Other Assets	76	1,300	(102)	(3)	1,274
	$27,499	$103,393	$ 7,092		$137,984
LIABILITIES AND EQUITY					
Current Liabilities					
Current Portion of Debt	$597	$4,006	$1,000	(1)	$ 5,603
Accounts Payable and Accrued Expenses	5,286	12,749	1,900	(4)	19,935
Other Current Liabilities	1,320	6,357	(390)	(5)	7,287

Total Current Liabilities	7,203	23,112	2,510		32,825
Other Liabilities	18	13,622	13,128	(6)	26,768
Long-Term Debt	1,075	32,085	2,000	(1)	35,160
Stockholders' Equity					
Common Stock	6	1,602	(1,047)	(7)	1,586

				1,025	(8)		
Capital Surplus	42	72,860		(73,429)	(9)	41,645	
				30,933	(8)		
				11,239	(10)		
Retained Earnings	19,169	34,252		(34,252)	(11)	0	
				(7,930)	(12)		
				(11,239)	(10)		
Treasury Stock	(14)	(74,140)		74,154	(13)	0	
Total Stockholders' Equity	19,203	34,574		(10,546)		43,231	
	$27,499	$103,393		$ 7,092		$137,984	

See Notes to Pro Forma Financial Statements.

Burnup & Sims/CT Group
Pro Forma Financial Statements
Unaudited Condensed Consolidated Statement of Operations
Twelve Months
(In thousands except per share data)

	CT Group		Burnup & Sims	Pro Forma Adjust's		Combined Pro Forma
Revenues	$34,136		$143,990	$ 0		$178,126
Costs and Expenses						
Cost of Sales	22,163		126,233	0		148,396
General and Administrative	2,937		17,075	0		20,012
Depreciation and Amortization	371		6,600	(207)	(14)	6,764
Interest Expense	35		4,718	240	(15)	4,993
Other - Net	350		(5,906)	2,681	(16)	(2,875)
Total Costs and Expenses	25,856		148,720	2,714		177,290
Income (Loss) Before Income Taxes	8,280		(4,730)	(2,714)		836
Provision (Credit) for Income Taxes	3,229	(17)	(1,738)	(1,180)	(18)	311
Earnings (Loss) from Continuing Operations	$ 5,051		($2,992)	($1,534)		$ 525
Earnings (Loss) per Share from Continuing Operations	$4,592		($0.34)			$ 0.03
Average Shares Outstanding (000's)	1		8,768	7,095	(19)	15,864

See Notes to Pro Forma Financial Statements.

Burnup & Sims/CT Group
Pro Forma Financial Statements
Unaudited Condensed Consolidated Statement of Operations
Nine Months
(In thousands except per share data)

	CT Group		Burnup & Sims	Pro Forma Adjust's		Combined Pro Forma
Revenues	$37,034		$106,381	$ 0		$143,415
Costs and Expenses						
Cost of Sales	23,730		97,991	0		121,721
General and Administrative	4,075		14,695	0		18,770
Depreciation and Amortization	553		4,013	(53)	(14)	4,513
Interest Expense	115		3,108	180	(15)	3,403
Other - Net	1,129		(4,045)	2,011	(16)	(905)
Total Costs and Expenses	29,602		115,762	2,138		147,502
Income (Loss) Before Income Taxes	7,432		(9,381)	(2,138)		(4,087)
Provision (Credit) for Income Taxes	2,898	(17)	(2,673)	(885)	(18)	(660)
Earnings (Loss) from Continuing Operations	$4,534		($6,708)	$ (1,253)		($3,427)
Earnings (Loss) per Share from Continuing Operations	$4,122		($0.77)			($ 0.22)
Average Shares Outstanding (000's)	1		8,768	7,095	(19)	15,864

See Notes to Pro Forma Financial Statements.

Burnup & Sims/CT Group
Notes to Pro Forma Financial Statements

Balance Sheet:

(1) CT Group dividend to be paid prior to Closing, including notes payable of $3 million, payable in semi-annual installments of $500,000.

(2) Exchange of Subordinated Debenture in the face amount of $17,500,000 (book value of $17,291,000) and $592,000 reduction of Other Indebtedness for 3,153,847 shares of Common Stock ($17,883,000), net of the allocation of the excess of estimated fair value over the purchase price ($1,035,000). (See (3) below).

(3) Adjust Company's net assets to estimated fair value, net of the excess of fair value over the purchase price as follows (in thousands):

Company's equity at October 31, 1993		$34,574
Bonus service pool and other costs, net of tax		(685)
Adjustment of net assets to fair value		
Property, net	$24,838	
Real estate investments	14,513	
Goodwill	(3,209)	

Deferred taxes related to property and real estate adjustments	(15,347)	
Net asset step up in basis		20,795
Redemption of 3,153,847 shares of Common Stock		(17,958)
Estimated fair value of Company's net assets		36,726
Purchase Price		
Value of Common Stock (See (8) below)	$32,208	
Estimated CT Group transaction costs	500	
Total purchase price		32,708
Excess of estimated fair value over purchase price		$ 4,018
Allocation of excess of estimated fair value over purchase price:		
Investment in NBC		$ 1,035
Property, net		3,339
Real estate investments		2,111
Other assets		102
Deferred taxes related to above adjustments		(2,569)
Total		$ 4,018

(4) Estimated transaction costs of $900,000 including CT Group costs of $500,000 included in the purchase price, and establishment of Company's bonus service pool of $1,000,000.

(5) Current tax benefit of deductible transaction costs incurred by the Company.

(6) Deferred taxes relating to step up in basis ($12,778,000) and estimated deferred tax liability of CT Group upon termination of Subchapter S status ($350,000).

(7) Eliminate par values of CT Group common stock ($6,000) the Company's retired treasury stock ($726,000) and the shares redeemed from NBC ($315,000).

(8) Record issuance of 10,250,000 shares of Common Stock, based on the value of 5,614,492 shares of Common Stock to be outstanding after the Redemption, assuming a market price of $5.74 per share at Closing as follows (in thousands):

Value of equity of the Company (5,614,492 x $5.74)	$32,208	
Par value of shares issued (10,250,000 x $.10)	(1,025)	
Estimated transaction costs related to Common Stock issued	(250)	
Credit to capital surplus		$30,933

(9) Adjust capital surplus for retirement of Company's treasury

stock ($73,414,000), retirement of shares redeemed from NBC ($17,643,000, including estimated transaction costs of $75,000) and elimination of the resulting negative capital surplus ($18,197,000); elimination of CT Group treasury stock ($14,000); and adjustment to reflect par value of Common Stock outstanding subsequent to Closing ($555,000).

(10) Reclassify undistributed earnings of CT Group upon termination of Subchapter S status at date of Closing.

(11) Record Company's bonus service pool, net of tax ($610,000) and estimated transaction costs ($325,000), and eliminate resulting retained earnings ($33,317,000).

(12) Record CT Group dividend to be paid prior to Closing ($7,580,000) and estimated deferred tax liability of CT Group upon termination of Subchapter S status ($350,000).

(13) Record retirement of Company's and CT Group's treasury stock.

Statement of Operations:

(14) Elimination of Company's historical goodwill amortization, net of adjustment for additional depreciation assuming an average life of 20 years for depreciable tangible assets (primarily buildings).

(15) Increase in interest expense for notes payable issued in connection with CT Group dividend.

(16) Decrease in interest income for reduction of Subordinated Debenture and Other Indebtedness, and decrease in cash.

(17) Pro forma CT Group tax provision, assuming 39% overall rate.

(18) Tax benefit of pro forma adjustments.

(19) Shares of Common Stock issued (10,250,000) net of shares redeemed from NBC (3,153,847) and CT Group shares eliminated (1,100).

Management's discussion and analysis of financial condition and results of operations should be read in conjunction with the selected financial data and financial statements and notes to financial statements included elsewhere herein.

Results of Operations

Nine months ended September 30, 1993 compared to September 30, 1992.

Results of operations for the nine months ended September 30, 1993, reflect the continued growth of the companies' revenue base. Revenues for the nine months ended September 30, 1993, were $37,034,193 compared to $17,324,936 for the nine months ended September 30, 1992. This increase resulted primarily from an increase in the companies' customer base and in the volume of work from Southern Bell arising in connection with the rebuilding necessitated by Hurricane Andrew, the expansion of outside plant systems approved under Southern Bell's increased Master Budget Plan and the growth in private sector telecommunication projects. The revenues generated by the Southern Bell work constitutes substantially all of the increase in total combined revenues of CT and CTF. Accordingly, the loss of all or a significant portion of work from Southern Bell could have a material adverse impact on the Company's results of operations.

Cost of revenues increased from $11,822,810 in the prior year's period to $24,213,091 for the nine months ended September 30, 1993, and was 34% as a percentage of revenues as of September 30, 1993, and 31% as a percentage of revenues as of September 30, 1992. Consequently, the increase in gross profit from $5,502,126 in the prior year's period to $12,821,102 for the nine months ended September 30, 1993 was due primarily to an increase in revenues without a commensurate increase in fixed costs.

General and administrative expenses for the period increased by $3,112,193 from $1,033,105 in the prior year's period to $4,145,298 due

primarily to increases in certain personnel costs related to the companies performance.

Depreciation (included in Cost of Contract Revenue) increased by $276,628 from $276,867 in the prior year's period to $553,495 primarily as a result of the acquisition of construction equipment and vehicles required to support the volume increase.

Net income for the period in the amount of $7,431,869 includes a loss of approximately $1,392,852 from the OCT Joint Venture (described below).

Fiscal Year Ended December 31, 1992, Compared to Fiscal Year Ended December 31, 1991.

Revenues for the fiscal year ended December 31, 1992 were $34,135,788 compared to $31,588,228 for the preceding fiscal year. The increase resulted primarily from an increase in the volume of business from existing customers. Cost of revenues decreased from $23,328,758 for the prior fiscal year to $22,460,792, primarily as a result of overall improvements in operational efficiency.

Gross profit increased from $8,259,470 in the prior fiscal year to $11,674,996 and, as a percentage of revenues increased from 26% to 34% primarily due to the successful completion of certain construction and telecommunications projects.

General and administrative expenses increased from $2,795,528 in the prior fiscal year to $3,012,651 primarily as a result of an increase in the variable costs associated with increased revenues, but remained constant as a percentage of revenues (9%).

Other income in fiscal year 1992 increased from $283,238 in the prior fiscal year to $382,800 due primarily to a gain on sale of assets of approximately $85,000 and interest income of approximately $200,000.

In fiscal year 1992, as a result of non-payment of certain change orders disputed by Dade County in the aggregate amount of approximately $9,500,000 with respect to the Metro-Mover and landfill project, the OCT

Joint Venture incurred a loss. CT's portion of such loss was $372,972 representing its twenty percent (20%) interest in the OCT Joint Venture. The OCT Joint Venture is contesting Dade County's position with respect to the change orders. In October 1993, the claims relating to the landfill project were settled. The claims relating to the Metro-Mover project currently remain unresolved.

Net income for the period increased from $5,300,689 to $8,279,555 primarily as a result of improved gross profit.

Also in fiscal year 1992, CTF negotiated a settlement of certain outstanding litigation. In accordance with the terms of the settlement CTF paid $350,000, which amount is reflected as an expense.

Fiscal Year Ended December 31, 1991, Compared to Fiscal Year Ended December 31, 1990.

Revenues for the year ended December 31, 1991 were $31,588,228 compared to $18,639,593 for the fiscal year ended December 31, 1990. The increase reflects revenues recognized in consolidation by the 9001 Joint Venture in connection with construction of the detention facility. Cost of revenues increased from $11,820,932 in the prior fiscal year to $23,328,758 and, as a percentage of revenues, increased from 63% to 74% primarily as a result of the increased variable costs associated with the detention facility project.

Gross profit for the period increased from $6,818,661 in the prior fiscal year to $8,259,470. The increase is the result primarily of the increase in revenues recognized by the 9001 Joint Venture.

General and administrative expenses for the period increased from $2,375,315 in the prior fiscal year to $2,795,528 primarily as a result of increased variable costs associated with higher revenues.

In fiscal year 1991, other income decreased from $349,915 in the prior fiscal year to $283,238 due primarily to a decrease in interest income.

Net income for the period in the amount of $5,300,689 includes income of $179,051 from the OCT Joint Venture and a loss of $625,542 incurred in connection with the 9001 Joint Venture.

Liquidity and Capital Resources

Liquidity and capital resources increased in the nine months ended September 30, 1993 relative to the fiscal year ended December 31, 1992.

Total assets increased from $24,431,977 at December 31, 1992 to $27,499,394 at September 30, 1993 or 20%. This growth in total assets resulted primarily from an increase in cash and cash equivalents from $10,190,412 at December 31, 1992 to $14,163,536 at September 30, 1993. The increase in cash and cash equivalents is attributable primarily to the retention of earnings generated from operations.

Prior to the Closing of the Acquisition, the CT Group shall declare and pay dividends in the aggregate amount of $11,500,000. Such dividends will be paid as follows: (i) $8,500,000 shall be paid in cash to the stockholders of CT and CTF (of which approximately $3,920,000 had been paid as of September 30, 1993), and (ii) $3,000,000 will be paid by issuance of a promissory note by the CT Group. The note will be payable in semi-annual equal principal payments of $500,000 bearing interest at the prime rate plus two percent but in no event less than 8% per annum. See Note 8 to the Unaudited Financial Statements for the CT Group.

Working capital increased from $13,751,962 at December 31, 1992 to $15,353,567 at September 30, 1993. This increase resulted primarily from an increase in current assets. The current ratio of assets to liabilities approximated 3 to 1 for both periods presented.

CT and CTF each are privately-held companies and, consequently, there is no public market for their capital stock.

The companies' principal sources of liquidity were internally generated cash, and, to a lesser extent, trade financing.

In April 1993, CTF obtained an unsecured line of credit for its general working capital needs which currently provides for borrowings of up to $2,000,000. Interest on borrowings under the line of credit is at the prime interest rate. No borrowings are currently outstanding under the line. Following consummation of the Acquisition, the Company intends to explore various financing alternatives available to it. Management of the CT Group has held preliminary discussions with various lenders and other third party financing sources with respect to the working capital needs of the Company following consummation of Acquisition. There can be no assurances that following consummation of the Acquisition that the Company will be able to obtain a line of credit on terms acceptable to it.

CTF believes that there are no known material trend variances with respect to its capital resources. Management expects to meet its future working capital needs as it has in the past, primarily through cash flow from operations.

To the extent that additional sources of capital are required, funding is anticipated to be available via bank lines of credit or term financing.

OUTSTANDING VOTING SECURITIES AND VOTING RIGHTS

The Board of Directors has set the close of business on January 31, 1994 as the record date (the "Record Date") for determining stockholders of the Company entitled to notice of and to vote at the Meeting. As of

the Record Date, there were 8,768,339 shares of Common Stock issued and outstanding, all of which are entitled to be voted at the Meeting. Each share of Common Stock is entitled to one vote on each matter submitted to stockholders for approval at the Meeting. Stockholders do not have the right to cumulate their votes for directors.

The attendance, in person or by proxy, of the holders of a majority of the outstanding shares of Common Stock entitled to vote at the Meeting is necessary to constitute a quorum. The Class II director will be elected by a plurality of the votes cast by the shares of Common Stock represented in person or by proxy at the Meeting. The affirmative votes of the holders of a majority of the shares of Common Stock represented in person or by proxy at the Meeting will be required for approval of the Acquisition Agreement and the affirmative votes of the holders of a majority of the outstanding Common Stock will be required for approval of each of the amendments to the Certificate. The affirmative votes of the holders of a majority of the shares of Common Stock represented in person or by proxy at the Meeting will be required for approval of the Company's 1994 Stock Option Plan for Non-Employee Directors and the Company's 1994 Stock Incentive Plan. The proposed amendments to the Certificate and the adoption of the 1994 Stock Option Plan for Non-Employee Directors and the 1994 Stock Incentive Plan are contingent upon the consummation of the Acquisition and, as such, will not be effected unless the terms of the Acquisition Agreement are approved at the Meeting. Any other matter that may be submitted to a vote of the stockholders will be approved if a majority of the shares of Common Stock represented in person or by proxy at the Meeting vote in favor of the matter. The Board of Directors does not know of any matter, except those enumerated in this Proxy Statement, that will be submitted to a vote of the stockholders at the Meeting. If less than a majority of outstanding shares entitled to vote are represented at the Meeting, a majority of the shares so represented may adjourn the Meeting to another date, time or place, and notice need not be

given of the new date, time or place if the new date, time or place is announced at the meeting before the adjournment is taken.

The Company's directors and named executive officers are the record owners of 296,877 shares, representing approximately 3.3% of the outstanding Common Stock and have indicated that they intend to vote their shares in favor of the reelection of Samuel C. Hathorn, Jr. to the Board of Directors, the approval of the terms of the Acquisition Agreement, the approval of each of the proposed amendments to the Certificate, the 1994 Stock Option Plan for Non-Employee Directors and the 1994 Incentive Stock Plan. See "VOTING SECURITIES AND PRINCIPAL HOLDERS THEREOF."

Prior to the Meeting, the Company will select one or more inspectors of election for the meeting. Such inspector(s) shall determine the number of shares of Common Stock represented at the Meeting, the existence of a quorum and the validity and effect of proxies, and shall receive, count and tabulate ballots and votes to determine the results thereof. Abstentions will be considered as shares present and entitled to vote at the Meeting and will be counted as votes cast at the Meeting, but will not be counted as votes cast for or against any given matter.

A broker or nominee holding shares registered in its name, or in the name of its nominee, which are beneficially owned by another person and for which it has not received instructions as to voting from the beneficial owner, may have discretion to vote the beneficial owner's shares with respect to all matters addressed at the Meeting. Any such shares which are not represented at the Meeting either in person or by proxy will not be considered as shares present at the Meeting, and will not be considered to have cast votes on any matters addressed at the Meeting.

VOTING SECURITIES AND PRINCIPAL HOLDERS THEREOF

The following tables set forth, as of the Record Date, information with respect to the beneficial ownership of the Common Stock by (i) each person known by the Company to be the beneficial owner of more than five percent of the outstanding Common Stock, (ii) the Company's Chief Executive Officer and each of the Company's other four most highly compensated executive officers whose total annual salary and bonus for Fiscal 1993 was $100,000 or more, (iii) each director of the Company, and (iv) all directors and executive officers of the Company as a group. The Company is not aware of any beneficial owner of more than five percent of the outstanding Common Stock other than as set forth in the following table.

Security Ownership of Certain Beneficial Owners

Name of Beneficial Owner	Title of Class	Amount and Nature of Beneficial Ownership(1)	Percentage of Class Prior to Acquisition and Redemption	Percentage of Class After Acquisition and Redemption
Nick A. Caporella One North University Drive Fort Lauderdale, FL 33324	Common	3,540,565(2)	40.4%	2.4%
National Beverage Corp. One North University Drive Fort Lauderdale, FL 33324	Common	3,153,847	36.0%	-0-
Estate of Riley V. Sims(3) 2000 Presidential Way West Palm Beach, FL 33401	Common	673,743	7.7%	4.2%

Security Ownership of Management

Name and Address of Beneficial Owner	Title of Class	Amount and Nature of Beneficial Ownership(1)	Percentage of Class Prior to Acquisition and Redemption	Percentage of Class After Acquisition and Redemption
Samuel C. Hathorn, Jr.	Common	5,200(4)	*	*
Cecil D. Conlee	Common	2,000	*	*
Leo J. Hussey(5)	Common	2,049	*	*
William A. Morse	Common		*	*
George R. Bracken(5)	Common	605	*	*
Gerald W. Hartman(5)	Common	-0-	-0-	-0-
All executive officers				

and directors as a group (nine persons)	Common	3,450,824	39.4%	1.9%

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* Less than 1%.

(1) Unless otherwise indicated, each person has sole voting and investment power with respect to such shares.

(2) Includes (i) 3,153,847 shares owned by NBC (Mr. Caporella is the general partner of IBS Partners, Ltd., an entity which beneficially

owns 74.7% of the outstanding capital stock of NBC), (ii) options to purchase 100,000 shares (which were issued in cancellation of options to purchase 200,000 shares previously held by Mr. Caporella) at an exercise price at the time of grant equal to $2.00 per share (which exercise price decreases to the extent of a corresponding increase in the market price of the Common Stock in excess of $2.00 as reported on NASDAQ) and (iii) 12,500 shares held by the wife of Mr. Caporella, as to which Mr. Caporella disclaims beneficial ownership.

(3) Mr. Sims passed away on the 13th day of January 1993.

(4) Includes 200 shares held by the children of Mr. Hathorn, as to which Mr. Hathorn disclaims beneficial ownership.

(5) In July 1993, Messrs. Hussey, Bracken and Hartman were issued options to purchase 40,000, 4,500 and 25,000 shares of Common Stock, respectively under the Company's then existing stock option plan and all options previously held by them were canceled. See "EXECUTIVE COMPENSATION - Aggregate Fiscal Year-End Stock Option Value Table." The exercise price of such options at the time of grant was $2.00 per share (which exercise price decreases to the extent of a corresponding increase in the market price of the Common Stock in excess of $2.00 as reported on NASDAQ) and the options are scheduled to vest at various times. The Acquisition Agreement provides that all of these options will become immediately exercisable if such employee's employment with the Company is terminated under certain circumstances during the twelve month period after October 15, 1993. The foregoing table does not reflect ownership of these options. See "PROPOSAL TO APPROVE ACQUISITION AGREEMENT WITH CHURCH & TOWER, INC. AND CHURCH & TOWER OF FLORIDA, INC. - Certain Effects of the Acquisition -- Outstanding Stock Options."

Compliance with Section 16(a) of the Securities Exchange Act of 1934

Section 16(a) of the Securities Exchange Act of 1934 requires the Company's directors and executive officers, and persons who own more than

ten percent of the outstanding Common Stock, to file with the SEC initial reports of ownership and reports of changes in ownership of Common Stock. Such persons are required by SEC regulation to furnish the Company with copies of all such reports they file.

To the Company's knowledge, based solely on a review of the copies of such reports furnished to the Company and written representations that no other reports were required, all Section 16(a) filing requirements applicable to its officers, directors and greater than ten percent beneficial owners have been complied with.

INDEX TO FINANCIAL STATEMENTS

CHURCH & TOWER GROUP

INDEPENDENT AUDITORS' REPORT

To the Stockholders
Church & Tower Group
Miami, Florida

We have audited the combined balance sheets of Church & Tower Group (the "Group"), as of December 31, 1992 and 1991, and the related combined statements of income and retained earnings, and of cash flows for each of the three years ended December 31, 1992. These financial statements are the responsibility of the Group's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We did not audit the financial statements of 9001 Joint Venture, a partnership that is majority-owned by a company in the Group, which statements reflect total assets of $3,064,573 and $2,737,787 as of December 31, 1992 and 1991, respectively, and total revenues of $8,240,290 and $14,495,378 for the two years ended December 31, 1992. Those statements were audited by other auditors whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for 9001 Joint Venture, is based solely on the report of the other auditors.

We conducted our audits in accordance with generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits and the reports of other auditors provide a reasonable basis for our opinion.

In our opinion, based on our audits and the reports of other auditors, the combined financial statements referred to above present

fairly, in all material respects, the financial position of Church & Tower Group as of December 31, 1992 and 1991, and the results of their operations and their cash flows for each of the three years ended December 31, 1992 in conformity with generally accepted accounting principles.

VICIANA & SHAFER

CERTIFIED PUBLIC ACCOUNTANTS

Coral Gables, Florida
June 15, 1993 (except for Note 7, as to
which the date is January 10, 1994)

INDEPENDENT AUDITORS' REPORT

To the partners
9001 Joint Venture

We have audited the balance sheets of 9001 Joint Venture as of December 31, 1992 and 1991 and the related statements of earnings, partners' capital, and cash flows for the years then ended. These financial statements are the responsibility of the company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatements. An audit includes examining, on a test basis, evidence supporting the amount and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of 9001 Joint Venture as of December 31, 1992 and 1991 and the results of its operations and its cash flows for the years then ended in conformity with generally accepted accounting principles.

E.F. ALVAREZ & COMPANY

March 15, 1993
Miami, Florida

The financial information relating to the CT Group contained in this Proxy Statement was provided to the Company by the CT Group in connection with the Acquisition for the preparation of this Proxy Statement and the Company has relied upon such financial information in the preparation of this Proxy Statement.

Required Historical Financials for CT and CTF

CHURCH & TOWER GROUP

COMBINED BALANCE SHEETS

	December 31, 1992	1991
Assets		
Current Assets		
Cash and cash equivalents	$10,190,412	$ 5,610,961
Accounts receivable	6,091,821	1,538,800
Contract receivable from Metro-Dade County	2,542,833	1,784,188
Balance due from commercial bank on a promissory note	989,271	-
Other receivables and current assets	821,643	86,272
Total Current Assets	20,635,980	9,020,221
Investment in joint ventures	5,000	262,727
Property and equipment, net	3,655,855	2,406,117
Other non-current assets	135,142	44,105
Total Assets	$24,431,977	$11,733,170
Liabilities and Stockholders' Equity		

Current Liabilities		
Accounts payable and accrued expenses	$ 4,097,885	$ 1,447,476
Billings in excess of costs and estimated earnings on uncompleted contracts with Metro-Dade County	1,527,012	242,917
Current maturities of long-term notes payable	696,387	8,804
Other current liabilities	346,962	167,338
Deficit in joint venture's capital account	215,772	-
Total Current Liabilities	6,884,018	1,866,535
Minority interest in consolidated joint venture	17,751	59,496
Notes payable	1,839,770	33,379
Due to The Mas Group, Inc., a related entity	-	337,743
Total Liabilities	8,741,539	2,297,153
Stockholders' Equity		
Common stock	6,000	5,400
Additional paid-in capital	42,000	42,000
Treasury stock	(14,169)	(14,169)
Retained earnings	15,656,607	9,402,786
Total Stockholders' Equity	15,690,438	9,436,017
Total Liabilities and Stockholders' Equity	$24,431,977	$11,733,170

The accompanying notes are an integral part of these financial statements.

COMBINED STATEMENTS OF INCOME AND RETAINED EARNINGS

	Years Ended December 31,		
	1992	1991	1990
Contract Revenue	$34,135,788	$31,588,228	$18,639,593
Cost of Contract Revenue	22,460,792	23,328,758	11,820,932
Gross Profit	11,674,996	8,259,470	6,818,661
General and Administrative expenses	3,012,651	2,795,528	2,375,315
Income from operations	8,662,345	5,463,942	4,443,346
Income (loss) from joint ventures	(372,972)	179,051	-
Other income	382,800	283,238	349,915
Settlement of litigation	(350,000)	-	-
Income before minority interest	8,322,173	5,926,231	4,793,261
Minority interest in net income of consolidated joint venture	(42,618)	(625,542)	(36,530)
Net income	8,279,555	5,300,689	4,756,731
Retained earnings at beginning of year	9,402,786	7,262,852	6,094,184
Less:			
Distributions to stockholders	2,025,134	3,160,755	3,588,063
Additional stock issued upon merger of CCI and CT	600	-	-
Retained earnings at end of year	$15,656,607	$ 9,402,786	$ 7,262,852

The accompanying notes are an integral part of these financial statements.

CHURCH & TOWER GROUP

COMBINED STATEMENTS OF CASH FLOWS

	Years Ended December 31,		
	1992	1991	1990
Cash flows from operating activities:			
Net Income	$ 8,279,555	$ 5,300,689	$ 4,756,731
Adjustments to reconcile net income to net cash provided by operating activities:			
Depreciation and amortization	371,488	359,236	281,098
(Increase) decrease in accounts receivable	(4,553,021)	994,082	(961,462)
(Increase) in contract receivable from Metro-Dade County	(758,645)	(1,423,863)	(360,352)
(Increase) decrease in other assets	(550,032)	111,775	14,996
Decrease in net value of equipment	2,772	27,774	-
Increase (decrease) in accounts payable and accrued expenses	2,618,009	667,310	(100,759)
Increase (decrease) in other current liabilities	111,747	(167,472)	23,313
Minority Interest in net Income	42,618	625,542	36,530
Acquisition of minority partner interest	(84,363)	-	-
Increase (decrease) in joint venture capital account	621,077	(155,000)	155,000
Increase in billings in excess of costs and estimated earnings on uncompleted contracts	1,284,095	56,109	186,808
The net of various minor amounts	(23,194)	-	-
Net cash provided by operating activities	7,362,106	6,396,182	4,031,903

Cash flows from Investing activities:			
Paid in capital	-	-	300
Cash inflow from principal received on mortgage	-	-	24,000
Return of investment in unconsolidated venture	48,000	-	-
Investment in unconsolidated venture	(190,578)	-	-
Investment in joint venture	(5,000)	-	-
Investment in note receivable	(50,000)	-	-
Deposit on equipment	(168,000)	-	-
Purchase of equipment	(1,574,636)	(355,062)	(342,773)
Net cash used in investing activities	(1,940,214)	(355,062)	(318,473)
Cash flows from financing activities:			
Loan to related entity	-	-	(229,525)
Proceeds received from notes payable	1,700,000	-	-
Payments received from related company	47,246	-	-
Principal payments on notes payable	(201,751)	(14,728)	(227,818)
Insurance proceeds for repairs of hurricane damages	50,000	-	-
Repairs of hurricane damages	(17,038)	-	-
Expenses paid for related company	(61,154)	-	-
Distributions to stockholders	(2,025,134)	(3,160,755)	(3,588,063)
Distributions to partners of consolidated joint venture	-	(602,549)	-
Payment to The Mas Group, Inc.	(334,610)	-	-

Net cash used in financing activities	(842,441)	(3,778,032)	(4,045,406)
Net increase (decrease) in cash and cash equivalents	4,579,451	2,263,088	(331,976)
Cash and cash equivalents at beginning of year	5,610,961	3,347,873	3,679,849
Cash and cash equivalents at end of year	$10,190,412	$ 5,610,961	$ 3,347,873
Supplemental Disclosure of Cash Flow Information: Cash paid for Interest	$ 33,525	$ 4,496	$ -

The accompanying notes are an integral part of these financial statements.

CHURCH & TOWER GROUP
NOTES TO COMBINED FINANCIAL STATEMENTS
Years Ended December 31, 1992 and 1991

NOTE 1 - NATURE OF BUSINESS AND SIGNIFICANT ACCOUNTING POLICIES:

Church & Tower Group (the "Group") represents the combination of two Florida Corporations (three at December 31, 1991), Church & Tower of Florida, Inc. ("CT Florida") and Church & Tower, Inc. (CT), which are

owned by members of the Mas family.

CT Florida is engaged in the construction and maintenance of outside plant for utility companies servicing the geographical areas of Dade County and Broward County's southeast area.

CT Florida holds three Master Contracts with the telephone company (Southern Bell), its principal client, which will expire at various times through 1995, and provide for CT Florida to receive price increases based on the annual increment in the Consumer Price Index. CT Florida also provides services under individual contracts with the telephone company in Dade and Broward Counties which are not covered by the aforementioned contracts, and is subcontracted by Miami-Dade Water & Sewer to do paving and sidewalk repairs. Total revenues and accounts receivable recognized from Southern Bell and Miami-Dade Water & Sewer were approximately as follows:

	December 31 1992	December 31 1991	December 31 1990
Southern Bell:			
Revenues for the year ended	$22.3 million	$15.7 million	$15.7 million
Accounts receivable	5.7 million	1.4 million	2.1 million

Miami-Dade Water & Sewer:			
Revenues for the year ended	1.9 million	1.1 million	1.8 million
Accounts receivable	108,000	19,000	209,000

CT was incorporated in August of 1990 under the laws of the State of Florida to engage in construction contracts.

In July of 1990, CT, together with another construction contractor, formed a partnership known as "9001 Joint Venture" for the purpose of constructing a detention center for the Metro-Dade County government. From its initial 60% interest in the partnership, CT increased its participation to 89.8% for 1991 and to 99.7% for 1992. Total revenues recognized with the Metro-Dade County government were approximately $9.6 million, $14.5 million and $0.5 million for the years ended December 31, 1992, 1991 and 1990, respectively.

CT is also in partnership, since September of 1990, with an international construction contractor in a venture known as "OCT Joint Venture." In this venture, CT has had a 20% interest in the two governmental projects undertaken thus far: an extension to the Downtown Miami Metromover (98% complete as of December 31, 1992), and a landfill in the southern section of Dade County (39% complete as of the aforementioned date). The results of operations of this venture are reported under the equity method of accounting.

Effective June 1, 1992, CT merged its operations with those of Communication Contractors, Inc. (CCI). CCI, which was wholly owned by a member of the Mas family, provided construction subcontractor services (manpower and equipment) to CT Florida during the year ended December 31,

1991 and for the period from January 1, 1992 through May 31, 1992. The business combination between CT and CCI was accounted for under the pooling-of-interests method. The 100 common shares owned by the sole stockholder of CCI were exchanged for 700 common shares of the surviving corporation (CT).

Principles of Combination

The combined financial statements include the accounts of CT Florida, CT consolidated (which includes the accounts of CT and of its majority owned subsidiary, "9001 Joint Venture", and wherein all significant intercompany transactions and balances have been eliminated) and CCI (as applicable). All significant intercompany transactions and balances have been eliminated.

Revenue and Cost Recognition

CT Florida recognizes revenues and related costs whenever specific work orders, as covered by the Master Contracts, are completed. Indirect costs and administrative expenses are charged to operations as incurred.

Revenue from long-term construction contracts, as reported by CT's consolidated venture ("9001 Joint Venture") is recognized under the percentage-of-completion method. Under this method, the percentage of contract revenue to be recognized currently is computed as that percentage of estimated total revenue that incurred costs to date bear to estimated total costs, after giving effect to estimates of costs to complete based upon most recent information. General and administrative costs of the venture are expensed as incurred.

Revenue Increase

As a result of Southern Bell's rehabilitation program in South Florida in the aftermath of Hurricane Andrew, and CT Florida's ability to successfully bid on many new projects, revenue in 1992 increased approximately 32% over prior year's revenues.

Income Taxes

The companies in the Group (CT Florida, CT consolidated and CCI, until its merger with CT) have elected to be taxed under the Subchapter S provisions of the Internal Revenue Code, which provides that corporate earnings are to be included in the Federal Income Tax Returns of the individual stockholders. Accordingly, no provision for income taxes has been recorded in the accompanying combined statements of income.

As further explained in Note 7, the stockholders of the Group have entered into an agreement under which the Group will be acquired by Burnup & Sims Inc., a publicly traded company. As a result of this acquisition, the

Group will be taxed as a C corporation.

In February 1992, the Financial Accounting Standards Board issued Statement of Financial Accounting Standards (SFAS) No. 109, "Accounting for Income Taxes," effective for years beginning after December 15, 1992. The adoption of SFAS 109 by the Group is expected to result in a deferred tax liability of approximately $350,000 due to the tax effect of temporary differences between the carrying amounts of assets for financial reporting purposes and the amounts used for income tax purposes.

Cash and Cash Equivalents

For the purpose of reporting cash flows, the Group has defined cash equivalents as those highly liquid investments purchased with an original maturity of three months or less.

NOTE 2 - RELATED PARTY TRANSACTIONS

The Group has rented and purchased construction equipment from other entities related to it by common management and control. During the years 1992, 1991 and 1990, these related transactions amounted to $1,817,867, $1,102,197 and $472,305, respectively.

NOTE 3 - BACKLOG

The backlog of uncompleted contracts in progress for the "9001 Joint Venture" at December 31, 1992, 1991 and 1990 amounted to approximately $9 million, $18.5 million and $14.6 million, respectively.

NOTE 4 - NOTES PAYABLE

	December 31,	
	1992	1991
CT is liable to a commercial bank on a 7.7% interest rate note, requiring		

monthly payments of principal of $41,667 plus accrued interest, beginning in February 1993 and maturing in January 1997. The face amount of the note is $2 million, of which $989,271 was received subsequent to December 31, 1992. The note is collateralized with all receivables and equipment of CT.	$2,000,000	-
CT is also liable to a commercial bank on a note with interest at 0.5% over the prime rate (6.5% at December 31, 1992). The note is payable in monthly payments of principal of $19,444 plus accrued interest beginning in May 1992 and maturing in April 1995. The note is collateralized with all receivables and equipment of CT.	502,778	-

CT Florida is indebted to a financial institution on a 10% interest rate note payable, requiring monthly payments of $689, including interest. The note is collateralized with a mortgage on the land, building and improvements where the administrative offices are located.	33,379	42,183
	2,536,157	42,183
Less: current portion	(696,387)	(8,804)
	$1,839,770	$ 33,379

Principal maturities for the following years are as follows:

1993	$696,387
1994	738,548
1995	541,872
1996	506,365
1997	48,696
1998	4,289
	$2,536,157

NOTE 5 - PROPERTY AND EQUIPMENT

Property and equipment are recorded at cost, and consist of:

	December 31, 1992	1991
Land, buildings and improvements	$ 682,489	$ 714,956
Construction and excavation equipment	1,702,430	1,604,870
Trucks, automobiles and radio equipment	2,412,003	995,056
Tools and portable equipment	147,707	147,705
Office furniture and equipment	457,471	399,318
Leasehold improvements	60,847	60,847
	5,462,947	3,922,752
Less accumulated depreciation	(1,807,092)	(1,516,635)
	$3,655,855	$2,406,117

Depreciation estimates for property and equipment (excluding land) were computed using the straight-line method, with useful lives of 10-31 years for buildings and improvements, 5 years for leasehold improvements, 7 years for trucks and automobiles, and 10 years for all other assets.

NOTE 6 - CONTINGENCIES

In connection with certain construction contracts entered into by affiliates through common ownership, the company has signed jointly and severally, together with other affiliates, certain agreements of indemnity (Agreements) in the aggregate amount of approximately $75,000,000, of which approximately $54,000,000 have been performed. The Agreements are to secure the affiliates' fulfillment of obligations and performance of the related contracts.

Management believes that no losses will be sustained from these Agreements.

NOTE 7 - SUBSEQUENT EVENTS

On August 17, 1993 and December 27, 1993, the Group declared dividends of $3,900,000 and $7,600,000. Of the dividends declared, $8,500,000 has been paid in cash and $3,000,000 remains payable in the form of two promissory notes, payable in semi-annual principal payments commencing August 1, 1994 of $500,000, bearing interest at the prime rate plus 2%, but in any event not less than 8%.

On October 15, 1993 (with amendments on November 23, 1993), the stockholders of the Group entered into an agreement, under which the Group will be acquired by Burnup & Sims Inc., a publicly traded company with

business activities similar to the Group. As a result of the acquisition, the shareholders of the Group will obtain approximately 65% of the combined entity. The acquisition is subject to approval of, among others, the shareholders of Burnup & Sims Inc.

As a result of this acquisition, the Group will be taxed as a C corporation. Undistributed earnings at December 31, 1992, after giving

effect to the above-mentioned dividends, amount to approximately $3,800,000.

Required Historical Financials for CT and CTF

CHURCH & TOWER GROUP
COMBINED BALANCE SHEETS
as of September 30, 1993
(Unaudited)

ASSETS	
CURRENT ASSETS	
Cash and Cash Equivalents	$14,163,536
Accounts Receivable	5,300,855
Contract Receivable from Metro-Dade County	2,510,009
Other Receivables and Current Assets	582,040
Total Current Assets	22,556,440
Property and Equipment, net	4,866,810

Other Non-Current Assets	76,144
Total Assets	$27,499,394
LIABILITIES AND STOCKHOLDERS' EQUITY	
CURRENT LIABILITIES	
Accounts Payable and Accrued Expenses	$ 5,285,956
Current Maturities of Long-Term Notes Payable	596,699
Other Current Liabilities	311,594
Deficit in Joint Venture's Capital Account	1,008,624
Total Current Liabilities	7,202,873
Minority Interest in Consolidated Joint Venture	18,399
Notes Payable	1,075,593
Total Liabilities	8,296,865

STOCKHOLDERS' EQUITY	
Common Stock	6,000
Additional Paid-in Capital	42,000
Treasury Stock	(14,169)
Retained Earnings	19,168,698
Total Stockholders' Equity	19,202,529
Total Liabilities and Stockholders' Equity	$27,499,394

The accompanying notes are an integral part of these financial statements

CHURCH & TOWER GROUP
COMBINED STATEMENTS OF INCOME AND RETAINED EARNINGS
(Unaudited)

Nine Months Ended September 30,

	1993	1992
Contract Revenue	$37,034,193	$17,324,936
Cost of Contract Revenue	24,213,091	11,822,810
Gross Profit	12,821,102	5,502,126
General and Administrative Expenses	4,145,198	1,033,105
Income from Operations	8,675,804	4,469,021
Income (Loss) from Joint Venture	(1,392,852)	(304,920)
Other Income	153,331	150,965
Income Before Minority Interest	7,436,283	4,315,066
Minority Interest in Net Income of Consolidated Joint Venture	(4,414)	(42,880)
Net Income	7,431,869	4,272,186
Retained Earnings at Beginning of Period	15,656,607	9,402,786
Less: Distributions to Stockholders	3,919,778	1,055,213
Retained EArnings at End of Period	$19,168,698	$12,619,759

The accompanying notes are an integral part of these financial statements.

CHURCH & TOWER GROUP
COMBINED STATEMENTS OF CASH FLOWS
(Unaudited)
Nine Months Ended September 30

	1993	1992
Cash Flows from Operating Activities:		
Net Income	$7,431,869	$4,272,186
Adjustments to Reconcile Net Income to Net Cash Provided (Used) in Operating Activities:		
Depreciation	553,495	276,867
(Increase) Decrease in Accounts and Contracts Receivable	823,790	(1,650,163)
(Increase) Decrease in Other Receivables & Current Assets	239,603	(199,073)
(Increase) Decrease in Other Assets	58,998	38,719
Increase (Decrease) in Accounts Payable & Accrued Expenses	1,188,071	(4,829)
Increase (Decrease) in Billings in Excess of Costs	(1,527,012)	678,770
Increase (Decrease) in Other Current Liabilities	(35,368)	(106,656)
Minority Interest in Net Income	648	42,882
Deficit in Unconsolidated Venture	1,392,852	0
Net Cash Provided by Operating Activities	10,126,946	3,348,703
Cash Flows from Investing Activities:		
Investment in Joint Venture	5,000	209,712
Investment in Unconsolidated Venture	(600,000)	0
Purchase of Equipment	(1,764,450)	53,088
Net Cash Provided (Used) in Investing Activities	(2,359,450)	262,800

Cash Flows from Financing Activities:		
Debt Borrowings	989,271	257,238
Debt Repayments	(863,865)	0
Distributions to Stockholders	(3,919,778)	(1,055,213)
Net Cash Provided (Used) in Financing Activities	(3,794,372)	(797,975)
Net Increase in Cash & Cash Equivalents	3,973,124	2,813,528
Cash & Equivalents - Beginning of period	10,190,412	5,610,961
Cash & Equivalents - End of period	$14,163,536	$8,424,489

The accompanying notes are an integral part of these financial statements.

CHURCH & TOWER GROUP
NOTES TO COMBINED
FINANCIAL STATEMENTS
September 30, 1993 (Unaudited)

1. General

The accompanying combined financial statements for Church & Tower Group (the "Group") have been prepared in accordance with generally accepted accounting principles for interim financial information. They do not include all information and notes required by generally accepted accounting principles for complete financial statements. In the opinion of management, all adjustments (consisting of normal recurring accruals) considered necessary for a fair presentation have been included. The results of operations are not necessarily indicative of results which might be expected for the entire fiscal year. The condensed consolidated financial statements should be read in conjunction with the combined financial statements and notes thereto for the year ended December 31, 1992.

2. Principles of Combination

The combined financial statements include the accounts of Church & Tower of Florida, Inc. ("CT Florida") and Church & Tower, Inc. ("CT

Consolidated") (which includes the accounts of CT and of its majority owned subsidiary, "9001 Joint Venture," and wherein all significant intercompany transactions and balances have been eliminated). All significant intercompany transactions and balances have been eliminated. The financial statements of 9001 Joint Venture, a partnership that is majority-owned by a company in the Group reflect total assets of $3,064,573 as of September 30, 1993, and total

revenues of $10,672,627 and $4,127,700 for the nine months ended September 30, 1993 and 1992, respectively.

3. Income Taxes

The companies in the Group have elected to be taxed under the Subchapter S provisions of the Internal Revenue Code, which provides that corporate earnings are to be included in the Federal Income Tax Returns of the individual stockholders. Accordingly, no provision for income taxes has been recorded in the accompanying combined statements of income.

4 Related Party Transactions

The Group has rented and purchased construction equipment from other entities related to it by common management and control. During the nine months ended September 30, 1993 and September 30, 1992 these related transactions amounted to $1,352,399 and $1,375,292 respectively.

(Continued...)

5. Notes Payable

	September 30, 1993
Note Due to Bank 7.7%	$1,672,292
Less: Current portion	596,699
Non-Current Notes Payable	$1,075,593

6. Property and equipment

Property and equipment are recorded at cost, and consists of:

	September 30, 1993
Land, buildings and improvements	$ 682,489
Construction and excavation equipment	2,889,128
Truck, automobiles and radio equipment	2,816,437
Tools and portable equipment	297,046
Office furniture and equipment	481,450
Leasehold improvements	60,847
	7,227,397
Less accumulated depreciation	(2,360,587)
Property and equipment - Net	$ 4,866,810

Depreciation expense amounted to $553,495 and $276,867 for the nine months ended September 30, 1993 and 1992, respectively.

7. Contingencies

In connection with certain construction contracts entered into by affiliates through common ownership, the company has signed jointly and severally, together with other affiliates, certain agreements of indemnity ("Agreements") in the aggregate amount of approximately $75,000,000, of which approximately $13,000,000 remains incomplete. The Agreements are to secure the affiliates' fulfillment of obligations and performance of the related contracts.

Management believes that no losses will be sustained from these Agreements.

(Continued...)

8. Subsequent Events

On December 27, 1993, the Group declared dividends of $7,600,000. Of the dividends declared, $4,600,000 has been paid in cash and $3,000,000 remains payable in the form of a promissory note, payable in semi-annual payments of $500,000, bearing interest a the prime rate plus 2%, but in any event not less than 8%.

A pro forma balance sheet at September 30, 1993, after giving effect to this dividend is as follows:

Current Assets	$17,956,440
Total Assets	22,899,394
Current Liabilities	7,702,873
Total Liabilities	11,296,865
Stockholders' Equity	11,602,529

On October 15, 1993, the stockholders of the Group entered into an agreement under which the Group will be acquired by Burnup & Sims Inc., a publicly traded company with business activities similar to the Group. As a result of this acquisition, the stockholders of the Group will obtain approximately 65% of the combined entity. The acquisition is subject to approval of, among other things, the stockholders of Burnup & Sims.

As a result of this acquisition, the Group will be taxed as a C corporation. Undistributed earnings at December 31, 1992, after giving effect to the above mentioned dividends amount to approximately $3,800,000.

STOCKHOLDER PROPOSALS FOR ANNUAL MEETING

Proposals of stockholders intended to be presented at the 1994 Annual Meeting of Burnup Stockholders must be received by Burnup at its principal executive offices within a reasonable time before the 1994 Annual Meeting of Stockholders for inclusion in the proxy materials. Such proposals should meet the applicable requirements of the Securities Exchange Act of 1934, as amended, and the Rules and Regulations thereunder.

INDEPENDENT AUDITORS

The firm of Deloitte & Touche currently serves as independent auditors of the Company. Representatives of Deloitte & Touche are expected to attend the Meeting. They will have an opportunity to make a statement if they desire to do so and will be available to respond to appropriate questions. No accountant has been selected or recommended for the Company's 1994 fiscal year.

The consolidated financial statements of the Company as of April 30, 1993 and 1992 and for each of the three years in the period ended April 30, 1993 incorporated by reference in this Proxy Statement have been audited by Deloitte & Touche, independent auditors.

The combined financial statements of the CT Group as of December 31, 1992 and 1991 and for each of the three years in the period ended December 31, 1992 included in this Proxy Statement have been audited by Viciana & Shafer, P.A., independent auditors.

AVAILABLE INFORMATION

The Company is subject to the informational requirements of the Securities Exchange Act of 1934, and, in accordance therewith, files reports, proxy statements and other financial information with the SEC.

Such reports, proxy statements and other information may be inspected and copies at the public reference facilities maintained by the SEC at Room 1024, Judiciary Plaza, 450 Fifth Street, N.W., Washington, D.C. 20549. Such reports, proxy statements and other information should also be available for inspection and copying at the regional offices of the SEC located at 1375 Peachtree Street, N.E., Suite 788, Atlanta, Georgia 30367 and 7 World Trade Center, New York, New York 10048. Copies of such material can also be obtained from the Public Reference Section of the SEC at 450 Fifth Street, N.W., Washington, D.C. 20549, at prescribed rates.

INCORPORATION BY REFERENCE

The following documents are hereby incorporated by reference into and made a part of this Proxy Statement:

1. The Company's Annual Report on Form 10-K for the year ended April 30, 1993, as amended.

2. The Company's Quarterly Report on Form 10-Q for the quarter ended October 31, 1993, as amended.

By Order of the Board of Directors,

/s/ Nick A. Caporella

_____

Nick A. Caporella

Chairman of the Board of Directors
President and Chief Executive Officer

Fort Lauderdale, Florida
February 10, 1994

APPENDICES

EXHIBIT INDEX

	LOCATION OF EXHIBIT IN SEQUENTIAL NUMBERING

EXHIBIT		SYSTEM
Exhibit 2	Agreement dated as of October 15, 1993, among Burnup & Sims Inc., and the stockholders of Church & Tower, Inc. and Church & Tower of Florida, Inc. and First and Second Amendment each dated as of November 23, 1993 and the form of a Third Amendment.	CE
Exhibit 99	Opinion of PaineWebber Incorporated	CE
Exhibit 10(a)	Form of Agreement between Burnup & Sims Inc. and National Beverage Corp.	CE
Exhibit 3(a)	Proposed Amended and Restated Certificate of Incorporation	CE
Exhibit 10(b)	1994 Stock Option Plan For Non-Employee Directors	CE
Exhibit 10(c)	1994 Stock Incentive	CE

APPENDIX A

AGREEMENT

THIS AGREEMENT ("Agreement") is made as of the 15th day of October, 1993 by and among each of the individuals listed on Schedule I hereto (each, a "Seller" and together, "Sellers"), and Burnup & Sims Inc., a Delaware corporation with principal offices at One North University Drive, Fort Lauderdale, Florida 33324 ("Burnup").

WHEREAS, Sellers own among them 1,000 shares of common stock, par value $1.00 per share, of Church & Tower, Inc., a Florida corporation ("CT"), constituting 100% of the outstanding shares of capital stock of CT ("CT Shares"), and 100 shares of common stock, par value $10.00 per share, of Church & Tower of Florida, Inc., a Florida corporation ("CTF"), constituting 100% of the outstanding shares of capital stock of CTF ("CTF Shares", and together with the CT Shares, the "Shares"); and

WHEREAS, Burnup desires to purchase, and Sellers desire to sell, all of the Shares on the terms and subject to the conditions set forth herein;

NOW, THEREFORE, the parties, intending to be legally bound and in consideration of the mutual covenants and conditions contained herein, agree as follows:

ARTICLE I
SALE AND PURCHASE OF SHARES

Section 1.1 Sale and Purchase of Shares. On the terms and subject to the conditions set forth in this Agreement, and on the basis of the representations and warranties made by Burnup and Sellers contained herein, Sellers, jointly and severally, agree to sell, assign and transfer to Burnup, and Burnup agrees to purchase from Sellers, on the Closing Date (as defined in Section 1.4) all of the Shares (the "Acquisition").

Section 1.2 Exchange Consideration. In full consideration for the Shares, Burnup will deliver to the Sellers on the Closing Date, in the proportions set forth in Schedule I, such number of shares of the common stock of Burnup, par value $.10 per share, as the parties hereto shall agree in writing on or before November 4, 1993, free and clear of all Liens (as defined in Section 2.2). All shares of common stock delivered to Sellers pursuant hereto shall hereinafter be referred to as the "Burnup Shares."

Section 1.3 Plan of Reorganization; Accounting Treatment. This Agreement shall serve as a "plan of reorganization" within the meaning of Section 368(a)(1)(B) of the Internal Revenue Code of 1986, as amended (the "Code"). The parties hereto acknowledge that the transactions contemplated herein shall be treated as a business combination under the purchase method of accounting for financial reporting purposes.

Section 1.4 Closing. The closing ("Closing") of the Acquisition shall take place at the offices of White & Case located at 200 South Biscayne Boulevard, Miami, Florida, at 10:00 A.M., on the business day, not later than January 31, 1994, immediately following the later to occur of (x) the due approval by the stockholders of Burnup of this Agreement, the transactions contemplated hereby and all other matters set forth in the Proxy Statement (as defined in Section 2.8) submitted to the stockholders of Burnup for their consideration and vote or (y) termination or expiration of the applicable waiting period under the Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended (the "HSR Act"), or at such other date or time as the parties hereto shall mutually agree in writing. The date of Closing shall hereinafter be referred to as the "Closing Date."

ARTICLE II
REPRESENTATIONS AND WARRANTIES OF SELLERS

Sellers, jointly and severally, represent and warrant to Burnup as of the date hereof and as of the Closing Date as follows:

Section 2.1 Organization. Each of CT and CTF is a corporation duly organized, validly existing and in good standing under the laws of Florida and has all requisite corporate power and authority to own, lease and operate its properties and to carry on its business as now being conducted. Except as set forth in Section 2.1 of the disclosure schedule delivered by

Sellers to Burnup dated the date hereof (the "Disclosure Schedule"), each of CT and CTF is duly qualified or licensed and in good standing to do business in each jurisdiction in which the property owned, leased or operated by it or the nature of the business conducted by it makes such qualification or licensing necessary. Sellers have heretofore delivered to Burnup accurate and complete copies of the Articles of Incorporation and By-Laws of each of CT and CTF, as currently in effect.

Section 2.2 Capitalization. The authorized capital stock of CT consists solely of 5,000 shares of common stock. The authorized capital stock of CTF consists solely of 10,000 shares of common stock. The CT Shares constitute all of the issued and outstanding shares of common stock of CT, and the CTF Shares constitute all of the issued and outstanding shares of common stock of CTF. All of the Shares are validly issued, fully paid and nonassessable. Except as set forth in Section 2.2 of the Disclosure Schedule, there are no preemptive rights, subscriptions, options, warrants, puts, calls, rights, exchangeable or convertible securities or other agreements or commitments of any character obligating either CT or CTF to issue, transfer, sell, purchase or redeem any of its securities. Each Seller owns the number of CT Shares and CTF Shares set forth opposite his name on Section 2.2 of the Disclosure Schedule free and clear of all claims, liens, mortgages, pledges, security interests, assessments, restrictions, encumbrances or charges of any kind (collectively "Liens"). There are no voting trusts or other agreements or understandings to which any Seller is a party or by which any Seller is bound with respect to the voting of his Shares except as set forth in Section 2.2 of the Disclosure Schedule.

Section 2.3 Subsidiaries. Except as set forth in Section 2.3 of the Disclosure Schedule, CT and CTF have no subsidiaries or equity investments in any corporation, association, partnership, joint venture or other entity or person (collectively, "Person").

Section 2.4 Authority Relative to this Agreement. Each Seller has full power, authority and capacity to enter into this Agreement and to consummate the transactions contemplated hereby. This Agreement has been duly and validly executed and delivered by each Seller, and constitutes a valid and binding agreement of each Seller, enforceable in accordance with its terms.

Section 2.5 Consents and Approvals; No Violations. Except for the HSR Act and except as set forth in Section 2.5 of the Disclosure Schedule, no filing with, and no permit, authorization, consent or approval of, any court, or Federal, state, local or foreign administrative, governmental or quasi-governmental body ("Governmental Entity"), is necessary in connection with the execution and delivery by Sellers of this Agreement or the consummation by Sellers of the transactions contemplated by this Agreement. Except as set forth in Section 2.5 of the Disclosure Schedule, neither the execution and delivery by Sellers of this Agreement nor the consummation by Sellers of the transactions contemplated hereby nor compliance by Sellers with any of the provisions hereof will (i) conflict with or result in any breach of any

provision of the Articles of Incorporation or By-Laws of CT or CTF, (ii) result in a violation or breach of, or constitute (with or without due notice or lapse of time or both) a default (or give rise to any right of termination, cancellation or acceleration) under or require consent under, any of the terms, conditions or provisions of any note, bond, mortgage, indenture, license, contract, agreement or other instrument or obligation to which CT, CTF or any Seller is a party or by which any of them or any of their properties or assets may be bound or (iii) subject to making the filings and obtaining the permits, authorizations, consents and approvals referred to in the preceding sentence, violate any order, writ, injunction, decree, statute, treaty, rule or regulation applicable to CT, CTF, each Seller or any of their properties or assets.

Section 2.6 Financial Statements. Sellers have heretofore furnished copies of the following financial information of CT and CTF (collectively, the "Financial Statements") to Burnup: (a) the audited balance sheets and statements of operations, cash flows and changes in stockholders' equity (including the notes thereto) for CTF as of and for the fiscal years ended December 31, 1992, 1991 and 1990; (b) the audited consolidated balance sheets and statements of operations, cash flows and changes in stockholders' equity (including the notes thereto) for CT as of and for the fiscal years ended December 31, 1992, 1991 and 1990; (c) the unaudited balance sheets and statements of operations for CTF as of and for the six months ended June 30, 1993 and 1992; (d) the unaudited consolidated balance sheets and statements of operations for CT as of and for the six months ended June 30, 1993 and 1992; (e) the audited combined balance sheets and statements of operations, cash flows and changes in stockholders' equity (including the notes thereto) as of and for the fiscal years ended December 31, 1992, 1991 and 1990 for CT and CTF; and (f) the unaudited combined

balance sheets and statements of operations as of and for the six months ended June 30, 1993 and 1992 for CT and CTF. Except as set forth in Section 2.6 of the Disclosure Schedule, each of the balance sheets (including the notes thereto) included in the Financial Statements fairly presents the financial position of CT or CTF or the combined financial position of CT and CTF, as the case may be, as of the respective dates thereof, and the other related statements (including the notes thereto) included therein fairly present the results of operations and the changes in financial position of CT or CTF or the combined results of operations and changes in financial position of CT and CTF, as the case may be, for the respective fiscal years (or interim periods), except, in the case of interim financial statements, for year-end audit adjustments, consisting only of normal recurring accruals which individually and in the aggregate are not material. Each of the financial statements (including the notes thereto) included in the Financial Statements has been prepared in accordance with generally accepted accounting principles and practices consistently applied during the periods involved, except as otherwise noted therein. Except as set forth in Section 2.6 of the Disclosure Schedule, CT and CTF have maintained their books of account in the usual, regular and ordinary manner in accordance with generally accepted accounting principles applied on a consistent basis. Except as set forth in Section 2.6 of the Disclosure Schedule, since June 30, 1993, no material adverse change has occurred in the assets or liabilities, condition, financial or otherwise, or business or in the results of operations or prospects of CT or CTF.

Section 2.7 No Undisclosed Liabilities. Except as and to the extent set forth in the audited balance sheets for the fiscal year ended December 31, 1992 and the unaudited balance sheets for the period ended June 30, 1993, included in the Financial Statements, neither CT nor CTF had at December 31, 1992 or June 30, 1993 any material liabilities required by generally accepted accounting principles to be reflected on such balance sheets. Except as and to the extent set forth in Section 2.7 of the Disclosure Schedule or disclosed in the unaudited balance sheets for the period ended June 30, 1993, included in the Financial Statements, neither CT nor CTF has incurred any liabilities (absolute, accrued, contingent or otherwise) since June 30, 1993, except liabilities incurred in the ordinary

course of business consistent with past practice, or in connection with effecting the transactions contemplated hereby.

Section 2.8 Information in Disclosure Documents. None of the information supplied in writing by Sellers to Burnup for inclusion or incorporation by reference in the proxy statement relating to the meeting of Burnup's stockholders, to be held in connection with the Acquisition (the "Proxy Statement") will, at the time the Proxy Statement is mailed to stockholders of Burnup and at the time of the meeting of stockholders of Burnup to be held in connection with the Acquisition or any adjournment of such meeting, contain any untrue statement of a material fact or omit to state any material fact required to be stated therein or necessary to make the statements therein not misleading.

Section 2.9 No Default. Except as set forth in Section 2.9 of the Disclosure Schedule, neither CT nor CTF is in default or violation (and no event has occurred which, with the giving of notice, the lapse of time or the occurrence of any other event, would constitute a default or violation) of any term, condition or provision of (i) its Articles of Incorporation or By-Laws, (ii) any note, bond, mortgage, indenture or other obligation to which CT or CTF is a party or by which it or any of its properties or assets may be bound or (iii) any order, writ, injunction, decree, statute, rule or regulation applicable to CT or CTF.

Section 2.10 Litigation. Except as set forth in Section 2.10 of the Disclosure Schedule, there is no action, suit, administrative, judicial or arbitral proceeding, review or investigation pending or, to the best knowledge of Sellers, threatened, at law or in equity, or before any Governmental Entity, which, if adversely determined, could involve a liability to CT or CTF in excess of $200,000, or which could materially and adversely affect the right or ability of CT or CTF to carry on its business as now conducted or to consummate the transactions contemplated hereby.

Section 2.11 Compliance with Applicable Law. Except as set forth in Section 2.11 of the Disclosure Schedule, none of Sellers, CT and CTF is in violation of, or has violated within the last three years, any applicable provisions of any laws (including, without limitation, the Federal and state securities laws), statutes, ordinances or regulations in any material respect or any term of any judgment, decree, injunction or order outstanding against them, or any of them, which violation would have a material adverse effect on the financial condition of CT or CTF.

Section 2.12 Taxes.

(a) Except as set forth in Section 2.12 of the Disclosure Schedule, CT and CTF have filed, with the appropriate Governmental Entities, within the times and in the manner required by law, all Tax Returns (as defined in Section 2.12(d)), required to be filed by or with respect to them and each of them up to and including the date hereof and have maintained all material records with respect to Taxes (as defined in Section 2.12(c)). Such Tax Returns reflect accurately all liabilities for Taxes of CT and CTF for the periods covered thereby. With respect to all taxable periods prior to the date hereof, CT and CTF have paid all Taxes shown to be due on their Tax Returns and have paid all Taxes required to be paid to the Internal Revenue Service (the "IRS") or any other taxing authority (each constituting a "Taxing Authority") and, to the extent required by generally accepted accounting principles, have set up adequate accruals on the Financial Statements for the payment of all Taxes which have accrued but are not yet payable. Neither CT nor CTF has any tax liability which could result in any Lien hereafter being imposed on any of its assets. Except as set forth in Section 2.12 of the Disclosure Schedule, there are no Liens with respect to Taxes upon any of the properties or assets, real, personal or mixed, tangible

or intangible, of CT or CTF except Liens for current Taxes not yet due. There are no audits of any Tax Returns of CT or CTF by any Taxing Authority currently in progress. Except as disclosed in Section 2.12 of the Disclosure Schedule, neither CT nor CTF has received any written notice of deficiency or assessment or proposed deficiency or assessment from any Taxing Authority which has not been paid. Except as set forth in Section 2.12 of the Disclosure Schedule, there are no outstanding agreements or waivers extending the statutory period of limitations applicable to any Tax Returns required to be filed by CT or CTF.

(b) None of Sellers has any tax liability which could result in any Lien hereafter being imposed on any of the Shares.

(c) As used in this Agreement, "Taxes" is defined to include all taxes, charges, fees, levies or other assessments imposed by any Federal, state, local or foreign Taxing Authority, including, without limitation, income, capital, excise, property, sales, transfer, employment, payroll, withholding and franchise taxes and all interest, penalties or additions attributable to or imposed on or with respect to such assessments.

(d) As used in this Agreement, "Tax Return" is defined as any return, report, information return, or other document (including any related

or supporting information) filed or required to be filed with any Federal, state, local, or foreign Taxing Authority in connection with the determination, assessment or collection of any Tax or the administration of any laws, regulations or administrative requirements relating to Taxes.

Section 2.13 Employee Benefit Plans. (a) List of Plans. Set forth in Section 2.13 of the Disclosure Schedule is a true and complete list of all domestic and foreign: (i) "employee benefit plans," within the meaning of Section 3(3) of the Employee Retirement Income Act of 1974, as amended from time to time, and the rules and regulations promulgated thereunder ("ERISA"); (ii) bonus, stock option, stock purchase, restricted stock, incentive, profit-sharing, deferred compensation, active, retiree or former employee medical, life, disability or accident benefits (whether or not insured), accrued leave, vacation, sick pay, sick leave, supplemental retirement or unemployment benefit plans, programs, arrangements or practices; and (iii) employment, termination, and severance contracts or agreements, whether or not any such plans, programs, arrangements, contracts, agreements or practices (referred to in clause (i), (ii) or (iii)) are in writing or are otherwise exempt from the provisions of ERISA, established, maintained or contributed to (or with respect to which an obligation to contribute has been undertaken) by CT or CTF (including, for this purpose and for the purpose of all of the representations in this Section 2.13, all employers (whether or not incorporated) which by reason of common control are treated together with CT and CTF as a single employer within the meaning of Section 414 of the Code) since September 2, 1974 ("Employee Benefit Plans").

(b) Status of Plans. Except as set forth in Section 2.13 of the Disclosure Schedule, each Employee Benefit Plan has at all times been maintained and operated in substantial compliance with its terms and the requirements of all applicable laws, including, without limitation, ERISA and the Code. Except as set forth in Section 2.13 of the Disclosure Schedule, no complete or partial termination of any Employee Benefit Plan has occurred or is expected to occur. Neither CT nor CTF has any commitment, or understanding to create, modify or terminate any Employee Benefit Plan. Except as required by applicable law, no condition or circumstance exists that would prevent the amendment or termination of any Employee Benefit Plan. No event has occurred and no condition or circumstance has existed that could result in a material increase in the benefits under or the expense of maintaining any Employee Benefit Plan from the level of benefits or expense incurred for the most current fiscal year thereof.

Except as set forth in Section 2.13 of the Disclosure Schedule, neither CT nor CTF (i) is or has ever been a party to, contributed to, or had a legal obligation with respect to a multiemployer plan, as defined in Section 4001(a)(3) of ERISA, or (ii) is a party to, or maintains or contributes to, any employee benefit plan subject to Title IV of ERISA and/or Section 412 of the Code.

(c) Liabilities. No Employee Benefit Plan subject to Section 412 or 418B of the Code or Section 302 of ERISA has incurred any accumulated funding deficiency within the meaning of Section 412 or 418B of the Code or Section 302 of ERISA, respectively, or has applied for or obtained a waiver from the IRS of any minimum funding requirement under Section 412 of the Code. Neither CT nor CTF has incurred any liability to the Pension Benefit Guaranty Corporation ("PBGC") in connection with any Employee Benefit Plan covering any employees or former employees of CT or CTF, including any liability under Section 4069 or 4212(c) of ERISA or any penalty imposed under Section 4071 of ERISA, or ceased operations at any facility or withdrawn from any such Employee Benefit Plan in a manner which could subject it to liability under Section 4062, 4063 or 4064 of ERISA, or knows of any facts or circumstances that might give rise to any liability of CT or CTF to the PBGC under Title IV of ERISA that could reasonably be anticipated to result in any claims being made against Burnup by the PBGC.

Neither CT nor CTF maintains any Employee Benefit Plan which is a "group health plan" (as such term is defined in Section 5000(b)(1) of the Code) that has not been administered and operated in all respects in compliance with the applicable requirements of Section 601 of ERISA and Section 4980B(f) of the Code and neither CT nor CTF is subject to any liability, including, without limitation, additional contributions, fines, penalties or loss of tax deduction as a result of such administration and operation. Neither CT nor CTF maintains any Employee Benefit Plan (whether qualified or nonqualified within the meaning of Section 401(a) of the Code) providing for retiree health and/or life benefits and having unfunded liabilities. Neither CT nor CTF maintains any Employee Benefit Plan which is an "employee welfare benefit plan" (as such term is defined in Section 3(1) of ERISA) that has provided any "disqualified benefit" (as such term is defined in Section 4976(b) of the Code) with respect to which an excise tax could be imposed.

Neither CT nor CTF has any unfunded liabilities pursuant to any Employee Benefit Plan that is not intended to be qualified under Section 401(a) of the Code.

Neither CT nor CTF has incurred any liability for any tax or excise tax arising under Section 4977, 4978, 4978B, 4979, 4980 or 4980B of the Code, and no event has occurred and no condition or circumstance has existed that could give rise to any such liability.

There are no actions, suits or claims pending, or, to the best knowledge of Sellers, threatened, anticipated or expected to be asserted against any Employee Benefit Plan or the assets of any such plan (other than routine claims for benefits and appeals of denied routine claims). No civil or criminal action brought pursuant to the provisions of Title I, Subtitle B, Part 5 of ERISA is pending, threatened, anticipated, or expected to be asserted against CT or CTF or any fiduciary of any Employee Benefit Plan, in any case with respect to any Employee Benefit Plan. No Employee Benefit Plan or any fiduciary thereof has been the direct or indirect subject of an audit, investigation or examination by any governmental or quasi-governmental agency.

(d) Contributions. Full payment has been made of all amounts which CT or CTF is required, under applicable law or under any Employee Benefit Plan or any agreement relating to any Employee Benefit Plan to which

CT or CTF is a party, to have paid as contributions thereto as of the last day of the most recent fiscal year of such Employee Benefit Plan ended prior to the date hereof. All such contributions have been fully deducted for income tax purposes and no such deduction has been challenged or disallowed by any governmental entity, and to the best knowledge of Sellers, no event has occurred and no condition or circumstance has existed that could give rise to any such challenge or disallowance. CT and CTF have made adequate provision for reserves to meet contributions that have not been made because they are not yet due under the terms of any Employee Benefit Plan or related agreements. Benefits under all Employee Benefit Plans are as represented and have not been increased subsequent to the date as of which documents have been provided.

(e) Tax Qualification. Each Employee Benefit Plan intended to be qualified under Section 401(a) of the Code has been determined to be so qualified by the IRS. Each trust established in connection with any Employee

Benefit Plan which is intended to be exempt from Federal income taxation under Section 501(a) of the Code has been determined to be so exempt by the IRS. Since the date of each most recent determination referred to in this paragraph (e), no event has occurred and no condition or circumstance has existed that resulted or is likely to result in the revocation of any such determination or that could adversely affect the qualified status of any such Employee Benefit Plan or the exempt status of any such trust.

(f) Transactions. Neither CT nor CTF nor any of their respective directors, officers, employees or, to the best knowledge of Sellers, other Persons who participate in the operation of any Employee Benefit Plan or related trust or funding vehicle, has engaged in any transaction with respect to any Employee Benefit Plan or breached any applicable fiduciary responsibilities or obligations under Title I of ERISA that would subject any of them to a tax, penalty or liability for prohibited transactions under ERISA or the Code or would result in any claim being made under, by or on behalf of any such Employee Benefit Plan by any Person with standing to make such claim.

(g) Triggering Events. The execution and delivery of this Agreement and the consummation of the transactions contemplated hereby, do not constitute a triggering event under any Employee Benefit Plan, policy, arrangement, statement, commitment or agreement, whether or not legally enforceable, which (either alone or upon the occurrence of any additional or subsequent event) will or may result in any payment (whether of severance pay or otherwise), acceleration, vesting or increase in benefits to any employee or former employee or director of CT or CTF. Except as set forth in Section 2.13 of the Disclosure Schedule, no Employee Benefit Plan provides for the payment of severance benefits upon the termination of an employee's employment.

(h) Documents. Sellers have delivered or caused to be delivered to Burnup and their counsel true and complete copies of all material documents in connection with each Employee Benefit Plan, including, without limitation (where applicable): (i) all Employee Benefit Plans as in effect on the date hereof, together with all amendments thereto, including, in the case of any Employee Benefit Plan not set forth in writing, a written description thereof; (ii) all current summary plan descriptions, summaries of material modifications, and material communications; (iii) all current trust agreements, declarations of trust and other documents establishing other

funding arrangements (and all amendments thereto and the latest financial statements thereof); (iv) the most recent Internal Revenue Service determination letter obtained with respect to each Employee Benefit Plan intended to be qualified under Section 401(a) of the Code or exempt under Section 501(a) of the Code; (v) Form 5500 for each of the last three years for each Employee Benefit Plan required to file such Form; (vi) the most

recently prepared financial statements; and (vii) all contracts relating to each Employee Benefit Plan, including, without limitation, service provider agreements, insurance contracts, annuity contracts, investment management agreements, subscription agreements, participation agreements, and recordkeeping agreements.

Section 2.14 Employee Relations. Except as set forth in Section 2.14 of the Disclosure Schedule, neither CT nor CTF is a party to or subject to any collective bargaining agreements. Except as set forth in Section 2.14 of the Disclosure Schedule, no representation question exists respecting the employees of CT or CTF. No controversies, disputes or proceedings are pending or threatened between CT or CTF, on the one hand, and their employees (singly or collectively), on the other hand. CT and CTF currently comply in all material respects with the applicable laws, rules and regulations relating to employment and employment practices and have not and are not engaged in any unfair labor practice. Except as set forth in Section 2.14 of the Disclosure Schedule, neither CT nor CTF have received any notice alleging the failure to comply in any material respect with any such laws, rules or regulations.

Section 2.15 Material Agreements and Contracts. Section 2.15 of the Disclosure Schedule contains a true and complete list of all written agreements, contracts, contract rights, guarantees and commitments, and all amendments thereto, to which either CT or CTF is a party and not disclosed in any other section of the Disclosure Schedule, which are material to the business of CT and CTF as presently conducted or the performance of which by any party thereto will involve consideration in an amount or fair market value in excess of $250,000. Each such contract or agreement is in full force and effect, and, to the best knowledge of Sellers, no party to any such contract or other agreement is in default thereunder, nor does any event, occurrence, condition or act exist which, with the giving of notice, the lapse of time or the occurrence of any other event or condition, would constitute a default thereunder.

Section 2.16 Real Property; Leases. Section 2.16 of the Disclosure Schedule lists all real property owned by CT or CTF (the "Owned Real Property") or leased by CT or CTF as lessee or lessor (the "Leased Real Property"). Except as set forth on Section 2.16, each of CT and CTF has good and marketable title to the Owned Real Property free and clear of all Liens other than such Liens as would not affect the marketability of such title. All leases with respect to the Leased Real Property are in full force and effect. Except as set forth in Section 2.16 of the Disclosure Schedule, CT and CTF are in compliance in all material respects with the terms of any such lease and, to the best knowledge of Sellers, there exists no default under each such lease or event, occurrence, condition or act which, with the giving of notice, the lapse of time or the occurrence of any other event or condition, would become a default under any such lease; and no waiver or indulgence has been granted by the lessor under any such lease. Except as set forth in Section 2.16 of the Disclosure Schedule, neither CT nor CTF has received or been served with any notice of condemnation or other taking by way of eminent domain with respect to any of the Owned Real Property or Leased Real Property. The current use by CT and CTF of the Owned Real Property and the Leased Real Property complies in all material respects with all applicable zoning laws and building ordinances. All buildings and structures owned or leased by CT or CTF are in good operating condition and in a state of good maintenance and repair, and are adequate and suitable in all material respects for the purposes for which they are presently used.

Section 2.17 Title to and Condition of Certain Personal Property. The personal property reflected in the balance sheet of each of CT and CTF at June 30, 1993, comprise all of the personal property owned by CT and CTF, as the case may be, and used in connection with the operation of their businesses (the "Personal Property") as now conducted, except for personal property sold or retired in the ordinary course of business consistent with past practice. Except as set forth in Section 2.17 of the Disclosure

Schedule, CT or CTF, as the case may be, has good and marketable title to all Personal Property free and clear of all Liens. All such Personal Property is in good operating condition and in a state of good maintenance and repair, normal wear and tear excepted, and is adequate and suitable for the purposes for which it is presently used.

Section 2.18 Insurance. Section 2.18 of the Disclosure Schedule sets forth a true and complete list and brief description of all policies of insurance (including all bonding arrangements) owned or held by CT and CTF.

Such policies, with respect to their amounts and types of coverage, are adequate to insure against all material risks to which CT or CTF is normally exposed in the operation of their businesses and against which it is customary to insure. Since June 30, 1993, there has not been any material adverse change in the relationship between CT and CTF, on the one hand, and their respective insurers, on the other hand.

Section 2.19 Environmental Matters. Except as disclosed in Section 2.19 of the Disclosure Schedule, neither CT nor CTF has been alleged to be in violation of, or has been subject to any administrative or judicial proceeding pursuant to, any laws or regulations governing the generation, use, collection, discharge or disposal of Hazardous Materials (as defined below) either now or at any time during the past three years. Except as disclosed in Section 2.19 of the Disclosure Schedule, each of CT and CTF has complied in all material respects with all Environmental Laws (as defined below) except those Environmental Laws the noncompliance with which would not have a material adverse effect on the financial condition of CT or CTF. For purposes of this Section 2.19 and Section 3.19, "Hazardous Materials" shall mean materials defined as "hazardous substances", "hazardous wastes" or "solid wastes" in (i) the Comprehensive Environmental Response, Compensation and Liability Act of 1980, 42 U.S.C. Sections 9601-9657, and any amendments thereto ("CERCLA"), (ii) the Resource Conservation and Recovery Act, 42 U.S.C. Sections 6901-6987 and any amendments thereto ("RCRA"), and (iii) any similar Federal, state or local environmental statute (together with CERCLA and RCRA, the "Environmental Laws").

Section 2.20 Disclosure. Neither this Agreement, nor any certificate delivered in accordance with the terms hereof nor any document or statement in writing which is delivered by or on behalf of Sellers to Burnup or any of their representatives or agents in connection with the transactions contemplated hereby, when taken as a whole, contains an untrue statement of a material fact, or omits to state any material fact necessary to make the statements contained herein or therein not misleading.

Section 2.21 Finders' Fees. There is no broker, finder or other intermediary which has been retained by, or is authorized to act on behalf of, CT, CTF or Sellers who might be entitled to any fee or commission from any Person in connection with the transactions contemplated by this Agreement.

Section 2.22 Licenses and Permits. CT and CTF have obtained and maintain all licenses and permits required to be obtained or maintained by CT and CTF to operate their respective businesses in any material respect in the manner presently conducted.

Section 2.23 Powers of Attorney and Suretyships. Section 2.23 of the Disclosure Schedule contains a true and complete list showing (a) the names of all Persons holding powers of attorney from CT and CTF and a summary statement of the material terms thereof and (b) the names of all Persons standing in the position of surety to, or otherwise holding rights of subrogation against, CT and CTF under a performance, surety or other bond or similar instrument and a summary statement of the material terms thereof.

Section 2.24 Intellectual Property. Except as set forth in Section 2.24 of the Disclosure Schedule, CT and CTF own all right, title and interest in the Intellectual Property (as defined below) necessary to the operation of their respective businesses. To the extent set forth in Section 2.24 of the Disclosure Schedule, each item of Intellectual Property has been duly registered with, filed in, or issued by the appropriate domestic or foreign governmental agency, and each such registration, filing and issuance remains in full force and effect. Except as set forth in Section 2.24 of the Disclosure Schedule, no claim adverse to the interests of CT and CTF in the Intellectual Property has been, to the best knowledge of Sellers, threatened or asserted, and no Person has infringed or otherwise violated CT's or CTF's rights in any of the Intellectual Property. For purposes of this Section 2.24 and Section 3.25, "Intellectual Property" means domestic and foreign patents and patent applications, registered and unregistered trademarks, service marks, trade names, registered and unregistered copyrights, computer programs, data bases, trade secrets and proprietary information.

Section 2.25 Acquisition as Investment. Each of Sellers is acquiring the Burnup Shares for his own account and for investment, and not with a view to, or for sale in connection with, any distribution of Burnup Shares.

ARTICLE III
REPRESENTATIONS AND WARRANTIES
OF BURNUP

Burnup represents and warrants to each Seller as of the date hereof and as of the Closing Date as follows:

Section 3.1 Organization. Burnup is a corporation duly organized, validly existing and in good standing under the laws of Delaware and has all requisite corporate power and authority to own, lease and operate its properties and to carry on its business as now being conducted. Burnup is duly qualified or licensed and in good standing to do business in each jurisdiction in which the character or location of the property owned, leased or operated by it or the nature of the business conducted by it makes such qualification or licensing necessary. Burnup has heretofore delivered to Sellers accurate and complete copies of the Certificate of Incorporation and By-Laws, as currently in effect, of Burnup.

Section 3.2 Capitalization. The authorized capital stock of Burnup consists solely of 25,000,000 shares of common stock, par value $.10 per share, and 5,000,000 shares of preferred stock, par value $1.00 per share (the "Preferred Stock"). On September 1, 1993, there were 8,768,339 shares of common stock issued and outstanding and no shares of Preferred Stock issued and outstanding. All the issued and outstanding shares of common stock are validly issued, fully paid and nonassessable. Except as set forth in Section 3.2 of the disclosure schedule delivered by Burnup to Sellers dated the date hereof (the "Burnup Disclosure Schedule") and the Burnup SEC Reports (as defined in Section 3.6), there are no preemptive rights, subscriptions, options, warrants, puts, calls, rights, exchangeable or convertible securities or other agreements or commitments of any character obligating Burnup to issue, transfer, sell, purchase or redeem any of its securities. Except as set forth in Section 3.2 of the Burnup Disclosure Schedule and the Burnup SEC Reports, since July 31, 1993, Burnup has not issued any shares of its capital stock or any other securities exchangeable or exercisable for or convertible into shares of capital stock of Burnup, except shares issuable upon the exercise of the options described in Section 3.2 of the Burnup Disclosure Schedule.

Upon approval by the Board of Directors of Burnup, the Burnup Shares to be issued on the Closing Date will be reserved for issuance in accordance with the provisions of this Agreement. Upon issuance and delivery to Sellers in accordance with this Agreement, the Burnup Shares shall

constitute legally and validly authorized and issued, fully paid and nonassessable shares, free and clear of all Liens.

Section 3.3 Subsidiaries and Investments. All direct or indirect subsidiaries of Burnup (each, a "Burnup Subsidiary" and together, the "Burnup Subsidiaries") and all equity investments of Burnup or any Burnup Subsidiary in any other Person are set forth in Section 3.3 of the Burnup Disclosure Schedule. Each Burnup Subsidiary is a corporation duly organized, validly existing and in good standing under the laws of its jurisdiction of incorporation (as set forth in such Schedule), has all requisite corporate power to own, lease and operate its properties and to carry on its business as now conducted and is duly qualified or licensed to do business as a foreign corporation and is in good standing in each jurisdiction in which the character or location of the property owned, leased or operated by it or the nature of the business conducted by it make such qualification or licensing necessary, except where the lack of such qualification or licensing would not have a material adverse effect on the financial condition of Burnup and the Burnup Subsidiaries, taken as a whole. Burnup has heretofore delivered to CT and CTF accurate and complete copies of the Certificate of Incorporation and By-Laws, as currently in effect, of each of the Burnup Subsidiaries.

Section 3.4 Authority Relative to this Agreement. Subject to approval by the Board of Directors and stockholders of Burnup, Burnup has full corporate power and authority to execute and deliver this Agreement and to consummate the transactions contemplated hereby. Upon approval by the Board of Directors and stockholders of Burnup, the execution and delivery of this Agreement and the consummation of the transactions contemplated hereby will be duly and validly authorized by Burnup and no other corporate proceedings on the part of Burnup will be necessary to authorize this Agreement or to consummate the transactions so contemplated. Upon such approval, this Agreement will be duly and validly executed and delivered by Burnup and will constitute a valid and binding agreement of Burnup, enforceable against it in accordance with its terms.

Section 3.5 Consents and Approvals; No Violations. Except for applicable requirements of the Securities Exchange Act of 1934, as amended (the "Exchange Act") and the HSR Act and, except as set forth in Section 3.5 of the Burnup Disclosure Schedule, no filing with, and no permit, authorization, consent or approval of, any Governmental Entity, is necessary in connection with the execution and delivery by Burnup of this Agreement or the consummation by Burnup of the transactions contemplated by this Agreement. Except as set forth in Section 3.5 of the Burnup Disclosure Schedule, neither the execution and delivery of this Agreement by Burnup, nor

the consummation by Burnup of the transactions contemplated hereby or by the NBC Agreement (as defined in Section 7.1(d)) nor compliance with any of the provisions hereof or thereof will (i) conflict with or result in any breach of any provision of the Certificate of Incorporation or By-Laws of Burnup, (ii) result in a violation or breach of, or constitute (with or without due notice or lapse of time or both) a default (or give rise to any right of termination, cancellation or acceleration) under or require consent under, any of the terms, conditions or provisions of any note, bond, mortgage, indenture, license, contract, agreement or other instrument or obligation to which Burnup is a party or by which it or any of its properties or assets may be bound or (iii) subject to making the filings and obtaining the permits, authorizations, consents and approvals referred to in the preceding sentence, violate any order, writ, injunction, decree, statute, treaty, rule or regulation applicable to Burnup, or any of its properties or assets.

Section 3.6 Reports. Burnup has filed all required forms, reports and documents with the Securities and Exchange Commission ("SEC") for its immediately preceding three fiscal years and the period ended July 31, 1993 (collectively, the "Burnup SEC Reports"), all of which, when filed, complied in all material respects with all applicable requirements of the Securities

Act (as defined in clause (a) of Article VI) and the Exchange Act and the rules and regulations promulgated thereunder. None of the Burnup SEC Reports, when made, contained any untrue statement of a material fact or omitted to state a material fact required to be stated therein or necessary to make the statements therein not misleading. Except as set forth in Section 3.6 of the Burnup Disclosure Schedule, and except as set forth in the Burnup SEC Reports, each of the balance sheets (including the related notes) included in the Burnup SEC Reports fairly presents the consolidated financial position of Burnup and the Burnup Subsidiaries as of the respective dates thereof, and the other related statements (including the related notes) included therein fairly present the consolidated results of operations and the changes in consolidated financial position of Burnup and the Burnup Subsidiaries for the respective periods indicated therein, except, in the case of interim financial statements, for year-end audit adjustments, consisting only of normal recurring accruals which individually and in the aggregate are not material. Except as set forth in the Burnup SEC Reports, each of the financial statements (including the related notes) included in the Burnup SEC Reports has been prepared in accordance with generally accepted accounting principles consistently applied during the periods involved, except as otherwise noted therein. Burnup has maintained its books

of account in the usual, regular and ordinary manner in accordance with generally accepted accounting principles applied on a consistent basis. Except as set forth in Section 3.6 of the Burnup Disclosure Schedule, since July 31, 1993, no material adverse change has occurred in the assets or liabilities, condition, financial or otherwise, or business or in the results of operations or prospects of Burnup and the Burnup Subsidiaries, taken as a whole.

Section 3.7 No Undisclosed Liabilities. Except as and to the extent set forth in Burnup's audited balance sheet for the fiscal year ended April 30, 1993 and the unaudited July 31, 1993 balance sheet (the "Burnup Balance Sheets"), neither Burnup nor any of the Burnup Subsidiaries had at April 30, 1993 or July 31, 1993 any material liabilities required by generally accepted accounting principles to be reflected on a consolidated balance sheet of Burnup and the Burnup Subsidiaries. Except as and to the extent set forth in Section 3.7 of the Burnup Disclosure Schedule or disclosed in the Burnup Balance Sheets, neither Burnup nor any Burnup Subsidiary has incurred any liabilities (absolute, accrued, contingent or otherwise) since July 31, 1993, except liabilities incurred in the ordinary course of business consistent with past practice, or in connection with effecting the transactions contemplated hereby.

Section 3.8 Information in Disclosure Documents. None of the information included or incorporated by reference in the Proxy Statement (other than information supplied in writing by or on behalf of Sellers in accordance with Section 2.8) will, at the time it is mailed to stockholders of Burnup and at the time of the meeting of stockholders of Burnup to be held for the purpose of voting upon the Acquisition or any adjournment of such meeting, contain any untrue statement of a material fact or omit to state any material fact required to be stated therein or necessary to make the statements therein not misleading. The Proxy Statement will comply in all material respects with the provisions of the Exchange Act and the rules and regulations thereunder, except that no representation is made by Burnup with respect to statements made therein based on information supplied by or on behalf of any Seller in writing for inclusion or incorporation by reference in the Proxy Statement.

Section 3.9 No Default. Except as set forth in the Burnup SEC Reports or Section 3.9 of the Burnup Disclosure Schedule, neither Burnup nor any Burnup Subsidiary is in default or violation (and no event has occurred

which, with the giving of notice, the lapse of time or the occurrence of any other event, would constitute a default or violation) of any term, condition

or provision of (i) its Certificate of Incorporation or By-Laws, (ii) any note, bond, mortgage, indenture or other obligation to which Burnup or any Burnup Subsidiary is a party or by which it or any of its properties or assets may be bound or (iii) any order, writ, injunction, decree, statute, rule or regulation applicable to Burnup or any Burnup Subsidiary.

Section 3.10 Litigation. Except as disclosed in the Burnup SEC Reports or in Section 3.10 of the Burnup Disclosure Schedule, there is no action, suit, administrative, judicial or arbitral proceeding, review or investigation pending or, to the best knowledge of Burnup, threatened, at law or in equity, or before any Governmental Entity, which, if adversely determined, could involve a liability to Burnup or any Burnup Subsidiary in excess of $200,000, or which could materially and adversely affect the right or ability of Burnup or any Burnup Subsidiary to carry on its businesses as now conducted or to consummate the transactions contemplated hereby.

Section 3.11 Compliance with Applicable Law. Except as set forth in Section 3.11 of the Burnup Disclosure Schedule, neither Burnup nor any Burnup Subsidiary is in violation of, or has violated within the last three years, any applicable provisions of any laws (including, without limitation, Federal and state securities law), statutes, ordinances or regulations in any material respect or any term of any judgment, decree, injunction or order outstanding against them, or any of them, which violation would have a material adverse effect on the financial condition of Burnup and the Burnup Subsidiaries, taken as a whole.

Section 3.12 Taxes. Except as set forth in Section 3.12 of the Burnup Disclosure Schedule, Burnup and each of the Burnup Subsidiaries have filed with the appropriate Governmental Entities, within the times and in the manner required by law, all Tax Returns required to be filed by or with respect to them and each of them and have maintained all required records with respect to Taxes. Such Tax Returns reflect accurately all liability for Taxes of Burnup and the Burnup Subsidiaries for the periods covered thereby. With respect to all taxable periods prior to the date hereof, except as set forth in Section 3.12 of the Burnup Disclosure Schedule, Burnup and each Burnup Subsidiary have paid all Taxes shown to be due on their Tax Returns and all Taxes required to be paid on an estimated or installment basis to the IRS or any other Taxing Authority and, to the extent required by generally

accepted accounting principles, have set up adequate accruals on the Burnup Balance Sheets for the payment of all Taxes which have accrued but are not yet payable by them or any of them. Neither Burnup nor any Burnup Subsidiary has any tax liabilities which could result in any Lien hereafter being imposed on any of its assets. There are no Liens with respect to Taxes upon any of the properties or assets, real, personal or mixed, tangible or intangible of Burnup or any Burnup Subsidiary, except Liens for current Taxes not yet due. Except as set forth in Section 3.12 of the Burnup Disclosure Schedule, there are no audits of any Tax Returns of Burnup or any Burnup Subsidiary by any Taxing Authority currently in progress. Except as disclosed in Section 3.12 of the Burnup Disclosure Schedule, neither Burnup nor any Burnup Subsidiary has received any written notice of deficiency or assessment or proposed deficiency or assessment from any Taxing Authority which has not been paid. Except as set forth in Section 3.12 of the Burnup Disclosure Schedule, there are no outstanding agreements or waivers extending the statutory period of limitations applicable to any Tax Returns required to be filed by Burnup or any Burnup Subsidiary.

Section 3.13 Burnup Employee Benefit Plans. (a) List of Plans. Set forth in Section 3.13 of the Burnup Disclosure Schedule is a true and complete list of all domestic and foreign: (i) "employee benefit plans," within the meaning of Section 3(3) of ERISA; (ii) bonus, stock option, stock purchase, restricted stock, incentive, profit-sharing, deferred compensation, active, retiree or former employee medical, life, disability or accident benefits (whether or not insured), accrued leave, vacation, sick pay, sick leave, supplemental retirement or unemployment benefit plans, programs, arrangements or practices; and (iii) employment, termination, and severance

contracts or agreements, whether or not any such plans, programs, arrangements, contracts, agreements or practices (referred to in clause (i), (ii) or (iii)) are in writing or are otherwise exempt from the provisions of ERISA, established, maintained or contributed to (or with respect to which an obligation to contribute has been undertaken) by Burnup or any Burnup Subsidiary (including, for this purpose and for the purpose of all of the representations in this Section 3.13, all employers (whether or not incorporated) which by reason of common control are treated together with Burnup or any Burnup Subsidiary as a single employer within the meaning of Section 414 of the Code) since September 2, 1974 ("Burnup Employee Benefit Plan").

(b) Status of Plans. Except as set forth in Section 3.13 of the Burnup Disclosure Schedule, each Burnup Employee Benefit Plan has at all

times been maintained and operated in substantial compliance with its terms and the requirements of all applicable laws, including, without limitation, ERISA and the Code. Except as set forth in Section 3.13, no complete or partial termination of any Burnup Employee Benefit Plan has occurred or is expected to occur. Neither Burnup nor any Burnup Subsidiary has any commitment, or understanding to create, modify or terminate any Burnup Employee Benefit Plan. Except as required by applicable law, no condition or circumstance exists that would prevent the amendment or termination of any Burnup Employee Benefit Plan. No event has occurred and no condition or circumstance has existed that could result in a material increase in the benefits under or the expense of maintaining any Burnup Employee Benefit Plan from the level of benefits or expense incurred for the 1993 Fiscal Year. Neither Burnup nor any Burnup Subsidiary (i) is or has ever been a party to, contributed to, or had a legal obligation with respect to a multiemployer plan, as defined in Section 4001(a)(3) of ERISA, or (ii) is a party to, or maintains or contributes to, any employee benefit plan subject to Title IV of ERISA and/or Section 412 of the Code.

(c) Liabilities. No Burnup Employee Benefit Plan subject to Section 412 or 418B of the Code or Section 302 of ERISA has incurred any accumulated funding deficiency within the meaning of Section 412 or 418B of the Code or Section 302 of ERISA, respectively, or has applied for or obtained a waiver from the IRS of any minimum funding requirement under Section 412 of the Code. Neither Burnup nor any Burnup Subsidiary has incurred any liability to the PBGC in connection with any Burnup Employee Benefit Plan covering any employees or former employees of Burnup or any Burnup Subsidiary, including any liability under Section 4069 or 4212(c) of ERISA or any penalty imposed under Section 4071 of ERISA, or ceased operations at any facility or withdrawn from any such Burnup Employee Benefit Plan in a manner which could subject it to liability under Section 4062, 4063 or 4064 of ERISA, or knows of any facts or circumstances that might give rise to any liability of Burnup or any Burnup Subsidiary to the PBGC under Title IV of ERISA that could reasonably be anticipated to result in any claims being made against Sellers or CT and CTF by the PBGC.

Neither Burnup nor any Burnup Subsidiary maintains any Burnup Employee Benefit Plan which is a "group health plan" (as such term is defined in Section 5000(b)(1) of the Code) that has not been administered and operated in all respects in compliance with the applicable requirements of Section 601 of ERISA and Section 4980B(f) of the Code and neither Burnup nor

any Burnup Subsidiary is subject to any liability, including, without limitation, additional contributions, fines, penalties or loss of tax deduction as a result of such administration and operation. Except as set forth in Section 3.13 of the Burnup Disclosure Statement, neither Burnup nor any Burnup Subsidiary maintains any Burnup Employee Benefit Plan (whether qualified or nonqualified within the meaning of Section 401(a) of the Code) providing for retiree health and/or life benefits and having unfunded liabilities. Except as set forth in Section 3.13 of the Burnup Disclosure Schedule, neither Burnup nor any Burnup Subsidiary maintains any Burnup

Employee Benefit Plan which is an "employee welfare benefit plan" (as such term is defined in Section 3(1) of ERISA) that has provided any "disqualified benefit" (as such term is defined in Section 4976(b) of the Code) with respect to which an excise tax could be imposed.

Except as set forth in Section 3.10 of the Burnup Disclosure Schedule, neither Burnup nor any Burnup Subsidiary has any unfunded liabilities pursuant to any Burnup Employee Benefit Plan that is not intended to be qualified under Section 401(a) of the Code.

Neither Burnup nor any Burnup Subsidiary has incurred any liability for any tax or excise tax arising under Section 4977, 4978, 4978B, 4979, 4980 or 4980B of the Code, and no event has occurred and no condition or circumstance has existed that could give rise to any such liability.

Except as set forth in Section 3.13 of the Burnup Disclosure Schedule, there are no actions, suits or claims pending, or, to the best knowledge of Burnup, threatened, anticipated or expected to be asserted against any Burnup Employee Benefit Plan or the assets of any such plan (other than routine claims for benefits and appeals of denied routine claims). No civil or criminal action brought pursuant to the provisions of Title I, Subtitle B, Part 5 of ERISA is pending, threatened, anticipated, or expected to be asserted against Burnup or any Burnup Subsidiary or any fiduciary of any Burnup Employee Benefit Plan, in any case with respect to any Burnup Employee Benefit Plan. No Burnup Employee Benefit Plan or any fiduciary thereof has been the direct or indirect subject of an audit, investigation or examination by any governmental or quasi-governmental agency.

(d) Contributions. Full payment has been made of all amounts which Burnup or any Burnup Subsidiary is required, under applicable law or

under any Burnup Employee Benefit Plan or any agreement relating to any Burnup Employee Benefit Plan to which Burnup or any Burnup Subsidiary is a party, to have paid as contributions thereto as of the last day of the most recent fiscal year of such Burnup Employee Benefit Plan ended prior to the date hereof. All such contributions have been fully deducted for income tax purposes and no such deduction has been challenged or disallowed by any governmental entity, and to the best knowledge of Burnup, no event has occurred and no condition or circumstance has existed that could give rise to any such challenge or disallowance. Burnup and the Burnup Subsidiaries have made adequate provision for reserves to meet contributions that have not been made because they are not yet due under the terms of any Burnup Employee Benefit Plan or related agreements. Benefits under all Burnup Employee Benefit Plans are as represented and have not been increased subsequent to the date as of which documents have been provided.

(e) Tax Qualification. Each Burnup Employee Benefit Plan intended to be qualified under Section 401(a) of the Code has been determined to be so qualified by the IRS. Each trust established in connection with any Burnup Employee Benefit Plan which is intended to be exempt from Federal income taxation under Section 501(a) of the Code has been determined to be so exempt by the IRS. Since the date of each most recent determination referred to in this paragraph (e), no event has occurred and no condition or circumstance has existed that resulted or is likely to result in the revocation of any such determination or that could adversely affect the qualified status of any such Burnup Employee Benefit Plan or the exempt status of any such trust.

(f) Transactions. Neither Burnup nor any Burnup Subsidiary nor any of their respective directors, officers, employees or, to the best knowledge of Burnup, other Persons who participate in the operation of any Burnup Employee Benefit Plan or related trust or funding vehicle, has engaged in any transaction with respect to any Burnup Employee Benefit Plan or breached any applicable fiduciary responsibilities or obligations under Title I of ERISA that would subject any of them to a tax, penalty or liability for prohibited transactions under ERISA or the Code or would result in any claim

being made under, by or on behalf of any such Burnup Employee Benefit Plan by any Person with standing to make such claim.

(g) Triggering Events. The execution and delivery of this Agreement and the consummation of the transactions contemplated hereby, do not constitute a triggering event under any Burnup Employee Benefit Plan,

policy, arrangement, statement, commitment or agreement, whether or not legally enforceable, which (either alone or upon the occurrence of any additional or subsequent event) will or may result in any payment (whether of severance pay or otherwise), acceleration, vesting or increase in benefits to any employee or former employee or director of Burnup or any Burnup Subsidiary. Except as set forth in Section 3.13 of the Burnup Disclosure Schedule, no Burnup Employee Benefit Plan provides for the payment of severance benefits upon the termination of an employee's employment.

(h) Documents. Burnup has delivered or caused to be delivered to Sellers and their counsel true and complete copies of all material documents in connection with each Burnup Employee Benefit Plan, including, without limitation (where applicable): (i) all Burnup Employee Benefit Plans as in effect on the date hereof, together with all amendments thereto, including, in the case of any Burnup Employee Benefit Plan not set forth in writing, a written description thereof; (ii) all current summary plan descriptions, summaries of material modifications, and material communications; (iii) all current trust agreements, declarations of trust and other documents establishing other funding arrangements (and all amendments thereto and the latest financial statements thereof); (iv) the most recent Internal Revenue Service determination letter obtained with respect to each Burnup Employee Benefit Plan intended to be qualified under Section 401(a) of the Code or exempt under Section 501(a) of the Code; (v) Form 5500 for each of the last three years for each Burnup Employee Benefit Plan required to file such Form; (vi) the most recently prepared financial statements; and (vii) all contracts relating to each Burnup Employee Benefit Plan, including, without limitation, service provider agreements, insurance contracts, annuity contracts, investment management agreements, subscription agreements, participation agreements, and recordkeeping agreements.

Section 3.14 Employee Relations. Except as set forth in Section 3.14 of the Burnup Disclosure Schedule, neither Burnup nor any Burnup Subsidiary is a party to any employment agreement or collective bargaining agreement. No representation question exists respecting the employees of Burnup or any Burnup Subsidiary. No controversies, disputes or proceedings are pending or threatened between Burnup or any Burnup Subsidiary, on the one hand, and any of its employees (singly or collectively), on the other hand. Burnup and the Burnup Subsidiaries currently comply in all material respects with all applicable laws, rules and regulations relating to employment or employment practices, and have not and are not engaged in any unfair labor

practice. Except as set forth in Section 3.14 of the Burnup Disclosure Schedule, neither Burnup nor any Burnup Subsidiary has received any notice alleging that it has failed to comply in any material respect with any such laws, rules or regulations.

Section 3.15 Material Agreements and Contracts. Section 3.15 of the Burnup Disclosure Schedule lists all written agreements, contracts, contract rights, guarantees and commitments and all amendments thereto, to which Burnup or any Burnup Subsidiary is a party and not disclosed in any other section of the Burnup Disclosure Schedule, which are material to the business of Burnup or any Burnup Subsidiary as presently conducted or the performance of which by any party thereto will involve consideration in an amount or fair market value in excess of $500,000. Each such contract or other agreement is in full force and effect, and, to the best knowledge of Burnup, no party to any such contract or other agreement is in default thereunder nor does any event, occurrence, condition or act exist which, with

the giving of notice, the lapse of time or the occurrence of any other event or condition, would constitute a default thereunder.

Section 3.16 Real Property; Leases. Section 3.16 of the Burnup Disclosure Schedule lists all real property owned by Burnup or any Burnup Subsidiary (the "Burnup Real Property") or leased by Burnup or any Burnup Subsidiary as lessee or lessor (the "Burnup Leased Property"). Except as set forth in Section 3.16 of the Burnup Disclosure Schedule, Burnup and/or one or more Burnup Subsidiaries, as the case may be, have good and marketable title to the Burnup Real Property free and clear of all Liens other than such Liens as would not affect the marketability of such title. All leases with respect to the Burnup Leased Property are in full force and effect. Except as set forth in Section 3.16 of the Burnup Disclosure Schedule, Burnup or the Burnup Subsidiaries are in compliance in all material respects with the terms of each such lease to which they or any of them is a party and, to the best knowledge of Burnup, there exists no default under each such lease or event, occurrence, condition or act which, with the giving of notice, the lapse of time or the occurrence of any other event or condition, would become a default under any such lease; and no waiver or indulgence has been granted by the lessor under any such lease. Except as set forth in Section 3.16 of the Burnup Disclosure Schedule, neither Burnup nor any Burnup Subsidiary has received or been served with any notice of condemnation or other taking by way of eminent domain with respect to any of the Burnup Real Property or Burnup Leased Property. The current use of the Burnup Real Property and the

Burnup Leased Property complies in all material respects with all applicable zoning laws and building ordinances. All buildings and structures owned or leased by Burnup or any Burnup Subsidiary are in good operating condition and in a state of good maintenance and repair, and are adequate and suitable in all material respects for the purposes for which they are presently used.

Section 3.17 Title to and Condition of Certain Personal Property. The personal property reflected in the Burnup Balance Sheets comprise all of the personal property owned by Burnup and used in connection with the operation of the businesses of Burnup and the Burnup Subsidiaries (the "Burnup Personal Property") as now conducted, except for personal property sold or returned in the ordinary course of business consistent with past practice. Except as set forth in Section 3.17 of the Burnup Disclosure Schedule, Burnup and the Burnup Subsidiaries have good and marketable title to all Burnup Personal Property free and clear of all Liens. All such Burnup Personal Property is in good operating condition and in a state of good maintenance and repair, normal wear and tear excepted, and is adequate and suitable for the purposes for which it is presently used.

Section 3.18 Insurance. Section 3.18 of the Burnup Disclosure Schedule sets forth a true and complete list and brief description of all policies of insurance (including all bonding arrangements) owned or held by Burnup and the Burnup Subsidiaries. Except as set forth in Section 3.18 of the Burnup Disclosure Schedule, Burnup and the Burnup Subsidiaries have set up adequate reserves since July 31, 1993, so that, including all coverage provided by all policies of insurance owned and held by Burnup and the Burnup Subsidiaries, Burnup and the Burnup Subsidiaries are insured or reserved against all material risks to which Burnup or any Burnup Subsidiary is normally exposed in the operation of their businesses and against which it is customary to insure. Since July 31, 1993, there has not been any material adverse change in the relationship between Burnup or any Burnup Subsidiary, and their respective insurers.

Section 3.19 Environmental Matters. Except as disclosed in Section 3.19 of the Burnup Disclosure Schedule, neither Burnup nor any Burnup Subsidiary has been alleged to be in violation of, or has been subject to any administrative or judicial proceeding pursuant to, any laws or regulations governing the generation, use, collection, discharge or disposal of Hazardous Materials. Except as disclosed in Section 3.19 of the Burnup Disclosure Schedule, each of Burnup and the Burnup Subsidiaries has complied in all

material respects with all Environmental Laws except for those Environmental Laws the noncompliance with which would not have a material adverse effect on Burnup and the Burnup Subsidiaries, taken as a whole.

Section 3.20 Disclosure. Neither this Agreement, nor any certificate delivered in accordance with the terms hereof nor any document or statement in writing which is delivered by or on behalf of Burnup or any Burnup Subsidiary to Sellers or any of their representatives or agents in connection with the transactions contemplated hereby, when taken as a whole, contains an untrue statement of a material fact, or omits to state any material fact necessary to make the statements contained herein or therein not misleading.

Section 3.21 Finders' Fees. There is no broker, finder or other intermediary which has been retained by or is authorized to act on behalf of, Burnup or any affiliate thereof who might be entitled to any fee or commission from any Person in connection with any of the transactions contemplated by this Agreement.

Section 3.22 Licenses and Permits. Burnup and each Burnup Subsidiary has obtained and maintains all licenses and permits required to be obtained or maintained by them or any of them to operate their respective businesses in any material respect in the manner presently conducted.

Section 3.23 Powers of Attorney and Suretyships. Section 3.23 of the Burnup Disclosure Schedule contains a true and complete list showing (a) the names of all Persons holding powers of attorney from Burnup or any of the Burnup Subsidiaries and a summary statement of the material terms thereof and (b) the names of all Persons standing in the position of surety to, or otherwise holding rights of subrogation against, Burnup or any of the Burnup Subsidiaries under a performance, surety or other bond or similar instrument and a summary statement of the material terms thereof.

Section 3.24 Inventory. The inventory reflected in the Burnup Balance Sheets, and those reflected on the books of Burnup and the Burnup Subsidiaries since the respective dates thereof are, except as set forth in Section 3.24 of the Burnup Disclosure Schedule, useable in the ordinary course of business or saleable in the ordinary course of business for at least the value at which such inventory is reflected on such Balance Sheets and books.

Section 3.25 Intellectual Property. Except as set forth in Section 3.25 of the Burnup Disclosure Schedule, Burnup and each Burnup Subsidiary own all right, title and interest in all Intellectual Property necessary to the operation of their respective businesses. To the extent set forth in Section 3.25 of the Burnup Disclosure Schedule, each item of Intellectual Property has been duly registered with, filed in, or issued by the appropriate domestic or foreign governmental agency, and each such registration, filing and issuance remains in full force and effect. Except as set forth on Section 3.25 of the Burnup Disclosure Schedule, no claim adverse to the interests of Burnup and the Burnup Subsidiaries in the Intellectual Property has been, to the best knowledge of Burnup, threatened or asserted. No Person has infringed or otherwise violated Burnup's or any Burnup Subsidiary's rights in any of the Intellectual Property.

Section 3.26 Acquisition as Investment. Burnup is acquiring the Shares for its own account and for investment, and not with a view to, or for sale in connection with, any distribution of the Shares.

ARTICLE IV
COVENANTS OF SELLERS

During the period from the date of this Agreement and continuing

until the Closing Date (except as otherwise indicated), Sellers, jointly and severally, covenant to Burnup, except as contemplated or permitted by this Agreement or as Burnup shall otherwise consent in writing (which consent shall not be unreasonably denied):

Section 4.1 Conduct of Business. Each of CT and CTF shall carry on its businesses in the ordinary course consistent with past practice and use its best efforts to preserve intact its present business organization and preserve its relationships with its customers.

Section 4.2 Dividends; Reclassification; and Redemptions. Except as set forth in Section 4.2 of the Disclosure Schedule, neither CT nor CTF shall (i) declare, set aside or pay any dividend or other distribution (whether in cash, stock or property or any combination thereof) in respect of any of its capital stock, (ii) split, combine or reclassify any of its capital stock or issue or authorize the issuance of any other securities in

respect of, in lieu of or in substitution for shares of its capital stock, or (iii) repurchase, redeem or otherwise acquire any of its securities.

Section 4.3 Issuance of Securities. Neither CT nor CTF shall authorize for issuance, issue, sell, deliver or agree or commit to issue, sell or deliver (whether through the issuance or granting of options, warrants, commitments, subscriptions, rights to purchase or otherwise) any stock of any class or any other securities (including indebtedness having the right to vote) or equity equivalents (including, without limitation, stock appreciation rights), except upon the conversion or exercise of options, warrants and other rights currently outstanding, or amend any of the terms of any such securities or agreements in effect on the date hereof.

Section 4.4 Articles of Incorporation and By-Laws. Neither CT nor CTF shall amend its Articles of Incorporation or By-Laws.

Section 4.5 Assets. Neither CT nor CTF shall acquire, sell, lease, encumber, transfer or dispose of any assets except in the ordinary course of business consistent with past practice.

Section 4.6 Indebtedness. Except as set forth in Section 4.6 of the Disclosure Schedule, neither CT nor CTF shall incur any indebtedness for borrowed money or guarantee any indebtedness except in the ordinary course of business in an aggregate amount not to exceed $250,000. Neither CT nor CTF shall issue or sell any debt securities or warrants or rights to acquire any debt securities of CT or CTF or guarantee (or become liable for) any debt of others or make any loans, advances or capital contributions or mortgage, pledge or otherwise encumber any material assets or create or suffer any material Lien thereupon except to secure permitted indebtedness.

Section 4.7 Payment of Liabilities. Neither CT nor CTF shall pay, discharge or satisfy any claims, liabilities or obligations (absolute, accrued, contingent or otherwise), other than the payment, discharge or satisfaction in the ordinary course of business consistent with past practice of liabilities (i) reflected or reserved against in, or contemplated by, the financial statements (or the notes thereto) of CT and CTF as of June 30, 1993, (ii) incurred in the ordinary course of business consistent with past practice since June 30, 1993, or (iii) incurred in connection with effecting the transactions contemplated by this Agreement.

Section 4.8 Accounting Practices. Neither CT nor CTF shall change any of the accounting principles or practices used by it (except as required by generally accepted accounting principles).

Section 4.9 Material Rights. Neither CT nor CTF shall make or

permit any amendment or termination of any material contract, agreement or license to which it is a party or by which its business may be bound otherwise than in the ordinary course of business consistent with past practice, or waive or release any material rights, whether or not in the ordinary course of business.

Section 4.10 Capital Expenditures. CT and CTF shall not make or commit to make capital expenditures in the aggregate exceeding $250,000.

Section 4.11 Employee Benefit Plans. Except as set forth in Section 4.11 of the Disclosure Schedule, neither CT nor CTF shall (i) enter into, adopt, amend or terminate any employee benefit plan or any agreement, arrangement, plan or policy between itself and one or more of its directors, executive officers or employees, except as may be required by applicable law or (ii) increase in any manner the compensation or fringe benefits of any director, officer or employee (other than increases made in the ordinary course of business consistent with past practice) or pay any benefit not required by any such plan or arrangement.

Section 4.12 No Solicitations. Sellers shall immediately cease and cause to be terminated any existing discussions or negotiations with any third parties conducted prior to the date hereof with respect to any merger, sale of a significant portion of the assets, recapitalization, sale of shares of capital stock or other extraordinary transaction (each, an "Acquisition Transaction") involving CT or CTF. Sellers shall not, and shall use their best efforts to ensure that none of their affiliates, officers, directors, representatives or agents shall, directly or indirectly, solicit, initiate or encourage (including by way of furnishing information) any Person or group (including any third parties referred to in the first sentence of this Section 4.12) to pursue any Acquisition Transaction (other than the transactions contemplated by this Agreement), provided that such persons may participate in negotiations with or furnish information to a third party (pursuant to a confidentiality agreement in form acceptable to the Board of Directors of CT and CTF), if the Board of Directors determines upon written opinion of counsel that such actions are required pursuant to the exercise of

the Board's fiduciary duty under applicable law. Sellers shall promptly advise Burnup of any such inquiries or proposals initiated by others regarding an Acquisition Transaction.

Section 4.13 Access to Information. During the period prior to the Closing Date, upon reasonable notice, CT and CTF shall afford to the officers, employees, accountants, counsel and other advisers of Burnup and the Burnup Subsidiaries (collectively "Representatives"), access, during normal business hours, to the officers, employees, accountants, counsel and other advisers of CT and CTF having knowledge of the operation of their businesses and to properties, books, contracts, commitments and records of CT and CTF; provided, however, that in conducting such activities, Burnup and the Burnup Subsidiaries shall not, and shall cause their Representatives not to, unduly interfere with the business and employees of CT and CTF. During such period, each of CT and CTF shall furnish promptly to Burnup and its Representatives all information concerning their businesses, properties and personnel as Burnup may reasonably request. Sellers also shall deliver to Burnup for inspection and copying by it and its Representatives, true and complete copies of all documents listed or described in the Disclosure Schedule, and all amendments, modifications, endorsements, and waivers thereof.

Section 4.14 Books and Records. Each of CT and CTF will maintain its books of account and records in the ordinary course of business consistent with past practice.

Section 4.15 Insurance. Each of CT and CTF will use its best efforts to maintain in full force and effect all polices of insurance now held by it or otherwise naming it as a beneficiary or a loss payee and shall inform Burnup of any notice of cancellation or non-renewal of any insurance

policy or binder.

Section 4.16 Leases. Neither CT nor CTF will enter into any real property lease or any personal property leases pursuant to which payments may be made by or to CT and/or CTF in an amount exceeding $250,000 in the aggregate, except in the ordinary course of business consistent with past practice.

Section 4.17 Compliance with Applicable Laws. The business of each of CT and CTF will be conducted in compliance with all applicable laws,

ordinances, rules, regulations, decrees and orders of all Governmental Entities.

Section 4.18 Inconsistent Actions. Neither CT nor CTF shall take any action that would or is reasonably likely to result in any of its representations and warranties set forth in this Agreement being untrue on the Closing Date.

Section 4.19 Notification. Sellers shall promptly notify Burnup in writing if any Seller becomes aware of any misrepresentation, breach of warranty or non-fulfillment of any covenant made by CT or CTF and shall have a period of ten business days from the date on which such Seller became aware thereof to cure such defect; provided, however, that in no event shall the period for the cure of such defect extend beyond the Closing Date.

Section 4.20 Retention of Shares. Sellers shall not, prior to the Closing Date, sell, assign, transfer, pledge, encumber or otherwise dispose of any of the Shares (or any interest therein) nor grant any options or similar rights with respect to any of the Shares.

Section 4.21 Best Efforts. Subject to the terms and conditions of this Agreement, Sellers shall use their best efforts to take, or cause to be taken, all actions, and to do, or cause to be done, all things necessary, proper or advisable to consummate and make effective the transactions contemplated by this Agreement, including, without limitation, the prompt preparation and filing of all forms, registrations and notices required to be filed by Sellers, CT or CTF to consummate the transactions contemplated hereby and the taking of such actions as are necessary to obtain any requisite approvals, consents, orders, exemptions and waivers by any Governmental Entity or other third party. Sellers shall promptly consult with Burnup with respect to, provide any necessary information with respect to and provide Burnup (or its counsel) copies of, all filings made by Sellers with any Governmental Entity in connection with this Agreement and the transactions contemplated hereby. From and after the Closing Date, Sellers shall, from time to time, execute and deliver such further instruments of conveyance, assignment and transfer, and take or cause to be taken, such other action for the more effective conveyance, assignment and transfer of the Shares to Burnup and shall lend all reasonable assistance to Burnup to carry out the intentions and purposes of this Agreement.

Section 4.22 HSR Filings. Sellers shall promptly prepare and file with the appropriate Governmental Entities all forms, applications and related material which may be required with respect to Sellers under the HSR Act in connection with the Acquisition and shall use their best efforts to obtain an early termination of the applicable waiting period.

Section 4.23 Confidentiality. CT and CTF shall use all non-public information delivered by or on behalf of Burnup or any Burnup Subsidiary to Sellers or any of Sellers' Representatives (as defined in Section 5.13) solely for the purpose of evaluating the Acquisition and shall not disclose such information to any other Person or use such information for any other purpose, except as required by applicable law or legal process, without the

prior written consent of Burnup. Sellers shall inform Sellers' Representatives of the confidential nature of such information and shall obtain the agreement of each such Sellers' Representative to maintain and use such confidential information in a manner consistent with the provisions of this Section 4.23. If this Agreement is terminated, Sellers will, and will cause Sellers' Representatives to, destroy or deliver to Burnup all documents, work papers and other materials containing any non-public information furnished by Burnup, any Burnup Subsidiary or any of their Representatives, whether obtained before or after the date of execution hereof.

ARTICLE V
COVENANTS OF BURNUP

During the period from the date of this Agreement and continuing until the Closing Date (except as otherwise indicated), Burnup covenants to Sellers that, except as contemplated or permitted by this Agreement or as Sellers shall otherwise consent in writing (which consent shall not be unreasonably denied):

Section 5.1 Conduct of Business. Burnup and the Burnup Subsidiaries shall carry on their businesses in the ordinary course consistent with past practice and use their best efforts to preserve intact their present business organization and, except as otherwise set forth in Section 3.10 of the Burnup Disclosure Schedule, preserve their relationships with their customers.

Section 5.2 Dividends; Reclassification; and Redemptions. Except as set forth in Section 5.2 of the Burnup Disclosure Schedule, neither Burnup nor any Burnup Subsidiary shall (i) declare, set aside or pay any dividend or other distribution (whether in cash, stock or property or any combination thereof) in respect of any of its capital stock, (ii) split, combine or reclassify any of its capital stock or issue or authorize the issuance of any other securities in respect of, in lieu of or in substitution for shares of its capital stock, or (iii) repurchase, redeem or otherwise acquire any of its securities.

Section 5.3 Issuance of Securities. Neither Burnup nor any Burnup Subsidiary shall authorize for issuance, issue, sell, deliver or agree or commit to issue, sell or deliver (whether through the issuance or granting of options, warrants, commitments, subscriptions, rights to purchase or otherwise) any stock of any class or any other securities (including indebtedness having the right to vote) or equity equivalents (including, without limitation, stock appreciation rights), except as required pursuant to the agreements and instruments in effect on the date hereof, including the issuance of common stock upon the exercise of Burnup stock options outstanding on the date of this Agreement.

Section 5.4 Certificate of Incorporation and By-Laws. Neither Burnup nor any Burnup Subsidiary shall amend its Certificate of Incorporation, except to conform such document to Exhibit A attached hereto, or its By-Laws.

Section 5.5 Assets. Neither Burnup nor any Burnup Subsidiary shall sell, lease, encumber, transfer or dispose of any assets except in the ordinary course of business consistent with past practice.

Section 5.6 Indebtedness. Neither Burnup nor any Burnup Subsidiary shall incur any indebtedness for borrowed money or guarantee any indebtedness except in the ordinary course of business in an aggregate amount not to exceed $500,000. Neither Burnup nor any Burnup Subsidiary shall issue or sell any debt securities or warrants or rights to acquire any debt securities of Burnup or any Burnup Subsidiary or guarantee (or become liable for) any debt of others or make any loans, advances or capital contributions

or mortgage, pledge or otherwise encumber any material assets or create or suffer any material Lien thereupon except to secure permitted indebtedness.

Section 5.7 Payment of Liabilities. Burnup shall not pay, discharge or satisfy any claims, liabilities or obligations (absolute, accrued, contingent or otherwise), other than the payment, discharge or satisfaction in the ordinary course of business consistent with past practice of liabilities (i) reflected or reserved against in the financial statements of Burnup as of July 31, 1993, (ii) incurred in the ordinary course of business consistent with past practice since July 31, 1993, or (iii) incurred in connection with effecting the transactions contemplated by this Agreement.

Section 5.8 Accounting Practices. Neither Burnup nor any Burnup Subsidiary shall change any of the accounting principles or practices used by it (except as required by generally accepted accounting principles).

Section 5.9 Capital Expenditures. Except as set forth in Section 5.9 of the Burnup Disclosure Schedule, Burnup and the Burnup Subsidiaries shall not make or commit to make capital expenditures (other than capitalized repairs) in the aggregate exceeding $500,000.

Section 5.10 Material Rights. Neither Burnup nor any Burnup Subsidiary shall make or permit any amendment or termination of any material contract, agreement or license to which it is a party or by which its business may be bound otherwise that in the ordinary course of business consistent with past practice, or waive or release any material rights, whether or not in the ordinary course of business.

Section 5.11 Burnup Employee Benefit Plans. Except as set forth in Section 5.11 of the Burnup Disclosure Schedule, neither Burnup nor any Burnup Subsidiary shall (i) enter into, adopt, amend or terminate any employee benefit plan or any agreement, arrangement, plan or policy between itself and one or more of its directors, executive officers or employees, except as may be required by applicable law or (ii) increase in any manner the compensation or fringe benefits of any director, officer or employee (other than increases made in the ordinary course of business consistent with past practice) or pay any benefit not required by any such plan or arrangement.

Section 5.12 No Solicitations. Burnup and the Burnup Subsidiaries shall immediately cease and cause to be terminated any existing discussions or negotiations with any third parties conducted prior to the date hereof with respect to any Acquisition Transaction involving Burnup or any Burnup

Subsidiary. Burnup and the Burnup Subsidiaries shall not, and shall use their best efforts to ensure that none of their affiliates, officers, directors, representatives or agents shall, directly or indirectly, solicit, initiate or encourage (including by way of furnishing information) any Person or group (including any third parties referred to in the first sentence of this Section 5.12) to pursue any Acquisition Transaction (other than the transactions contemplated by this Agreement), provided that such persons may participate in negotiations with or furnish information to a third party (pursuant to a confidentiality agreement in form acceptable to the Board of Directors of Burnup), if the Board of Directors determines upon written opinion of counsel that such actions are required pursuant to the exercise of its fiduciary duty under applicable law. Burnup shall promptly advise Sellers of any such inquiries or proposals initiated by others regarding an Acquisition Transaction.

Section 5.13 Access to Information. During the period from the date hereof to the Closing Date, upon reasonable notice, Burnup and the Burnup Subsidiaries shall afford to the officers, employees, accountants, counsel and other advisers of Sellers (collectively "Sellers'

Representatives"), access, during normal business hours, to the officers, employees, accountants, counsel and other advisers of Burnup and the Burnup Subsidiaries and to all of the properties, books, contracts, commitments and records of Burnup and the Burnup Subsidiaries; provided, however, that in conducting such activities, Sellers shall not, and shall cause Sellers' Representatives not to, unduly interfere with the business and employees of Burnup and the Burnup Subsidiaries. During such period, Burnup and the Burnup Subsidiaries shall furnish promptly to Sellers and Sellers' Representatives all information concerning their businesses, properties and personnel as Sellers may reasonably request. Burnup also shall deliver to Sellers for inspection and copying by Sellers and Sellers' Representatives, true and complete copies of all documents listed or described in the Burnup Disclosure Schedule, and all amendments, modifications, endorsements, and waivers thereof.

Section 5.14 Books and Records. Burnup and the Burnup Subsidiaries shall maintain their books of account and records in the ordinary course of business consistent with past practice, and the minute books of each Burnup Subsidiary shall contain accurate records of all meetings of and corporate action taken by (including action taken by written consent) the stockholders and the Board of Directors thereof.

Section 5.15 Insurance. Burnup and the Burnup Subsidiaries shall use their best efforts to maintain in full force and effect all policies of insurance now held by them or otherwise naming them as a beneficiary or a loss payee and shall inform Sellers of any notice of cancellation or non-renewal of any insurance policy or binder.

Section 5.16 Leases. Neither Burnup nor any Burnup Subsidiary shall enter into any real property lease or any personal property leases pursuant to which payments may be made by or to Burnup and/or any Burnup Subsidiary in an amount exceeding $500,000 in the aggregate, except in the ordinary course of business consistent with past practice.

Section 5.17 Compliance with Applicable Law. Burnup and the Burnup Subsidiaries shall conduct their businesses in compliance with all applicable laws, ordinances, rules, regulations, decrees and orders of all Governmental Entities.

Section 5.18 Inconsistent Actions. Neither Burnup nor any Burnup Subsidiary shall take any action that would or is reasonably likely to result in any of its representations and warranties set forth in this Agreement being untrue on the Closing Date.

Section 5.19 Notification. Burnup shall promptly notify Sellers in writing if Burnup or any Burnup Subsidiary becomes aware of any misrepresentation, breach of warranty or non-fulfillment of any covenant made herein by Burnup or any Burnup Subsidiary and shall have a period of ten business days from the date on which Burnup or any Burnup Subsidiary became aware thereof to cure such defect, provided however, that in no event shall the period for the cure of such defect extend beyond the Closing Date.

Section 5.20 Best Efforts. Subject to the terms and conditions of this Agreement, Burnup shall use its best efforts to take, or cause to be taken, all actions, and to do, or cause to be done, all things necessary, proper or advisable to consummate and make effective the transactions contemplated by this Agreement, including, without limitation, the prompt preparation and filing of all forms, registrations and notices required to be filed by Burnup to consummate the transactions contemplated hereby and the taking of such actions as are necessary to obtain any requisite approvals, consents, orders, exemptions and waivers by any Governmental Entity or other third party. Burnup shall promptly consult with Sellers with respect to,

provide any necessary information with respect to and provide Sellers (or

their counsel) copies of, all filings made by Burnup with any Governmental Entity in connection with this Agreement and the transactions contemplated hereby. From and after the Closing Date, Burnup shall, from time to time, execute and deliver such further instruments of conveyance, assignment and transfer, and take or cause to be taken, such other action for the more effective conveyance, assignment and transfer of the Burnup Shares to Sellers and shall lend all reasonable assistance to Sellers in order to carry out the intentions and purposes of this Agreement.

Section 5.21 HSR Filings. Burnup shall promptly prepare and file with the appropriate Governmental Entities all forms, applications and related material which may be required with respect to Burnup under the HSR Act in connection with the Acquisition and shall use its best efforts to obtain an early termination of the applicable waiting period.

Section 5.22 Stockholders Meeting. Burnup shall duly call, give notice of, convene and hold a meeting of its stockholders as promptly as practicable, for the purpose of voting upon this Agreement and the transactions contemplated hereby. Burnup shall promptly prepare and file the Proxy Statement with the SEC, and shall distribute the Proxy Statement to its stockholders in a timely manner, and shall take such action as may be required to have the Proxy Statement cleared by the SEC as promptly as practicable, including, without limitation, responding promptly to any SEC comments with respect thereto. The Proxy Statement shall submit to Burnup's stockholders for their consideration and approval, to the extent required, this Agreement, the transactions contemplated hereby, the slate of Sellers' nominees to serve as members of the Board of Directors after the Closing, the amendment and restatement of the Certificate of Incorporation of Burnup, substantially in the form of Exhibit A attached hereto, and such other matters related to the Acquisition as Sellers shall reasonably request prior to November 1, 1993. Burnup shall, through its Board of Directors, recommend to its stockholders approval of all such matters contained in the Proxy Statement submitted to the stockholders for their consideration and vote, shall coordinate and cooperate with Sellers with respect to the timing of such meeting and shall use its best efforts to secure the approval of its stockholders of this Agreement and the transactions contemplated hereby, consistent with fiduciary duties under applicable law.

Section 5.23 Stock Options. Burnup shall take such action as is necessary so that its 1976 Stock Option Plan and 1978 Stock Option Plan provide that each option to purchase Burnup Shares (an "Option") and each right to elect an alternate settlement method ("SAR") held by (i) any employee of Burnup who is terminated other than for just cause by Burnup at any time during the twelve (12) month period subsequent to the date hereof or who voluntarily terminates his employment on or prior to the Closing Date shall become immediately exercisable and vested, whether or not previously exercisable or vested, on the date of receipt by such employee of notice of termination of employment by Burnup or receipt by Burnup of notice of voluntary termination, as the case may be, and such employee shall, for a period of three months thereafter, have the right to exercise such Option or SAR, and (ii) any employee who is terminated for just cause, or who voluntarily terminates his employment subsequent to the Closing Date shall not become exercisable or vested except as currently provided under such plans. For purposes of this Section 5.23, "termination for just cause" shall include termination by reason of a material breach by the employee of his duties (after 10-day notice thereof and opportunity to cure), gross negligence, fraud or willful misconduct by the employee in the performance of his duties, excessive absences by the employee not related to illness, misappropriation by the employee of any assets of Burnup or any Burnup Subsidiary, commission by the employee of any crime involving moral turpitude and conviction of a felony.

Section 5.24 Insurance and Indemnification of Officers and Directors. Neither Burnup nor any Burnup Subsidiary shall enter into any

agreement obligating Burnup to procure liability insurance coverage for any of its officers and directors or to indemnify any such person except upon substantially the terms and conditions set forth in the form of agreement attached hereto as Exhibit B.

Section 5.25 Legend. The certificates for the Burnup Shares shall bear the following legend:

> The Shares represented by this certificate have not been registered under the Securities Act of 1933, as amended. Any offer, sale or transfer of such Shares may be made only if such Shares have been registered under the Securities Act of 1933, as amended, or an exemption from the registration requirements of such act is then applicable.

Burnup may place appropriate stop transfer orders with its transfer agent with respect to the Burnup Shares. Burnup shall remove the foregoing legend at such time or times as the holder of such shares shall request consistent with requirements of applicable Federal securities law.

Section 5.26 Confidentiality. Burnup and the Burnup Subsidiaries shall use all non-public information delivered by or on behalf of Sellers, CT or CTF to Burnup, any Burnup Subsidiary or any of their Representatives solely for the purpose of evaluating the Acquisition and shall not disclose such information to any other Person or use such information for any other purpose, except as required by applicable law or legal process, without the prior written consent of Sellers. Burnup and the Burnup Subsidiaries shall inform their Representatives of the confidential nature of such information and shall obtain the agreement of each such Representative to maintain and use such confidential information in a manner consistent with the provisions of this Section 5.26. If this Agreement is terminated, Burnup and the Burnup Subsidiaries will, and will cause their Representatives to, destroy or deliver to Sellers all documents, work papers and other materials containing any non-public information furnished by CT, CTF or any of their representatives, whether obtained before or after the date of execution hereof.

Section 5.27 Board Meeting. Immediately following the Closing and the consummation of the NBC Transaction (as defined in Section 7.1(d)), the Board of Directors of Burnup shall hold a meeting, and shall elect the persons set forth in Section 5.27 of the Disclosure Schedule to the offices indicated and vote to expand the size of the Board from five to seven members. Prior to the conduct of any other business at the meeting, at least two members of the Board shall resign and the remaining members of the Board shall fill the resulting vacancies with the persons indicated on Section 5.27 of the Disclosure Schedule.

ARTICLE VI
DEMAND AND PIGGY-BACK REGISTRATION RIGHTS

(a) From and after six months after the Closing Date, Burnup shall register on two occasions such number of the Burnup Shares as Sellers and any of them shall request (which shall not be less than 1,000,000 Burnup Shares in the aggregate), provided that at the time of such request Sellers shall

own in the aggregate at least 20% of the shares of Burnup common stock then outstanding. Burnup shall promptly prepare and file with the SEC a registration statement under the Securities Act of 1933, as amended (the "Securities Act"), and shall use its best efforts to cause such registration statement to be declared effective; provided, however, that Burnup may, upon written notice to Sellers, delay such registration for a period not to exceed 90 days if:

(i) Burnup shall have previously entered into an agreement or letter of intent contemplating an underwritten public offering on a firm commitment basis of its common stock or securities convertible into or exchangeable for common stock (Burnup having given Sellers prompt written notice of such prior agreement or letter of intent) and the managing underwriter of such proposed public offering advises Burnup in writing that in its opinion such proposed underwritten offering would be materially and adversely affected by a concurrent registered offering of the securities in question (such opinion to state the reasons therefor);

(ii) During the three-month period immediately preceding such notice, Burnup shall have entered into an agreement or letter of intent, which has not expired or otherwise terminated, contemplating a material business acquisition by Burnup or its affiliates whether by merger, consolidation, acquisition of assets, acquisition of securities or otherwise;

(iii) During the four-month period immediately preceding such notice, a registration statement of Burnup with respect to the sale of its common stock or securities convertible into or exchangeable for common stock shall have been declared effective and such registration statement shall not relate solely to the sale of common stock to employees or stockholders of Burnup pursuant to a dividend reinvestment plan or stock option plan or any similar plan;

(iv) Burnup is in possession of material nonpublic information that Burnup would be required to disclose in the registration statement and that is not, but for the registration, otherwise required to be disclosed at the time of such registration, the disclosure of which, in its good faith judgment,

would have a material adverse effect on the business, operations, prospects or competitive position of Burnup and its subsidiaries, taken as a whole;

(v) Burnup has a class of securities registered pursuant to Section 12 or 15 of the Exchange Act and in the written opinion of the managing underwriter of the underwritten public offering pursuant to which the securities were registered, or if none, of a firm of underwriters of national reputation, the registration of such securities would materially and adversely affect the market for the common stock (such opinion to state the reasons therefor); or

(vi) Burnup has a class of securities registered pursuant to Section 12 of 15 of the Exchange Act and at the time of receipt of a written request for registration from Sellers, is engaged, or its Board of Directors has adopted by resolution a plan to engage in, any program for the purchase of shares of common stock or securities convertible into or exchangeable for shares of common stock and, in the opinion of counsel reasonably satisfactory to Sellers, the distribution of the common stock to be registered would cause such purchase of shares to be in violation of Rule 10b-6 under Section 10 of the Exchange Act.

The registration statement filed by Burnup pursuant hereto shall comply in all material respects with all applicable requirements of the Securities Act and the rules and regulations promulgated thereunder. The registration rights granted under this clause (a) shall expire on the tenth anniversary of the Closing Date.

(b) If, from and after six months after the Closing Date, Burnup shall contemplate the registration under the Securities Act of any offering of Burnup securities, Burnup shall give written notice thereof to Sellers

within 60 days prior to the proposed filing of the registration statement relating to such securities, and shall provide Sellers with a copy of the proposed registration statement promptly upon its preparation. Burnup shall include such number of the Burnup Shares as the Sellers shall request in writing not later than 30 days after receipt of notice from Burnup (which number of Burnup Shares shall not be less than 50,000 in the aggregate); provided, however, that Burnup shall not be obligated to register pursuant

hereto any Burnup Shares which may not be included under applicable Federal and state securities law; and further provided that if in the opinion of Burnup's underwriters for such offering, the inclusion of such Burnup Shares, when added to the securities being registered by Burnup, would exceed the maximum amount of Burnup's securities which could then be marketed at a price reasonably related to their then current market price or would materially and adversely affect the marketing of the entire offering, then Burnup shall include in the offering the maximum number of Burnup Shares which can be included without such adverse consequences consistent with the opinion of such underwriters. The registration rights granted under this clause (b) shall expire on the tenth anniversary of the Closing Date.

(c) From and after the Closing Date, Burnup shall register or qualify such Burnup Shares as are registered under the Securities Act pursuant to clause (a) or (b) above in such jurisdictions of the United States as Sellers shall request, and shall continue such qualifications in effect so long as required for completion of the distribution and do any and all other acts and things as may be necessary or advisable to enable Sellers to sell such shares in such jurisdictions, provided that in connection therewith Burnup shall not be required to qualify as a foreign corporation or to file a general consent to service of process in any such jurisdiction.

(d) Burnup shall bear all fees and expenses attendant to registering Burnup Shares pursuant to clauses (a), (b) and (c) above, except that Sellers shall pay the underwriting discounts and commissions relating to such Burnup Shares and all fees and expenses of legal counsel selected by Sellers to represent them in connection with such registration.

(e) Burnup shall furnish Sellers with copies of all documents proposed to be filed in any registration of Burnup Shares pursuant to this Article VI.

(f) Burnup shall indemnify, defend and hold Sellers harmless against any and all claims, losses, damages, costs and expenses (including reasonable attorneys' fees) suffered or incurred by Sellers in connection with the qualification or registration of Burnup Shares pursuant to this Article VI and offers for sale made by Sellers pursuant thereto, and, if indemnification is unavailable in respect of such claims, losses, damages, costs and expenses, contribute to the amount paid or payable by Sellers as a result thereof to the fullest extent permitted by applicable law.

Notwithstanding anything in the foregoing to the contrary, Burnup shall not be obligated to indemnify, defend and hold Sellers harmless against, or contribute to, any claims, losses, damages, costs and expenses to the extent such claims, losses, damages, costs and expenses result from information supplied by or on behalf of any Seller in writing for inclusion or incorporation by reference in the applicable qualification or registration document.

ARTICLE VII
CONDITIONS

Section 7.1 Conditions to Parties' Obligations to Consummate the Acquisition. The respective obligation of each party to consummate the Acquisition shall be subject to the satisfaction at or prior to the Closing

Date of the following conditions, unless waived by the parties hereto:

(a) This Agreement, the NBC Agreement, the transactions contemplated hereby and thereby and all other matters set forth in the Proxy Statement shall have been duly approved by the Board of Directors (and, to the extent required, a committee of the Board of Directors) of Burnup and the stockholders of Burnup;

(b) No action or proceeding shall have been instituted to restrain or prohibit any of the transactions contemplated hereby or by the NBC Agreement;

(c) All consents and approvals required under the HSR Act and all other material consents and approvals required to be obtained to permit the consummation of the transactions contemplated hereby shall have been obtained;

(d) The agreement between Burnup and National Beverage Corp., a Delaware corporation ("NBC"), in the form of Exhibit C attached hereto (the "NBC Agreement"), shall have been duly executed and delivered and shall not have been terminated or amended, and all conditions to the consummation of the transactions contemplated thereby (the "NBC Transaction") shall have been satisfied or waived to the satisfaction of Sellers, except the condition requiring the consummation of the Acquisition; and

(e) Burnup shall have received the written opinion of PaineWebber Incorporated or another nationally recognized investment banker reasonably acceptable to Burnup and Sellers dated the date of the Proxy Statement substantially to the effect that the consideration to be received by Burnup in connection with each of the Acquisition and the NBC Transaction is fair to its stockholders from a financial point of view (other than NBC), and otherwise in form and substance reasonably satisfactory to Burnup.

Section 7.2 Conditions of Obligations of Burnup. The obligations of Burnup to consummate the Acquisition are further subject to the satisfaction at or prior to the Closing Date of the following conditions, unless waived by Burnup:

(a) No claim entitling Burnup to indemnification for misrepresentation or breach of warranty by Sellers, or any of them, pursuant to Section 10.1(a) shall have arisen;

(b) Each Seller shall have performed and complied in all material respects with all agreements and covenants required by this Agreement to have been performed or complied with by such person at or prior to the Closing Date;

(c) Sellers shall have made or caused to be made all the deliveries to Burnup set forth in Section 8.1 hereof;

(d) Burnup shall have received the written opinion of an investment banker reasonably acceptable to Burnup to the effect that the aggregate fair market value of CT and CTF exceeds $40 million, after giving effect to any dividends identified in the Disclosure Schedule;

(e) No bankruptcy, reorganization, arrangement or insolvency proceedings or other proceedings for relief under any bankruptcy or similar law or laws for the relief of debtors shall have been instituted by or against any Seller, CT or CTF, and none of them shall have applied for or consented to the appointment of a custodian, trustee or receiver for himself or itself; and

(f) No material adverse change shall have occurred in the assets or liabilities, condition, financial or otherwise, or business or in the results of operations or prospects of CT or CTF.

Section 7.3 Conditions to Sellers' Obligations to Consummate the Acquisition. The obligations of Sellers to consummate the Acquisition are further subject to the satisfaction at or prior to the Closing Date of the following conditions, unless waived by Sellers:

(a) No claim entitling any Seller to indemnification for misrepresentation or breach of warranty by Burnup pursuant to Section 10.1(b) shall have arisen;

(b) Burnup shall have performed and complied in all material respects with all agreements and covenants required by this Agreement to have been performed or complied with by it at or prior to the Closing Date;

(c) Burnup shall have made or caused to be made all the deliveries to Sellers set forth in Section 8.2 hereof;

(d) Sellers shall have received on or before October 31, 1993, an opinion from Price Waterhouse or another nationally recognized independent accounting firm reasonably acceptable to the Sellers, in form and substance reasonably satisfactory to Sellers, to the effect that the transactions contemplated hereby will constitute a tax-free reorganization pursuant to Section 368(a)(1)(B) of the Code;

(e) No bankruptcy, reorganization arrangement or insolvency proceedings or other proceedings for relief under any bankruptcy or similar law or laws for the relief of debtors shall have been instituted by or against Burnup, any Burnup Subsidiary or NBC, and none of them shall have applied for or consented to the appointment of a custodian, trustee or receiver for itself; and

(f) No material adverse change shall have occurred in the assets or liabilities, condition, financial or otherwise, or business or in the results of operations or prospects of Burnup and the Burnup Subsidiaries, taken as a whole.

ARTICLE VIII
CLOSING DELIVERIES

Section 8.1 Deliveries by Sellers. Prior to or on the Closing Date, Sellers shall deliver or cause to be delivered to Burnup the following, in form and substance reasonably satisfactory to Burnup and its counsel:

(a) Secretary's Certificate. A certificate, dated as of the Closing Date, containing a copy of the Articles of Incorporation and By-Laws of CT and CTF, together with all amendments thereto, certified by the Secretary or Assistant Secretary of each company, and a Certificate of Good Standing certified by an appropriate state official of the State of Florida;

(b) Seller's Certificate. A certificate, dated as of the Closing Date, executed by each Seller certifying: (i) that the representations and warranties of such Seller contained in this Agreement are true and complete as of the Closing Date as though made on and as of such date, except for changes contemplated by this Agreement and (ii) that such Seller has, in all material respects, performed all of his obligations and complied with all of his covenants set forth in this Agreement to be performed and complied with by him on or prior to the Closing Date;

(c) Share Certificates. Certificates evidencing the Shares, together with appropriate stock powers executed in blank; and

(d) Opinion of Counsel. The opinion of Carlos & Abbott, P.A., counsel for Sellers, dated as of the Closing Date, substantially to the effect set forth in Exhibit D attached hereto.

Section 8.2 Deliveries by Burnup. Prior to or on the Closing Date, Burnup shall deliver to Sellers the following, in form and substance reasonably satisfactory to Sellers and their counsel:

(a) Secretary's Certificate. A certificate, dated as of the Closing Date, executed by Burnup's Secretary or Assistant Secretary: (i) certifying that the resolutions or proposals, as the case may be, attached to such certificate, were duly adopted by the Board of Directors and stockholders of Burnup, authorizing and approving the execution, delivery and performance of this Agreement and the NBC Agreement and that such resolutions remain in full force and effect; and (ii) providing, as attachments thereto, copies of the Certificate of Incorporation and By-Laws of Burnup, together with all amendments thereto, certified by such Secretary or Assistant

Secretary, and a Certificate of Good Standing certified by an appropriate state official of the State of Delaware;

(b) Officers' Certificate. A certificate, dated as of the Closing Date, executed by the Chief Executive Officer and Chief Financial Officer of Burnup certifying (i) that the representations and warranties of Burnup contained in this Agreement are true and complete as of the Closing Date as though made on and as of such date, (ii) that Burnup has, in all material respects, performed all of its obligations and complied with all of its covenants set forth in this Agreement to be performed or complied with by it on or prior to the Closing Date and (iii) that all conditions to the consummation of the NBC Transaction shall have been satisfied or waived, except the condition requiring the consummation of the Acquisition, which certification shall be supported by a certificate, dated as of the Closing Date, executed by the Chief Executive Officer of NBC, addressed to Burnup, to the same effect;

(c) Share Certificates. Certificates evidencing the Burnup Shares as provided in Section 1.2; and

(d) Opinion of Counsel. The opinion of Kirkpatrick & Lockhart, independent special counsel to Burnup, dated as of the Closing Date, substantially to the effect set forth in Exhibit E attached hereto.

ARTICLE IX
TERMINATION AND AMENDMENT

Section 9.1 Termination. This Agreement may be terminated at any time prior to the Closing Date, whether before or after approval of the matters presented in connection with the Acquisition by the stockholders of Burnup:

(a) by mutual written consent of Burnup and Sellers;

(b) by Sellers on or prior to November 1, 1993, based upon their financial and legal due diligence in their sole and absolute discretion;

(c) by Burnup on or prior to November 1, 1993, based upon its financial and legal due diligence in its sole and absolute discretion;

(d) by Burnup if the Closing shall not have occurred on or before January 31, 1994 (unless the failure to consummate the Acquisition by such date shall have resulted primarily from Burnup breaching any warranty or covenant in this Agreement);

(e) by Sellers if the Closing shall not have occurred on or before January 31, 1994 (unless the failure to consummate the Acquisition by such date shall have resulted primarily from any Seller breaching any warranty or covenant contained in this Agreement); and

(f) by any party if the parties hereto shall not have agreed, on or before November 4, 1993, on the number of Burnup Shares to be exchanged pursuant to Section 1.2.

Section 9.2 Effect of Termination. In the event of the termination of this Agreement pursuant to Section 9.1 hereof, this Agreement shall forthwith terminate without any liability on the part of any party hereto or its affiliates, directors, officers or stockholders, other than any liability of any party then in breach pursuant to Section 10.4; provided, however that the provisions of this Section 9.2 and Sections 11.5 through 11.9, and the confidentiality provisions of Section 4.23 and 5.26, shall survive any such termination.

Section 9.3 Amendment. This Agreement may be amended by Sellers and Burnup, at any time before or after approval of this Agreement and the transactions contemplated hereby by the stockholders of Burnup but, after such approval, no amendment shall be made which requires further approval by such stockholders without such further approval. This Agreement may not be amended except by an instrument in writing signed on behalf of each of the parties hereto.

Section 9.4 Extension; Waiver. At any time prior to the Closing Date, the parties hereto may, to the extent legally allowed, (i) extend the time for the performance of any of the obligations or other acts of the other parties hereto, (ii) waive any inaccuracies in the representations and warranties contained herein or in any document delivered pursuant hereto and (iii) waive compliance with any of the agreements or conditions contained herein. No delay or failure on the part of any party hereto in exercising any right, power or privilege under this Agreement shall impair any such right, power or privilege or be construed as a waiver of any default or any

acquiescence thereto. No single or partial exercise of any such right, power or privilege shall preclude the further exercise of such right, power or privilege, or the exercise of any other right, power or privilege. No extension of time in which to perform and no waiver shall be valid against any party hereto, unless made in writing and signed by the party against whom enforcement of such extension of time or waiver is sought, and then only to the extent expressly specified therein.

ARTICLE X
REMEDIES

Section 10.1 Indemnification.

(a) Indemnification by Sellers. Sellers, jointly and severally, shall indemnify, defend and hold Burnup, each Burnup Subsidiary and their respective officers, directors, agents and representatives harmless from all claims, losses, damages, costs and expenses incurred by any of them, directly or indirectly, including, without limitation, all reasonable legal fees incurred in investigating, litigating (at trial or appellate level) or otherwise resolving any dispute (collectively, "Damages"), arising out of or in connection with any of the following:

(i) any misrepresentation or breach of any warranty made by any Seller in this Agreement or any certificate or document delivered to Burnup pursuant hereto;

(ii) any breach of any covenant, agreement or obligation to be performed by any Seller contained in this Agreement; or

(iii) any transfer taxes payable with respect to the transfer of the Shares to Burnup pursuant hereto.

(b) Indemnification by Burnup. Burnup shall indemnify, defend and hold Sellers, CT, CTF and their respective officers, directors, agents and representatives harmless from all Damages incurred by any of them arising out of or in connection with any of the following:

(i) any misrepresentation or breach of any warranty made by Burnup in this Agreement or any certificate or document delivered to Sellers pursuant hereto; or

(ii) any breach of any covenant, agreement or obligation to be performed by Burnup contained in this Agreement.

(c) Liability. For purposes of this Section 10.1, Sellers shall be deemed to have made a misrepresentation or to have breached a warranty only if the Damages suffered by Burnup as a result thereof shall exceed $1,000,000 and Burnup shall be deemed to have made a misrepresentation or to have breached a warranty only if the Damages suffered by Sellers shall exceed $2,750,000. Notwithstanding anything in the foregoing to the contrary, the aggregate liability of (a) Sellers under Section 10.1(a) shall be limited to the sum of $1,000,000 plus the aggregate fair market value of 350,000 Burnup Shares on the date of payment, which liability may be satisfied by delivery of Burnup Shares and (b) Burnup under Section 10.1(b) shall be limited to $2,500,000.

(d) Survival of Obligations. The obligations of the parties hereto to indemnify, defend and hold harmless pursuant to this Article X shall survive the Closing and shall continue for as long as the representation, warranty, covenant, agreement or obligation giving rise to the obligation to indemnify shall survive pursuant hereto.

Section 10.2 Third Party Claim Procedure. If a third party (including, without limitation, a Governmental Entity) asserts a claim against a party to this Agreement and indemnification in respect of such claim is sought under the provisions of this Article X by such party against another party to this Agreement, the indemnified party shall promptly (but not later than 15 business days prior to the time when an answer or other responsive pleading or notice with respect to the claim is required) give written notice to the indemnifying party of such claim. The indemnifying party shall have the right at its election to take over the defense or settlement of such claim by giving prompt written notice to the indemnified party at least five business days prior to the time when an answer or other responsive pleading or notice with respect thereto is required. If the indemnifying party makes such election, it may conduct the defense of such claim through counsel or representatives of its choosing (subject to the indemnified party's approval of such counsel or representatives, which

approval shall not be unreasonably withheld), shall be responsible for the expenses of such defense, and shall be bound by the results of its defense or settlement of claim to the extent it produces Damages to the indemnified party. The indemnifying party shall not settle any such claim without prior notice to and consultation with the indemnified party and no such settlement involving any equitable relief or which might have a material and adverse effect on the indemnified party shall be agreed to without the written consent of the indemnified party. So long as the indemnifying party is diligently contesting any such claim in good faith, the indemnified party may pay or settle such claim only at its own expense. Within 20 business days after the receipt by the indemnifying party of written request made by the

indemnified party at any time, the indemnifying party shall make financial arrangements reasonably satisfactory to the indemnified party, such as the posting of a bond or a letter of credit, to secure the payment of its obligations under this Article X in respect of such claims. If the indemnifying party does not make such election, or having made such election does not proceed diligently to defend such claim, or does not continue diligently to contest such claim, or does not make the financial arrangements described in the immediately preceding sentence, then the indemnified party may, upon 10 business days' written notice and at the expense of the indemnifying party, take over the defense of and proceed to handle such claim in its exclusive discretion and the indemnifying party shall be bound by any defense or settlement that the indemnified party may make in good faith with respect to such claim. The parties shall cooperate in defending such third party claims and the defending party shall have access to records, information and personnel in control of the other party or parties which are pertinent to the defense thereof.

Section 10.3 Remedies Cumulative. Except as otherwise provided in Section 10.4 and elsewhere herein, the rights and remedies expressly provided herein are cumulative and not exclusive of any rights or remedies which the parties hereto may otherwise have at law or in equity. Nothing herein shall be construed to require any of the parties hereto to elect among remedies.

Section 10.4 Failure to Close. If the transactions contemplated hereby are not consummated because any one or more of the conditions set forth in Sections 7.3(a), 7.3(b) and 7.3(c) shall not have been satisfied or waived or because Burnup fails to close, Burnup shall pay the sum of $500,000 to Sellers, provided that all of the conditions set forth in Sections 7.1 and 7.2 shall have been satisfied or waived. If the transactions contemplated

hereby are not consummated because any one or more of the conditions set forth in Sections 7.2(a), 7.2(b) and 7.2(c) shall not have been satisfied or waived or because any Seller fails to close, Sellers, jointly and severally, shall pay the sum of $500,000 to Burnup, provided that all of the conditions set forth in Sections 7.1 and 7.3 shall have been satisfied or waived. The parties hereto acknowledge that their damages resulting from a failure to close in the circumstances described in this Section 10.4 are impossible to determine as of the date hereof and that the sum of $500,000 is a reasonable estimate of such damages. In the event either party fails to consummate the transactions contemplated hereby, the other parties hereto shall have no rights or remedies on account of any misrepresentation, or breach of warranty or covenant by the defaulting party, other than as provided in this Section 10.4 and in Section 11.7.

ARTICLE XI
MISCELLANEOUS

Section 11.1 Survival of Representations and Warranties. All of the representations and warranties of the parties contained herein shall survive the Closing (even if the other parties knew or had reason to know of any misrepresentation or breach of warranty at the time of Closing) and shall continue in full force and effect until December 31, 1994.

Section 11.2 Notices. All notices and other communications hereunder shall be in writing (and shall be deemed given upon receipt) if delivered personally, sent by facsimile transmission (which is confirmed) or sent by prepaid air courier, or express mail, postage prepaid to the parties at the following addresses (or at such other address for a party as shall be specified by like notice):

(a) if to Burnup, to

BURNUP & SIMS INC.
One North University Drive
Plantation, Florida 33324

Attention: President
Fax: (305) 475-8780

with copies to:

Clay Parker, Esq.
Kirkpatrick & Lockhart
Miami Center
Suite 2000
201 South Biscayne Boulevard
Miami, Florida 33131
Fax: (305) 358-7095;

and, in addition, after the Closing

Nick A. Caporella
IBS Partners, Ltd.
3 River Way
Suite 400
Houston, Texas 77056

; and

(b) if to any Seller, to the attention of such Seller

c/o Church & Tower
10441 S.W. 187 Street
Miami, Florida 33157
Fax: (305) 252-3574

with copies to:

Eliot C. Abbott, Esq.
Carlos & Abbott, P.A.
999 Ponce de Leon Blvd.
Coral Gables, Florida 33134
Fax: (305) 443-8617.

Section 11.3 Descriptive Headings. The descriptive headings herein are inserted for convenience only and are not intended to be part of or to affect the meaning or interpretation of this Agreement.

Section 11.4 Counterparts. This Agreement may be executed in one or more counterparts, each of which when so executed and delivered shall be an original, but all such counterparts shall together constitute one and the

same instrument. Each counterpart may consist of a number of copies hereof, each signed by less than all, but together signed by all of the parties hereto.

Section 11.5 Entire Agreement; Assignment. This Agreement (including the Schedules and Exhibits hereto) constitutes the entire agreement and supersedes all prior agreements and understandings, both written and oral, among the parties with respect to the subject matter hereof. This Agreement shall be binding upon and inure to the benefit of the respective heirs, executors, successors and assigns of the parties hereto, provided, however, that this Agreement shall not be assigned by any party without the prior written consent of the other parties hereto.

Section 11.6 Governing Law. This Agreement shall be governed and construed in accordance with the laws of the State of Florida without regard to any applicable principles of conflicts of law. Burnup agrees to the irrevocable designation of the Secretary of State of the State of Florida as its agent upon whom process against it may be served. Each of Sellers agrees

to the irrevocable designation of Eliot C. Abbott as his agent upon whom process against him may be served. Each of the parties hereto agrees to personal jurisdiction in any action brought under this Agreement in any court, Federal or State, within the State of Florida having subject matter jurisdiction over such action. The parties to this Agreement agree that any suit, action, claim, counterclaim or proceeding arising out of or relating to this Agreement shall be instituted or brought in the United States District Court for the Southern District of Florida, or, in the absence of jurisdiction, the state court located in Dade County. Each party hereto waives any objection which it may have now or hereafter to the laying of the venue of any such suit, action, claim, counterclaim or proceeding, and irrevocable submits to the jurisdiction of any such court in any such suit, action, claim, counterclaim or proceeding.

Section 11.7 Expenses. Except as otherwise provided in Section 10.4, the Sellers shall bear all of their expenses, and Burnup shall bear all of its expenses, incurred in the negotiation, documentation and consummation of the transactions contemplated by this Agreement, including, without limitation, the fees and expenses of counsel, accountants and financial advisers. Except as otherwise provided in Article X, in the event of litigation between the parties hereto as to any matter arising under this Agreement or relating to the subject matter hereof, the prevailing party

shall be entitled to recover from the other party or parties to the extent not recoverable under Article X all of its reasonable costs and expenses, including, without limitation, reasonable attorneys' fees, incurred in such litigation (including appellate litigation).

Section 11.8 Publicity. The parties hereto agree that they will consult with each other concerning any proposed press release or public announcement pertaining to the Acquisition and shall not issue any press release or public announcement without the prior consent of the other party; provided, that nothing herein shall restrict any public announcement or other disclosure which a party deems in good faith to be required to be made by law or other applicable NASDAQ rule (in which case such party shall advise the other party prior to making the disclosure).

Section 11.9 Parties in Interest. This Agreement shall be binding upon and inure solely to the benefit of each party hereto, and nothing in this Agreement, express or implied, is intended to or shall confer upon any other person or persons any rights, benefits or remedies of any nature whatsoever under or by reason of this Agreement.

Section 11.10 Construction. This Agreement has been prepared jointly by, and is the product of extensive negotiations between, the parties hereto, and, accordingly, shall not be interpreted more strictly against any one party.

Section 11.11 Disclosure Schedules. The parties hereto may from time to time amend or supplement the information contained in their respective disclosure schedules delivered pursuant hereto at any time on or before October 25, 1993. Information disclosed in one or more sections of a disclosure schedule delivered pursuant hereto shall be deemed to be incorporated in the other sections thereof.

Section 11.12 Memoranda of Understanding. Burnup hereby acknowledges that it has entered into a Memorandum of Understanding with each of Neff Rental, Inc., Neff Machinery, Inc., and Atlantic Real Estate Holdings Corp., each a Florida corporation, prior to the execution and delivery hereof.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date first written above.

SELLERS:

/s/ Jorge Mas Canosa
_____
Name: Jorge Mas Canosa

/s/ Jorge Mas
_____
Name: Jorge Mas

/s/ Juan Carlos Mas
_____
Name: Juan Carlos Mas

/s/ Ramon Mas
_____
Name: Ramon Mas

Attest:

/s/ Margaret M. Madden
By: _____
Name: Margaret M. Madden
Title: Vice President & Corporate Secretary

BURNUP & SIMS INC.

/s/ Nick A. Caporella
By: _____
Name: Nick A. Caporella
Title: President & Chief Executive Officer

SIGNATURE PAGE

SCHEDULE I

Jorge L. Mas	[Proportions to be provided].
Jorge Mas, Jr.	[Proportions to be provided].
Juan Carlos Mas	[Proportions to be provided].
Jose Ramon Mas	[Proportions to be provided].

FIRST AMENDMENT

THIS FIRST AMENDMENT TO AGREEMENT ("First Amendment") is made as of the 23rd day of November 1993, by and among Jorge L. Mas, Jorge Mas, Juan Carlos Mas and Jose Ramon Mas (each, a "Seller" and together, "Sellers"), and Burnup & Sims Inc., a Delaware corporation with principal offices at One North University Drive, Fort Lauderdale, FL 33324 ("Burnup"). All capitalized terms used but not defined herein have the meanings specified in the Agreement (as defined below).

WHEREAS, the parties hereto have executed and delivered the Agreement dated as of October 15, 1993, pursuant to which Burnup has agreed to purchase, and the Sellers have agreed to sell, the Shares in exchange for the Burnup Shares (the "Agreement");

WHEREAS, Burnup has requested that Sellers agree to amend the Agreement in certain respects; and

WHEREAS, Sellers are willing to amend the Agreement as set forth herein;

NOW, THEREFORE, the parties, intending to be legally bound and in consideration of the promises herein contained, agree as follows:

Section 1. Amendment to Section 1.1 of Agreement. Section 1.1 of the Agreement is hereby amended by deleting the first sentence thereof in its entirety and substituting therefor the following sentence:

> In full consideration for the Shares, which the parties have valued at $58,800,000, Burnup will, on the Closing Date, deliver 10,250,000 shares of the common stock of Burnup, par value $.10 per share, free and clear of all Liens (as defined in Section 2.2), to Sellers in the amounts set forth in Schedule 1 hereto.

Section 2. Amendment to Sections 1.4 and 9.1(d) and (e). Each of Sections 1.4 and 9.1(d) and (e) of the Agreement is hereby amended by deleting "January 31, 1994" therefrom and substituting therefor "February 28, 1994".

Section 3. Amendment of Schedule 1. Schedule 1 to the Agreement is hereby amended by deleting the text thereof in its entirety and substituting therefor the text of Schedule 1 attached hereto as Exhibit A.

Section 4. Amendment to Disclosure Schedule. The Disclosure Schedule is hereby amended by deleting the text thereof in its entirety and substituting therefor the text of the Disclosure Schedule attached hereto as Exhibit B.

Section 5. Amendment to Section 3.10 of the Burnup disclosure Schedule. Section 3.10 of the Burnup Disclosure Schedule is hereby amended to add to the litigation set forth therein the litigation styled Albert H. Kahn, et al. v. Nick A. Caporella, et al., civil Action No. 13248, filed in the Court of Chancery of the State of Delaware in and for New Castle County, Delaware.

Section 6. Amendment to Section 5.11(b) of the Burnup disclosure Schedule. Section 5.11(b) of the Burnup Disclosure Schedule is hereby amended by deleting the text thereof in its entirety and substituting therefor the following:

> Burnup may, on or prior to the Closing Date, pay compensation in recognition

of loyalty and past service (in an aggregate amount not to exceed $1,000,000) to such executive officers and employees of Burnup and in such individual amounts, as Nick A. Caporella shall determine, in his sole discretion, after consultation with Jorge Mas.

Section 7. No Other Amendments. Except as amended hereby, the Agreement shall remain in full force and effect in accordance with its terms and all references to the Agreement therein or elsewhere shall mean the Agreement as amended by this First Amendment. All references to the First Amendment in the Agreement or elsewhere shall mean this First Amendment.

Section 8. Waiver. The parties hereto waive their rights under the Agreement arising as a result of the institution of the litigation styled Albert H. Kahn, et al. v. Nick A. Caporella, et al., Civil Action No. 13248, filed in the Court of Chancery of the State of Delaware in and for New Castle County, Delaware, including, without limitation, their right not to consummate the Acquisition pursuant to Article VII of the Agreement and any right to indemnification pursuant to Section 10.01(a) or Section 10.1(b). Such waiver shall not constitute a waiver of any other rights under the Agreement or of Article VII or Section 10.1(a) or Section 10.1(b) with respect to any other matter.

Section 9. Counterparts. This First Amendment may be executed in one or more counterparts, each of which when so executed and delivered shall be an original, but all such counterparts shall together constitute one and the same instrument. Each counterpart may consist of a number of copies hereof, each signed by less than all, but together signed by all of the parties hereto.

Section 10. Governing Law. This First Amendment shall be governed and construed in accordance with the laws of the State of Florida without regard to any applicable principles of conflicts of law. Burnup agrees to the irrevocable designation of the Secretary of State of the State of Florida as its agent upon whom process against it may be served. Each of Sellers agrees to the irrevocable designation of Eliot C. Abbott as his agent upon whom process against him may be served. Each of the parties hereto agrees to personal jurisdiction in any action brought under this First Amendment in any court, Federal or State, within the State of Florida having subject matter jurisdiction over such action. The parties to this First Amendment agree that any suit, action, claim, counterclaim or proceeding arising out of or relating to this First Amendment shall be instituted or brought in the United States District Court for the Southern District of Florida, or, in the absence of jurisdiction, the state court located in Dade County. Each party hereto waives any objection which it may have now or hereafter to the laying of the venue of any such suit, action, claim, counterclaim or proceeding, and irrevocable submits to the jurisdiction of any such court in any such suit, action, claim, counterclaim or proceeding.

Section 11. Incorporation. This First Amendment shall be deemed to incorporate all of the provisions of the Agreement as if fully set forth herein.

IN WITNESS WHEREOF, the parties hereto have executed this First Amendment as of the date first written above.

SELLERS:

/s/ Jorge Mas Canosa

_____

Name: Jorge L. Mas

/s/ Jorge Mas

_____

Name: Jorge Mas

/s/ Juan Carlos Mas

Name: Juan Carlos Mas

/s/ Jose Ramon Mas

Name: Jose Ramon Mas

Attest:

By: /s/ Margaret M. Madden

Name: Margaret M. Madden
Title: Vice President & Corporate Secretary

BURNUP & SIMS INC.

By: /s/ Nick A. Caporella

Name: Nick A. Caporella
Title: President & Chief Executive Officer

SECOND AMENDMENT

THIS SECOND AMENDMENT TO AGREEMENT ("Second Amendment") is made as of the 23rd day of November 1993, by and among Jorge L. Mas, Jorge Mas, Juan Carlos Mas and Jose Ramon Mas (each, a "Seller" and together, "Sellers"), and Burnup & Sims Inc., a Delaware corporation with principal offices at One North University Drive, Fort Lauderdale, FL 33324 ("Burnup"). All capitalized terms used but not defined herein have the meanings specified in the Agreement (as defined below).

WHEREAS, the parties hereto have executed and delivered the Agreement dated as of October 15, 1993, as amended by that First Amendment dated November 23, 1993, pursuant to which Burnup has agreed to purchase, and the Sellers have agreed to sell, the Shares in exchange for the Burnup Shares (the "Agreement");

WHEREAS, the parties desire to amend the Agreement to clarify the Disclosure Schedule.

NOW, THEREFORE, the parties, intending to be legally bound and in consideration of the promises herein contained, agree as follows:

Section 1. Amendment to Disclosure Schedule. Section 4.2 of the Disclosure Schedule is hereby amended by deleting the text thereof in its entirety and substituting the following:

> $11,500,000, $8,500,000 of which will be paid prior to the Closing Date in cash (of which $3,920,000 was paid as of September 30, 1993) and the remainder of which will be paid by delivery prior to the Closing Date of promissory note in the principal amount of $3,000,000, payable to Sellers in six consecutive semiannual installments of $500,000 each, commencing on August 1, 1994, together with interest accrued thereon, computed at a per annum rate equal to two percent (2%) above the rate announced by First Union National Bank of Florida from time to time as its prime rate, which shall in no event be less than eight percent (8%).

Section 2. No Other Amendments. Except as amended hereby, the Agreement shall remain in full force and effect in accordance with its terms and all references to the Agreement therein or elsewhere shall mean the Agreement as amended by this Second Amendment. All references to the Second Amendment in the Agreement or elsewhere shall mean this Second Amendment.

Section 3. Counterparts. This Second Amendment may be executed in one or more counterparts, each of which when so executed and delivered shall be an original, but all such counterparts shall together constitute one and the same instrument. Each counterpart may consist of a number of copies hereof, each signed by less than all, but together signed by all of the parties hereto.

Section 4. Governing Law. This Second Amendment shall be governed and construed in accordance with the laws of the State of Florida without regard to any applicable principles of conflicts of law. Burnup agrees to the irrevocable designation of the Secretary of State of the State of Florida as its agent upon whom process against it may be served. Each of Sellers agrees to the irrevocable designation of Eliot C. Abbott as his agent upon whom process against him may be served. Each of the parties hereto agrees to personal jurisdiction in any action brought under this Second Amendment in any court, Federal or State, within the State of Florida having subject matter jurisdiction over such action. The parties to this Second Amendment

agree that any suit, action, claim, counterclaim or proceeding arising out of or relating to this Second Amendment shall be instituted or brought in the United States District Court for the Southern District of Florida, or, in the absence of jurisdiction, the state court located in Dade County. Each party hereto waives any objection which it may have now or hereafter to the laying of the venue of any such suit, action, claim, counterclaim or proceeding, and irrevocable submits to the jurisdiction of any such court in any such suit, action, claim, counterclaim or proceeding.

IN WITNESS WHEREOF, the parties hereto have executed this Second Amendment as of the date first written above.

SELLERS:

/s/ Jorge Mas Canosa
_____
Name: Jorge Mas Canosa

/s/ Jorge Mas
_____
Name: Jorge Mas

/s/ Juan Carlos Mas
_____
Name: Juan Carlos Mas

/s/ Jose Ramon Mas
_____
Name: Jose Ramon Mas

Attest:

/s/ Margaret M. Madden
By:_____
Name: Margaret M. Madden
Title: Vice President & Corporate Secretary

BURNUP & SIMS INC.

/s/ Nick A. Caporella
By:_____
Name: Nick A. Caporella
Title: President & Chief Executive Officer

THIRD AMENDMENT

THIS THIRD AMENDMENT TO AGREEMENT ("Third Amendment") is made as of the ____ day of February, 1994, by and among Jorge L. Mas, Jorge Mas, Juan Carlos Mas and Jose Ramon Mas (each, a "Seller" and together, "Sellers"), and Burnup & Sims Inc., a Delaware corporation with principal offices at One North University Drive, Fort Lauderdale 33324 ("Burnup"). All capitalized terms used but not defined herein have the meanings specified in the Agreement (as defined below).

WHEREAS, the parties hereto have executed and delivered the Agreement dated as of October 15, 1993, as amended, pursuant to which Burnup has agreed to purchase, and the Sellers have agreed to sell, the Shares in exchange for the Burnup Shares (the "Agreement");

WHEREAS, the parties hereto desire to amend the Agreement as set forth herein;

NOW, THEREFORE, the parties, intending to be legally bound and in consideration of the promises herein contained, agree as follows:

Section 1. Amendment to Clause (a) of Article VI. The first and second sentences of clause (a) of Article VI are hereby amended by deleting the text thereof in its entirety and substituting therefor the following sentences:

> Within six months after the Closing Date, Sellers shall request that Burnup register, and Burnup shall register, 2,000,000 Burnup Shares with the SEC pursuant to Rule 415 under the Securities Act of 1933, as amended (the "Securities Act"). Burnup shall promptly prepare and file with the SEC a registration statement, and shall use its best efforts to cause such registration statement, to be declared effective and thereafter shall maintain such registration statement current until such shares are sold; provided, however, that Burnup may, upon written notice to Sellers delay such registration for a period not to exceed 90 days if:

Section 2. Amendment to Section 7.1(b) of Agreement. Section 7.1(b) of the Agreement is hereby amended by deleting the text thereof in its entirety and substituting therefor the following:

> (b) No preliminary or permanent injunction or other order issued by any federal or state court which enjoins or otherwise prohibits the transactions contemplated hereby shall be in effect;

Section 3. Amendment to Sections 7.1(e), 7.2 and 7.3 of Agreement. Each of Sections 7.2(a), (e) and (f) and 7.3(a), (d), (e) and (f) of the Agreement and all references elsewhere in the Agreement to Sections 7.2(a), (e) and (f) and 7.3(a), (d), (e) and (f) are hereby deleted. The parties acknowledge satisfaction of the conditions set forth in Section 7.1(e).

Section 4. Amendment to Sections 8.1(b)(i) and 8.2(b)(i). (a) Section 8.1(b)(i) of the Agreement is hereby amended by deleting the text thereof in its entirety and substituting therefor the following:

> "(i) that the representations and warranties of such Seller contained in this Agreement are true and complete as of the date of this Third Amendment as though made on and as of such date, except for changes contemplated by this Agreement and"

(b) Section 8.2(b)(i) is hereby amended by deleting the text thereof in its entirety and substituting therefor the following:

"(i) that the representations and warranties of Burnup contained in this Agreement are true and complete as of the date of this Third Amendment as though made on and as of such date"

Section 5. Amendment to Section 10.4. Section 10.4 of the Agreement and all references elsewhere in the Agreement to Section 10.4 are hereby deleted.

Section 6. Amendment to Sections 1.4 and 9.1(d) and (e). Each of Sections 1.4 and 9.1(d) and (e) of the Agreement is hereby amended by deleting "February 28, 1994" therefrom and substituting therefor "March 31, 1994."

Section 7. No Other Amendments. Except as amended hereby, the Agreement shall remain in full force and effect in accordance with its terms and all references to the Agreement therein or elsewhere shall mean the Agreement as amended by this Third Amendment.

Section 8. Effectiveness of Amendment. This Amendment shall not be effective until approved by the Board of Directors of Burnup.

Section 9. Counterparts. This Third Amendment may be executed in one or more counterparts, each of which when so executed and delivered shall be an original, but all such counterparts shall together constitute one and the same instrument. Each counterpart may consist of a number of copies hereof, each signed by less than all, but together signed by all of the parties hereto.

Section 10. Governing Law. This Third Amendment shall be governed and construed in accordance with the laws of the State of Florida without regard to any applicable principles of conflicts of law. Burnup agrees to the irrevocable designation of the Secretary of State of the State of Florida as its agent upon whom process against it may be served. Each of Sellers agrees to the irrevocable designation of Eliot C. Abbott as his agent upon whom process against him may be served. Each of the parties hereto agrees to personal jurisdiction in any action brought under this Third Amendment in any court, Federal or State, within the State of Florida having subject matter jurisdiction over such action. The parties to this Third Amendment agree that any suit, action, claim, counterclaim or proceeding arising out of or relating to this Third Amendment shall be instituted or brought in the United States District Court for the Southern District of Florida, or, in the absence of jurisdiction, the state court located in Dade County. Each party hereto waives any objection which it may have now or hereafter to the laying of the venue of any such suit, action, claim, counterclaim or proceeding, and irrevocably submits to the jurisdiction of any such court in any such suit, action, claim, counterclaim or proceeding.

Section 11. Expenses. In the event of litigation between the parties hereto as to any matter arising under this Third Amendment or relating to the subject matter hereof, the prevailing party shall be entitled to recover from the other party or parties all of its reasonable costs and expenses, including, without limitation, reasonable attorneys' fees, incurred in such litigation (including appellate litigation).

IN WITNESS WHEREOF, the parties hereto have executed this Third Amendment as of the date first written above.

SELLERS:

_____
Name: Jorge L. Mas

_____

Name: Jorge Mas

_____
Name: Juan Carlos Mas

_____
Name: Jose Ramon Mas

Attest:

By:_____
Name: Margaret M. Madden
Title: Corporate Secretary

BURNUP & SIMS INC.

By:_____
Name: Nick A. Caporella
Title: President and Chief Executive Officer

APPENDIX D

ALSO EXHIBIT A

AMENDED AND RESTATED

CERTIFICATE OF INCORPORATION

OF

MasTec, Inc.
(f/k/a Burnup & Sims Inc.)

INTRODUCTION

This Amended and Restated Certificate of Incorporation was proposed by the directors, and duly adopted by the stockholders, of [fill in new name] (the "Corporation") in accordance with Section 245 of the General Corporation Law of Delaware. The Corporation was originally incorporated under the name Burnup & Sims Inc. and its original Certificate of Incorporation was filed on July 26, 1968, with the Secretary of State of Delaware.

ARTICLE I
Name of Corporation

The name of the Corporation is MasTec, Inc.

ARTICLE II

Registered Agent, Registered Office

The name of the registered agent of the Corporation is The Corporation Trust Company and the registered office of the Corporation in the State of Delaware is located at:

Corporation Trust Center
1209 Orange Street
Wilmington, Delaware 19801

ARTICLE III
General Nature of Business

The purpose of the Corporation is to engage in any lawful act or activity for which corporations may be organized under the General Corporation Law of Delaware.

ARTICLE IV
Capital Stock

The total number of shares of capital stock which the Corporation shall have authority to issue is Fifty-Five Million (55,000,000) shares, of which Fifty Million (50,000,000) shares of a par value of Ten Cents ($.10) per share, amounting in the aggregate to Five Million Dollars ($5,000,000), shall be common stock ("Common Stock"), and Five Million (5,000,000) shares, of the par value of One Dollar ($1.00) per share, amounting in the aggregate to Five Million Dollars ($5,000,000), shall be preferred stock ("Preferred Stock").

Common Stock

1. Each share of Common Stock shall have one vote and, except as provided in this Article IV or by resolution or resolutions adopted by the Board of Directors providing for the issue of any series of Preferred Stock

or as otherwise provided by applicable law, the exclusive voting power for all purposes shall be vested in the holders of the Common Stock.

2. Subject to applicable law and the preferences of the Preferred Stock, dividends may be paid on the Common Stock at such time and in such amounts as the Board of Directors may deem advisable.

3. The Board of Directors may retire any and all shares of Common Stock that are issued but are not outstanding, including shares of Common Stock purchased or otherwise reacquired by the Corporation, and may reduce the capital of the Corporation in connection with the retirement of such

shares in the manner provided for under the General Corporation Law of Delaware.

4. In the event of any liquidation, dissolution or winding up of the Corporation, whether voluntary or involuntary, each holder of Common Stock shall be entitled, after payment or provision for payment of the debts and other liabilities of the Corporation and the amounts to which the holders of the Preferred Stock shall be entitled, to share in the remaining net assets of the Corporation on a pro-rata basis based on the number of shares of Common Stock held by such holder and the total number of shares of Common Stock then outstanding.

Preferred Stock

5. Authority is hereby expressly granted to the Board of Directors to authorize the issuance from time to time of one or more series of Preferred Stock and, with respect to each such series, to fix by resolution or resolutions of the Board of Directors providing for the issuance of such series:

(a) The number of shares of Preferred Stock which shall comprise such series and the distinctive designation thereof;

(b) The dividend rate or rates (which may be contingent upon the happening of certain events) on the shares of such series, the date or dates, if any, from which dividends shall accumulate, and the dates on which dividends, if declared, shall be payable;

(c) Whether or not the shares of such series shall be redeemable, the limitations and restrictions with respect to such redemptions, the manner of selecting shares of such series for redemption if less than all shares are to be redeemed, and the amount, if any, in addition to any accrued dividends thereon which the holders of shares of such series shall be entitled to receive upon the redemption thereof, which amount may vary at different redemption dates and may be different with respect to shares redeemed through the operation of any retirement or sinking fund and with respect to shares otherwise redeemed;

(d) The amount which the holders of shares of such series shall be entitled to receive upon the liquidation, dissolution or winding up of the Corporation, which amount may vary at different dates and may vary depending on whether such liquidation, dissolution or winding up is voluntary or involuntary;

(e) Whether or not the shares of such series shall be subject to the operation of a purchase, retirement or sinking fund, and, if

so, whether such retirement or sinking fund shall be cumulative or non-cumulative, the extent to and the manner in which such fund shall be applied to the purchase or redemption of the shares of such series for retirement or to other corporate purposes and the terms and provisions relative to the operation thereof;

(f) Whether or not the shares of such series shall be convertible into or exchangeable for shares of stock of any other class or classes, or of any other series of the same class, and if so convertible or exchangeable, the price or prices or the rate or rates of conversion or exchange and the method, if any, of adjusting the same;

(g) The voting powers, if any, of such series; and

(h) Any other designation, power, preference, right, qualification, limitation and restriction thereof as the Board of Directors may determine to be in the best interests of the Corporation.

General

6. Subject to the provisions of law, the Corporation may issue shares of its Common Stock or Preferred Stock, from time to time, for such consideration (not less than the par value or stated value thereof) as may be fixed by the Board of Directors, which is expressly authorized to fix the same in its absolute and uncontrolled discretion, subject as aforesaid. Shares so issued, for which the consideration has been paid or delivered to the Corporation, shall be deemed fully-paid stock, and shall not be liable to

any further call or assessments thereon, and the holders of such shares shall not be liable for any further payments in respect of such shares.

7. No holder of shares of stock of the Corporation of any class now or hereafter authorized shall be entitled as such, as a matter of right, to subscribe for or purchase any part of any new or additional issue of stock of any class whatsoever, or of securities convertible into or evidencing the right to purchase stock of any class whatsoever, whether the stock be of the same class as may be held by such stockholder, whether now or hereafter authorized, or whether issued for cash or otherwise.

ARTICLE V
Management of Business

The following provisions are inserted for the management of the business and for the conduct of the affairs of the Corporation, and for further definition, limitation and regulation of the powers of the Corporation and of its directors and stockholders:

1. The number of directors of the Corporation shall be such as from time to time shall be fixed by, or in the manner provided in, the By-Laws.

2. Election of directors need not be by ballot unless the By-Laws so provide.

3. The Board of Directors shall have power to adopt, amend or repeal the By-Laws of the Corporation.

ARTICLE VI
Approval of Mergers, Consolidations

and Certain Other Corporate Transactions

1. Except as hereinafter set forth, the affirmative vote or consent of the holders of 80% of all shares of stock of the Corporation entitled to vote at an election of directors, considered for the purposes of

this Article VI as one class, shall be required (i) for the adoption of any agreement for the merger or consolidation of the Corporation with or into any other corporation, or (ii) to authorize any sale or lease of all or any substantial part of the property and assets of the Corporation to, or any sale or lease to the Corporation or any subsidiary thereof in exchange for securities of the Corporation of any property and assets (except property and assets having an aggregate fair market value of less than $1,000,000) of, any other corporation, person or other entity, if, in either case, as of the record date for the determination of stockholders entitled to notice thereof and to vote thereon or consent thereto such other corporation, person or entity is the beneficial owner, directly or indirectly, of more than 10% of the outstanding shares of stock of the Corporation entitled to vote in elections of directors considered for the purposes of this Article VI as one class. Such affirmative vote or consent shall be in addition to the vote or consent of the holders of the stock of the Corporation otherwise required by law or any agreement between the Corporation and any national securities exchange.

2. For the purposes of this Article VI, (i) any corporation, person or other entity shall be deemed to be the beneficial owner of any shares of stock of the Corporation (x) which it has the right to acquire pursuant to any agreement or arrangement, or upon exercise of conversion rights, warrants or options, or otherwise or (y) which are beneficially owned, directly or indirectly (including shares deemed owned through application of clause (x) above), by any other corporation, person or entity with which it or its "affiliate" or "associate" (as defined below) has any agreement, arrangement or understanding for the purpose of acquiring, holding, voting or disposing of stock of the Corporation, or which is its "affiliate" or "associate" as those terms are defined in Rule 12b-2 of the General Rules and Regulations under the Securities Exchange Act of 1934 as in effect on June 1, 1970, and (ii) the outstanding shares of any class of stock of the Corporation shall include shares deemed owned through application of clauses (x) and (y) above but shall not include any other shares which may be issuable pursuant to any agreement, or upon exercise of conversion rights, warrants or options, or otherwise.

3. The Board of Directors shall have the power and duty to determine for the purposes of this Article VI, on the basis of information

known to the Corporation, whether (i) such other corporation, person or other entity beneficially owns more than 10% of the outstanding shares of stock of the Corporation entitled to vote at an election of directors, (ii) a corporation, person, or entity is an "affiliate" or "associate" (as defined above) of another, (iii) the property and assets being acquired by the Corporation, or any subsidiary thereof, have an aggregate fair market value of less than $1,000,000 and (iv) the memorandum of understanding referred to below is substantially consistent with the transaction covered thereby. Any such determination shall be conclusive and binding for the purposes of this Article VI.

4. The provisions of this Article VI shall not be applicable to (i) any merger or consolidation of the Corporation with or into any other corporation, or any sale or lease of all or any substantial part of the property and assets of the Corporation to, or any sale or lease to the

Corporation or any subsidiary thereof in exchange for securities of the Corporation of any property and assets of, any corporation if the Board of Directors of the Corporation shall by resolution have approved a memorandum of understanding with such other corporation with respect to and substantially consistent with such transaction prior to the time that such other corporation shall have become a holder of more than 10% of the outstanding shares of stock of the Corporation entitled to vote in elections of directors or (ii) any merger or consolidation of the Corporation with, or any sale or lease to the Corporation or any subsidiary thereof of any of the property and assets of any corporation of which a majority of the outstanding shares of all classes of stock entitled to vote in the elections of directors is owned of record or beneficially by the Corporation and/or any one or more of its subsidiaries.

ARTICLE VII
Liability of Directors

No director of the Corporation shall have personal liability to the Corporation or its stockholders for monetary damages for breach of fiduciary duty as a director except (i) for any breach of such director's duty of loyalty to the Corporation or its stockholders, (ii) for acts or omissions not in good faith or which involve intentional misconduct or a knowing

violation of law, (iii) under Section 174 of the General Corporation Law of Delaware or (iv) for any transaction from which such director derives an improper personal benefit.

ARTICLE VIII
Indemnity

The Corporation shall indemnify, to the full extent that it shall have power under applicable law to do so and in the manner permitted by such law, any person made or threatened to be made a party to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative, by reason of the fact that he is or was a director or officer of the Corporation. The Corporation may indemnify, to the full extent it shall have power under applicable law to do so and in a manner permitted by such law, any person made or threatened to be made a party to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative, by reason of the fact that he is or was an employee or agent of the Corporation, or is or was serving at the request of the Corporation as a director, officer, employee or agent of, or participant in, another corporation, partnership, joint venture, trust or other enterprise. The indemnification provided by this Article VIII shall not be deemed exclusive of any other rights to which any person seeking indemnification may be entitled under any by-law, agreement, vote of stockholders or disinterested directors or otherwise, both as to action in his official capacity and as to action in another capacity while holding such office, and shall continue as to a person who has ceased to be such director, officer, employee, agent or participant and shall inure to the benefit of the heirs, executors and administrators of such a person.

ARTICLE IX
Insurance

The Corporation may purchase and maintain insurance on behalf of any person who is or was a director, officer, employee or agent of the Corporation, or is or was serving at the request of the Corporation as a director, officer, employee or agent of, or participant in, another corporation, partnership, joint venture, trust and other enterprise against any liability asserted against him and incurred by him in any such capacity, or arising out of his status as such, whether or not the Corporation would have the power to indemnify him against such liability under the provisions of Article VIII or otherwise.

ARTICLE X
Amendment

1. The Corporation reserves the right to amend, alter, change or repeal any provision contained in this Certificate of Incorporation in the manner now or hereafter prescribed by law, and all rights conferred upon stockholders herein are subject to this reservation.

2. Notwithstanding any other provision of this Certificate of Incorporation or the By-laws of the Corporation (and in addition to any other vote that may be required by statute, stock exchange regulations, this Certificate of Incorporation or the By-laws of the Corporation), the vote of the holders of 80% of all shares of stock of the Corporation entitled to vote at an election of directors (considered for this purpose as one class) shall be required to amend, alter, change, or repeal Section 1 of Article II of the By-laws of the Corporation, or Article VI or this Paragraph 2 of Article X of this Amended and Restated Certificate of Incorporation.

IN WITNESS WHEREOF, I have hereunto set my hand and seal the ____ day of _____, 1993.

_____
_____
President

_____
_____
Secretary

EXHIBIT B

INDEMNIFICATION AGREEMENT

THIS INDEMNIFICATION AGREEMENT, dated as of _____ __ 1993, is made by Burnup & Sims Inc., a Delaware corporation ("Burnup"), for the benefit of the undersigned current and former directors and officers of Burnup and/or its subsidiaries (individually an "Indemnified Party" and collectively the "Indemnified Parties"). Except as defined herein, capitalized terms used herein and defined in that certain Agreement (the "Agreement") made as of the ___ day of October, 1993 by and among Burnup, Jorge L. Mas, Jorge Mas, Juan Carlos Mas and Jose Ramon Mas, are used herein as so defined.

For good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto hereby covenant and agree as follows:

1. Indemnification. a. For six years after the Closing Date, Burnup shall, to the fullest extent permitted under applicable law, indemnify and hold harmless each Indemnified party against any and all costs, expenses (including reasonable attorneys' fees), judgments, fines, losses, claims, damages, obligations, disbursements, penalties and liabilities imposed on, asserted against or incurred by such Indemnified Party in connection with the actions disclosed in Section 3.10 of the Burnup Disclosure Schedule or any other action, suit, proceeding or investigation (whether existing or arising before or after the Closing Date or civil, criminal, administrative or investigative) concerning such Indemnified Party by reason of the fact that he is or was a director or officer of Burnup or is or was serving at the request of Burnup as a director or officer of a Burnup subsidiary.

b. An Indemnified Party shall provide prompt written notice to Burnup of any matter which may give rise to a claim for indemnification under this Indemnification Agreement and of such person's intention to make a claim for indemnification hereunder; provided, however, that no delay on the part of the Indemnified Party in notifying Burnup shall relieve Burnup from any obligation hereunder unless and solely to the extent Burnup is prejudiced thereby. In the event of any such claim by an Indemnified Party (whether arising before or after the Closing Date), Burnup shall advance the expenses of such Indemnified Party, including the payment of the fees and expenses of counsel selected by Burnup, which counsel shall be reasonably satisfactory to such Indemnified Party, promptly after statements therefor are received; provided, however, that Burnup shall not be required to pay the fees and expenses of more than one counsel (and one local counsel) to represent all Indemnified Parties as a group unless Burnup has approved in writing the retention of such other counsel, which approval shall not be unreasonably withheld in instances where the interests of Indemnified Parties conflict in any material respect; and provided further that the Indemnified Party shall reimburse Burnup for all fees and expenses advanced by Burnup if it is finally judicially determined that the Indemnified Party is not entitled to indemnification hereunder. The parties shall cooperate in the defense of any matter giving rise to a claim for indemnification hereunder.

c. The parties shall cooperate with each other in connection with any claim for indemnification hereunder and Burnup shall provide to the Indemnified Parties and their respective representatives access to records, information and personnel of Burnup and its subsidiaries which are pertinent to the defense of any such claim.

d. Burnup shall not be liable for any settlement effected without its written consent (which consent shall not be unreasonably withheld) and Burnup shall not settle any action in rich any Indemnified Party is a party without the prior written consent of such Indemnified Party, unless the proposed settlement involves only the payment of money damages, does not impose an injunction or other equitable relief upon such Indemnified Party, does not admit to any wrongdoing by the Indemnified Party and results in the unconditional release of the Indemnified Party with respect to all claims for which indemnification is sought.

e. Burnup shall, upon notice of a claim for indemnification from an Indemnified Party, make financial arrangements reasonably satisfactory to such Indemnified Party, such as the posting of a bond or a letter of credit, to secure payment of the obligations under this Indemnification Agreement.

f. In the event that any claim entitling the Indemnified Party to indemnification hereunder is asserted or made within such six-year period, all rights to indemnification with respect to the claim to which such proceeding or investigation relates shall continue until disposition of such proceeding or investigation.

2. Directors' and Officers' Insurance. For six years after the Closing Date, Burnup shall maintain officers' and directors' liability insurance covering the Indemnified Parties with respect to actions and

omissions occurring prior to the Closing Date, on terms which are at least as favorable as the terms of insurance as in effect on the date hereof. Burnup shall be responsible for the cost of such insurance for Indemnified Parties in an amount not to exceed the current cost thereof plus fifty percent (50%) and the Indemnified Parties shall be responsible for any excess. If the Indemnified Parties shall fail to pay such excess amount to Burnup, Burnup shall be required to maintain such insurance only in an amount not to exceed the current cost thereof plus fifty percent (50%).

3. Survival. This Indemnification Agreement shall survive the Closing of the transactions contemplated in the Agreement, is intended to benefit each of the Indemnified Parties (each of whom shall be entitled to enforce the provisions of this Indemnification Agreement against Burnup or any Burnup subsidiary) and shall be binding on all successors and assigns of Burnup.

4. Consolidation, Merger, Transfer of Assets. If Burnup or any of its successors or assigns consolidates with or merges into any other Person and is not the surviving corporation or entity, Burnup shall require that the surviving corporation or entity assumes Burnup's obligations hereunder. If Burnup transfers all or substantially all of its properties and assets to any other Person, Burnup shall either (i) make proper provisions in connection with such transfer so that such Person assumes Burnup's obligations hereunder or (ii) reserve from the proceeds of such transfer an amount sufficient to meet its obligations hereunder.

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

6. Amendment. This Agreement may not be amended except by an instrument in writing signed by the party to be charged or, if an Indemnified Party so elects, by Nick A. Caporella on behalf of such party. Burnup shall be entitled to assume, and shall be protected in assuming, that such Indemnified party has authorized Nick A. Caporella to sign any such amendment on his behalf.

7. Counterparts. This Agreement may be executed in one or more counterparts, each of which when so executed and delivered shall be an original, but all such counterparts shall together constitute one and the same instrument. Each counterpart may consist of a number of copies hereof,

each signed by less than all, but together signed by all of the parties hereto.

8. Entire Agreement; Assignment. This Agreement constitutes the entire agreement among the parties hereto and supersedes all prior agreements and understandings, both written and oral, among the parties with respect to the subject matter hereof. This Agreement shall be binding upon and inure to

the benefit of the respective heirs, executors, successors and assigns of the parties hereto, provided, however, that this Agreement shall not be assigned by any party without the prior written consent of the other parties hereto.

9. Attorneys' Fees. In the event of litigation between the parties with respect to any matter arising under this Agreement, the prevailing party shall be entitled to recover from the other party all of its reasonable costs and expenses, including reasonable attorneys' fees incurred in such litigation (including appellate litigation).

IN WITNESS WHEREOF, the parties hereto have executed this Indemnification Agreement as of the date first written above.

BURNUP & SIMS, INC.

By:_____
President

_____
_____

_____
_____

_____
_____

_____
_____

_____
_____

EXHIBIT C

Exhibit C is attached hereto as Appendix C.

EXHIBIT D

1. Each of CT and CTF (i) is a duly organized and validly existing corporation in good standing under the laws of the State of Florida and (ii) has the corporate power to own its property and assets and to conduct its business as it is now being conducted.

2. Each Seller has duly executed and delivered the Agreement, and the Agreement constitutes the legal, valid and binding obligation of each Seller enforceable against each Seller in accordance with its terms except as the enforceability thereof may be limited by applicable bankruptcy, insolvency, reorganization or other similar laws affecting creditors' rights generally and by general equitable principles (regardless of whether the issue of enforceability is considered in a proceeding in equity or at law).

3. Neither the execution, delivery and performance by each Seller of the Agreement, nor compliance by each Seller with the terms and provisions thereof, (i) will contravene any provision of any Federal or State of Florida law, statute, rule or regulation, or any order, writ injunction or decree of which we are aware of any Federal or State of Florida court or Governmental Entity to which it is subject, or (ii) will conflict or be inconsistent with or result in any breach of any of the terms, covenants, conditions or provisions of, or constitute a default under, or result in the creation or imposition of (or the obligation to create or impose) any Lien upon any of such Seller's property or assets pursuant to the terms of any agreement, contract or instrument of which we are aware to which such Seller is subject or by which such Seller or any of his property or assets is bound, other than the contracts and agreements set forth in Section 2.15 of the Disclosure Schedule.

4. There are no actions, suits or proceedings of which we are aware pending or overtly threatened, other than as describe in Section 2.10 of the Disclosure Schedule, against any Seller in any Federal or State of Florida court which involve, or could affect the consummation of, the transactions contemplated by the Agreement.

5. No order, consent, approval. license, authorization or validation of, or filing, recording or registration with (other than such as may be

required under the HSR Act, the Securities Act and Applicable State securities laws), or exemption by, any Governmental Entity is required to authorize, or is required in connection with, (i) the execution, delivery and performance by Sellers of the Agreement or (ii) the legality, validity, binding effect or enforceability of the Agreement.

6. The Shares have been duly authorized and validly issued and are fully paid and non-assessable.

The opinions expressed herein are limited to the Federal laws of the United States and the laws of the State of Florida.

EXHIBIT E

1. Burnup (i) is a duly organized and validly existing corporation in good standing under the laws of the State of Delaware and (ii) has the corporate power to own its property and assets and to conduct its business as now being conducted.

2. Burnup has the corporate power to issue the Burnup Shares and to execute, deliver and perform the Agreement and the NBC Agreement and has taken all necessary corporate action to authorize the issuance of the Burnup Shares and the execution, delivery and performance by Burnup of the Agreement and the NBC Agreement. Burnup has duly executed and delivered the Agreement and the NBC Agreement, and the Agreement and the NBC Agreement each constitute Burnup's legal, valid and binding obligation enforceable against Burnup in accordance with their respective terms except as the enforceability thereof may be limited by applicable bankruptcy, insolvency, reorganization or other similar laws affecting creditors' rights generally and by general equitable principles (regardless of whether the issue of enforceability is considered in a proceeding in equity or at law).

3. Neither the issuance and delivery of the Burnup Shares nor the execution, delivery and performance by Burnup of the Agreement and the NBC Agreement, nor compliance by it with the respective terms and provisions thereof, (i) will contravene any provision of any Federal or State of Florida law, statute, rule or regulation, or any order, writ, injunction or decree of which we are aware of any Federal or State of Florida court or Governmental Entity to which it is subject, (ii) will conflict or be inconsistent with or result in any breach of any of the terms, covenants, conditions or provisions of, or constitute a default under, or result in the creation or imposition of (or the obligation to create or impose) any Lien upon any of its property or assets pursuant to the terms of any [agreement, contract or instrument of which we are aware to which Burnup is subject or by which it or any of its property or assets is bound, including the Indenture dated as of November 15, 1980, from Burnup to Chemical Bank, as trustee (the "Indenture"), but not including the contracts and agreements set forth in Section 3.15 of the Burnup Disclosure Schedule (other than the Indenture)] or (iii) will violate any provision of its Certificate of Incorporation or By-Laws.

4. There are no actions, suits or proceedings of which we are aware pending or [overtly threatened], other than as described in Section 3.10 of the Disclosure Schedule, against Burnup in any Federal or State of Florida court which involve, or could materially adversely affect the consummation of, the transactions contemplated by the Agreement.

5. No order, consent, approval, license, authorization or validation of, or filing, recording or registration with (other than such as may be required under the HSR Act, the Securities Act and Applicable State securities laws), or exemption by, any Governmental Entity, is required to authorize, or is required in connection with, (i) the issuance of the Burnup Shares, (ii) the execution, delivery and performance by Burnup of the Agreement or (iii) the legality, validity, binding effect or enforceability against Burnup of the Agreement.

6. The Burnup Shares have been duly authorized and, upon delivery thereof in accordance with the terms of the Agreement, will be validly issued, fully paid and nonassessable.

The opinions expressed herein are limited to the Federal

laws of the United States, and the laws of the State of Florida and the corporate laws of the State of Delaware (each, an "Applicable State").

Except as otherwise defined herein, capitalized terms used herein shall have the meaning ascribed thereto in the Agreement.

1. Each of CT and CTF (I) is a duly organized and validly existing corporation in good standing under the laws of the State of Florida and (ii) has the corporate power to own its property and assets and to conduct its business as it is now being conducted.

2. Each Seller has duly executed and delivered the Agreement, and the Agreement constitutes the legal, valid and binding obligation of each Seller enforceable against each Seller in accordance with its terms except as the enforceability thereof may be limited by applicable bankruptcy, insolvency, reorganization or other similar laws affecting creditors' rights generally and by general equitable principles (regardless of whether the issue of enforceability is considered in a proceeding in equity or at law).

3. Neither the execution, delivery and performance by each Seller of the Agreement, nor compliance by each Seller with the terms and provisions thereof, (i) will contravene any provision of any Federal or State of Florida law, statute, rule or regulation, or any order, writ, injunction or decree of which we are aware of any Federal or State of Florida court or Governmental Entity to which it is subject, or (ii) will conflict or be inconsistent with or result in any breach of any of the terms, covenants, conditions or provisions of, or constitute a default under, or result in the creation or imposition of (or the obligation to create or impose) any Lien upon any of such Seller's property or assets pursuant to the terms of any agreement, contract or instrument of which we are aware to which such Seller is subject or by which such Seller or any of his property or assets is bound, other than the contracts and agreements set forth in Section 2.15 of the Disclosure Schedule.

4. There are no actions, suits or proceedings of which we are aware pending or overtly threatened, other than as described

in Section 2.10 of the Disclosure Schedule, against any Seller in any Federal or State of Florida court which involve, or could affect the consummation of, the transactions contemplated by the Agreement.

5. No order, consent, approval, license, authorization or validation of, or filing, recording or registration with (other than such as may be required under the HSR Act, the Securities Act and Applicable State securities laws), or exemption by, any Governmental Entity is required to authorize, or is required in connection with, (i) the execution, delivery and performance by Sellers of the Agreement or (ii) the legality, validity, binding effect or enforceability of the Agreement.

6. The Shares have been duly authorized and validly issued and are fully paid and non-assessable.

The opinions expressed herein are limited to the Federal laws of the United States and the laws of the State of Florida.

January 18, 1994

Special Transaction Committee
of the Board of Directors
Burnup & Sims Inc.
One North University Drive
Fort Lauderdale, FL 33324

Gentlemen:

Burnup & Sims Inc. (the "Company") has entered into an agreement dated as of October 15, 1993, as amended by the First Amendment and the Second Amendment, each dated as of November 23, 1993 (the "Agreement") with the shareholders of Church & Tower, Inc. ("CT") and the shareholders of Church & Tower of Florida, Inc. ("CTF" and collectively with CT, "CT Group") pursuant to which the Company will acquire all of the issued and outstanding common stock of CT Group (the "Acquisition"). In connection with the Acquisition, the shareholders of CT Group will receive 10,250,000 shares of the Company's common stock, par value $0.10 per share ("Common Stock"). In addition, the Agreement provides that as a condition to the Acquisition, National Beverage Corp. ("NBC") will agree to exchange all of the Company's common stock owned by NBC (approximately 3.154 million shares) for the cancellation of $17,500,000 of 14% Subordinated Debentures issued by NBC to the Company and by crediting the next succeeding principal payments in the amount of $592,313 of a $2,050,000 Promissory Note issued by NBC to the Company (the "Exchange"). The Acquisition and the Exchange shall be collectively referred to herein as the Transaction.

You have asked us whether or not, in our opinion, each of the Acquisition, the Exchange and the Transaction is fair, from a financial point of view, to the Company and its holders of Common Stock other than NBC and its affiliates.

In arriving at the opinion set forth below, we have, among other things:

1. Reviewed the audited financial statements for CT and CTF for the three fiscal years ended December 31, 1992, and reviewed the unaudited financial statements for CT and CTF for the six months ended June 30, 1993;

2. Reviewed the combined audited financial statements for the CT Group for the three years ended December 31, 1992, and reviewed the unaudited combined financial statements for the CT Group for the nine months ended September 30, 1993;

3. Reviewed the Company's Annual Reports, Forms 10-K and related financial information for the three fiscal years ended April 30, 1993 and the Company's Form 10-Q and the related unaudited financial information for the six months ended October 31, 1993;

4. Reviewed an estimated income statement for the CT Group for the year ended December 31, 1993 and an estimated income statement for the Company for the year ended April 30, 1994;

5. Conducted discussions with members of senior management of the CT Group and the Company concerning their respective businesses and prospects;

6. Reviewed the summary appraisal reports dated June and July of 1991 and an updated market analysis dated August 12, 1993 prepared by an outside appraisal firm with respect to certain of the Company's real estate assets;

7. Reviewed the historical market prices and trading activity of the

Company's common stock and compared them with that of certain publicly traded companies which we deemed to be reasonably similar to the Company;

8. Compared the results of operations of the CT Group and the Company and compared them with that of certain publicly traded companies which we deemed to be reasonably similar to the CT Group and the Company, respectively;

9. Reviewed the terms of the 14% Subordinated Debenture in the principal amount of $17,500,000 and the Promissory Note in the principal amount of $2,050,000 issued by NBC to the Company;

10. Reviewed the Agreement; and

11. Reviewed such other financial studies and analyses and performed such other investigations and took into account such other matters as we deemed necessary, including our assessment of general economic, market and monetary conditions.

In preparing our opinion, we have relied on the accuracy and completeness of all information supplied or otherwise made available to us by the Company and the CT Group, and we have not independently verified such information or undertaken an independent appraisal of the assets of the CT Group or the Company. This opinion does not address the relative merits of the Transaction and any other transactions or other business strategies discussed by the Board of Directors of the Company as alternatives to the Transaction or the decision of the Board of Directors of the Company to proceed with the Transaction. This opinion does not constitute a recommendation to any holder of Common Stock of the Company as to how such holders of Common Stock should vote on the Acquisition. Our opinion has been prepared solely for the use of the Special Transaction Committee of the Board of Directors of the Company and shall not be reproduced, summarized, described or referred to or given to any other person or otherwise made public without PaineWebber's prior written consent, except for inclusion in full in the proxy statement to be sent to the Company's holders of Common Stock in connection with obtaining shareholder approval of the Acquisition. No opinion is expressed herein as to the price at which the securities to be issued in the Transaction may trade at any time.

In rendering this opinion, we have not been engaged to act as an agent or fiduciary of, and the Company has expressly waived any duties or liabilities we may otherwise be deemed to have had to, the Company's equity holders or any other third party.

On the basis of, and subject to the foregoing, we are of the opinion that each of the Acquisition, the Exchange and the Transaction is fair, from a financial point of view, to the Company and its holders of Common Stock other than NBC and its affiliates.

Very truly yours,

PAINEWEBBER INCORPORATED

By: _____

AGREEMENT

THIS AGREEMENT is made and entered into as of the ____ day of October, 1993, by and between BURNUP & SIMS INC., a Delaware corporation ("Burnup"), and NATIONAL BEVERAGE CORP., a Delaware corporation ("NBC").

WHEREAS, NBC owns _____ shares, equal to approximately thirty-six percent (36%), of the issued and outstanding common stock of Burnup; and

WHEREAS, NBC is indebted to Burnup in the amount of $_____, as evidenced by a $17,500,000 14% Subordinated Debenture due November 1, 2000 (the "14% Subordinated Debenture"); and

WHEREAS, Burnup has entered into an Agreement dated October __, 1993 with the shareholders of Church & Tower, Inc., ("CT"), a Florida corporation, and Church & Tower of Florida, Inc. ("CTF"), a Florida corporation, pursuant to which Burnup shall acquire all of the issued and outstanding common stock of each of CT and CTF (the "Acquisition"); and

WHEREAS, it is a condition to the Acquisition that NBC agree to dispose of all of the shares of common stock of Burnup owned by it pursuant to this Agreement;

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

1. Redemption of Burnup Shares. Subject to the terms and conditions hereof, Burnup agrees to redeem and purchase from NBC, and NBC agrees to sell to Burnup, all of the shares of Burnup common stock owned by NBC for a per share purchase price of $_____ (the "Redemption").

The purchase price for such shares shall be payable by cancellation of $_____ of the principal amount of the 14% Subordinated Debenture and by payment of such other consideration, if any, as shall be mutually acceptable to the parties. The closing of the Redemption shall take place immediately following the closing of the Acquisition at the offices of White & Case, 200 South Biscayne Boulevard, Suite 4900, Miami, Florida. At the closing, NBC shall deliver to Burnup certificates representing the Burnup shares to be redeemed, together with stock powers duly executed to transfer such shares to Burnup. Upon receipt of such certificates, Burnup shall

deliver to NBC duly executed instruments acknowledging cancellation of such principal amount of NBC indebtedness under the 14% Subordinated Indenture to Burnup and the original of the 14% Subordinated Debenture marked "Cancelled", and NBC shall issue a new debenture to Burnup for the balance of the 14% Subordinated Debenture that is not prepaid, which new debenture shall contain the same terms and conditions as the 14% Subordinated Debenture. At the closing, NBC agrees to pay Burnup all of the accrued and unpaid interest then

due and payable on the principal amount of the 14% Subordinated Debenture which is cancelled.

NBC represents and warrants to Burnup that, at the date of closing, the shares of Burnup to be so redeemed by Burnup from NBC shall be free and clear of any and all claims, liens, mortgages, pledges, security interests, assessments, restrictions, encumbrances or charges of any kind. Burnup represents and covenants to NBC that, at the date of closing, the principal amount of the 14% Subordinated Debenture to be so cancelled by Burnup shall be free and clear of any and all claims, liens, mortgages, pledges, security interests, assessments, restrictions, encumbrances or charges of any kind.

2. Fairness Opinions. Neither Burnup nor NBC shall have any obligation to perform its obligations under this Agreement, and this Agreement shall be deemed rescinded as if it had never been entered into, unless, prior to the Redemption, (i) the Board of Directors of Burnup receives the fairness opinion of Painewebber Incorporated, in acceptable form, to the effect that the Redemption is fair to the stockholders of Burnup, other than NBC, from a financial point of view, (ii) the Board of Directors of NBC receives the fairness opinion of Bear, Stearns & Co. Inc., in acceptable form, to the effect that the Redemption is fair to the stockholders of NBC, other than IBS

Partners Ltd. and any of its affiliates, from a financial point of view, and (iii) the Acquisition shall have been consummated.

3. Conditions of Burnup to the Closing. In addition to the conditions set forth in paragraph 2 hereof, the obligation of Burnup to consummate the

transactions contemplated by this Agreement shall be subject to the fulfillment of each of the following conditions:

(a) From the date of this Agreement until the date of the closing, there shall not have been any change in the business of NBC which would have a material adverse effect on the financial condition of NBC.

(b) The representations and warranties of NBC set forth herein shall be true and correct in all material respects on and as of the date of the closing.

(c) The respective Boards of Directors (and, to the extent required, a committee of the Board of Directors) of NBC and Burnup shall have duly approved and/or ratified the execution and delivery of this Agreement and the transactions to be consummated hereby.

(d) There shall be no litigation pending or, to Burnup's knowledge, threatened, which would adversely affect the execution, delivery or enforceability of this Agreement, or the ability of Burnup to perform its

obligations in accordance with the terms hereof, or which would have a material adverse effect on the financial condition of Burnup.

(e) Neither a voluntary case or other proceeding shall have been commenced by NBC or Burnup, nor an involuntary case or other proceeding shall have been commenced against NBC or Burnup, seeking liquidation, reorganization or other relief with respect to itself or its debts under any bankruptcy, insolvency or other similar law now or hereafter in effect or seeking the appointment of a trustee, receiver, liquidator, custodian, or other similar official of it or any substantial part of its property.

(f) All consents, approvals, orders or authorizations of, or registrations, declarations or filings with, any court, administrative agency or commission or other governmental authority or instrumentality, or any other person or entity required in order to permit the execution and delivery of this Agreement by Burnup or the consummation by Burnup of the transactions contemplated hereby shall have been obtained.

(g) Burnup shall have received an opinion of counsel to NBC, Shereff, Friedman, Hoffman & Goodman, in form reasonably satisfactory to

Burnup, with regard to the matters set forth on Exhibit A annexed hereto.

4. Conditions of NBC to the Closing. In addition to the conditions set forth in paragraph 2 hereof, the obligation of NBC to consummate the

transactions contemplated by this Agreement shall be subject to the fulfillment of each of the following conditions:

(a) From the date of this Agreement until the date of the closing, there shall not have been any change in the business of Burnup which would have a material adverse effect on the financial condition of Burnup.

(b) The representations and warranties of Burnup set forth herein shall be true and correct in all material respects on and as of the date of the closing.

(c) The respective Boards of Directors (and, to the extent required, a committee of the Board of Directors) of Burnup and NBC shall have duly approved and/or ratified the execution and delivery of this Agreement and the transactions to be consummated hereby.

(d) There shall be no litigation pending or, to NBC's knowledge, threatened, which would adversely affect the execution, delivery or enforceability of this Agreement, or the ability of NBC to perform its obligations in accordance with the terms hereof, or which would have a material adverse effect on the financial condition of NBC.

(e) Neither a voluntary case or other proceeding shall have been commenced by Burnup or NBC, nor an involuntary case or other proceeding shall have been commenced against Burnup or NBC, seeking liquidation,

reorganization or other relief with respect to itself or its debts under any bankruptcy, insolvency or other similar law now or hereafter in effect or seeking the appointment of a trustee, receiver, liquidator, custodian, or other similar official of it or any substantial part of its property.

(f) All consents, approvals, orders or authorizations of, or registrations, declarations or filings with, any court, administrative agency or commission or other governmental authority or instrumentality, or any other person or entity required with respect to NBC in order to permit the

execution and delivery of this Agreement by NBC or the consummation by NBC of the transactions contemplated herein shall have been obtained.

5. Representations and Warranties. Each party to this Agreement hereby represents and warrants to the other as of the date hereof and as of the closing date as follows:

(a) The party is a corporation duly organized, validly existing and in good standing under the laws of the State of Delaware.

(b) The party has full corporate power and authority to enter into this Agreement and perform its obligations hereunder, and the party has taken all corporate action (except for actions to be taken by the Board of Directors and/or committees thereof to effectuate the transactions contemplated by this Agreement.

(c) Except as set forth in Schedule 5(c) attached hereto and for approvals by the Board of Directors and/or committees thereof (which approvals shall have been obtained as of the closing date), no consent, approval, order or authorization of, or registration, declaration or filing with, any court, administrative agency or commission or other governmental authority or instrumentality, or any other person or entity is required by or with respect to the party in order to permit the execution and delivery of this Agreement by the party or the consummation by the party of the transactions contemplated herein.

(d) This Agreement has been duly executed and delivered by such party and constitutes the valid and binding obligation of the party, enforceable against it in accordance with its terms, except as the enforcement thereof may be limited by applicable bankruptcy, insolvency, reorganization, moratorium or similar laws affecting creditor's rights or by the principles governing the availability of equitable remedies.

(e) The execution and delivery of this Agreement and the completion of the transactions contemplated herein will not conflict with or result in the breach of the Certificate of Incorporation or Bylaws of the party or any order, judgment, decree, statute, law, regulation, indenture or material agreement to which the party is subject.

6. Representations and Warranties of NBC. NBC hereby represents and warrants to Burnup as of the date hereof and as of the closing date as follows:

(a) NBC owns _____ shares of the issued and outstanding common stock of Burnup. NBC owns all of such shares free and clear of all claims, liens, mortgages, pledges, security interests, assessments, restrictions, encumbrances or charges of any kind.

(b) NBC is not insolvent under applicable Federal and state bankruptcy law and will not be rendered insolvent by the transactions contemplated hereby and, after giving effect to such transactions, NBC will not be left with unreasonably small capital with which to engage in its business.

7. Termination Date. In the event the transactions described herein have not taken place on or before January 31, 1994, then this Agreement shall be deemed rescinded as if it had never been entered into, and neither party shall have any further obligations or liabilities to the other with respect to the matters set forth herein.

8. Termination of Registration Rights Agreement. The agreement dated as of February 8, 1991, by and between Burnup and NBC granting certain rights

to NBC to register its shares of the common stock of Burnup, shall be deemed terminated and of no further force and effect upon consummation of the transactions contemplated hereby.

9. Miscellaneous.

(a) This Agreement shall be binding upon, and inure to the benefit of, the parties hereto and their respective successors and permitted assigns. Except to the extent expressly permitted herein, this Agreement may not be assigned without the prior written consent of the other party hereto.

(b) Any and all fees, costs and expenses incurred by a party in connection with the negotiation, preparation or performance of this Agreement shall be borne by the respective party incurring such expenses.

(c) Each party represents and warrants to the other party that the contracts and negotiations relative to this Agreement and the transactions contemplated hereby have been arrived on in such a manner as not to give rise to any liability to the other party for a broker's, agent's, finder's, advisor's or similar fee or commission in connection with this Agreement or the transactions which are subject hereof, and each party agrees that it will indemnify and hold harmless the other party from any loss, liability, cost or expenses accruing from or resulting by reason of its breach of this provision.

(d) This Agreement shall constitute the entire understanding and agreement between the parties regarding the subject matter hereof.

(e) No amendment, modification, waiver or discharge of this Agreement or any provision hereof shall be effective against any party, unless such party shall have consented thereto in writing.

(f) Each of the parties to this Agreement, when requested by the other party, shall execute and deliver all documents and perform all acts reasonably requested by the other party in order more effectively to consummate any of the transactions contemplated hereby, and shall give all reasonable and necessary cooperation with respect to any reasonable matters relating to the transactions contemplated by this Agreement.

(g) All notices, requests, claims, demands and other communications required or allowed under this Agreement shall be in writing and shall be deemed given upon (i) hand-delivery, or (ii) deposit of same with Federal Express (or similar overnight courier service), and correctly addressed to the party for whom it is intended at the address given below, or such other address as may have been most specified by a notice given as aforesaid:

If to Burnup: Burnup & Sims Inc.
One North University Drive
Ft. Lauderdale, Florida 33324
Attn.: President

with a copy to: Michael Brenner, Esq.

General Counsel
Burnup & Sims Inc.
One North University Drive
Ft. Lauderdale, Florida 33324

If to NBC: National Beverage Corp.
One North University Drive
Ft. Lauderdale, Florida 33324
Attn.: President

with a copy to: Shereff, Friedman, Hoffman & Goodman
919 Third Avenue
New York, New York 10022
Attn.: Martin Nussbaum, Esq.

(h) This Agreement shall be construed and governed for all purposes by the laws of the State of New York without giving effect to the principles of conflicts of laws thereof.

IN WITNESS WHEREOF, this Agreement has been executed and delivered as of the date first written above.

BURNUP & SIMS INC.

By:_____
Its:

NATIONAL BEVERAGE CORP.

By:_____
Its:

EXHIBIT A

Opinion of Shereff. Friedman. Hoffman & Goodman

1. NBC has the corporate power to execute, deliver and perform its obligations under the Agreement and has taken all necessary corporate action to authorize the execution and delivery of, and performance by it of its obligations under, the Agreement. NBC has duly executed and delivered the Agreement, and the Agreement constitutes NBC's legal, valid and binding obligation enforceable against NBC in accordance with its terms, except as the enforcement thereof may be limited by applicable bankruptcy, insolvency, reorganization, moratorium or similar laws affecting creditor's rights or by the principles governing the availability of equitable remedies.

2. Neither the execution, delivery and performance by NBC of the Agreement, nor compliance by it with the terms and provisions thereof, will (i) violate any provision of NBC's Certificate of Incorporation or By-Laws, (ii) to our knowledge, violate any provision of any Federal or New York law, statute, rule or regulation, or any order, writ, injunction or decree of which we are aware of any Federal or New York court or governmental entity to which NBC is subject, or (iii) conflict with or result in any breach of any of the terms, covenants, conditions or provisions of, or constitute a default under, or result in the creation or imposition of (or the obligation to create or impose) any lien pursuant to any agreement, contract or instrument of which we have knowledge to which NBC is subject or by which it or any of its property is bound, which breach or conflict would have a material adverse effect on the financial condition of NBC.

The agreements expressed herein are limited to the Federal laws of the United States, the laws of the State of New York and the corporate laws of the State of Delaware.

Schedule 5(c)

Consent and Approvals

First Union National Bank

APPENDIX D

ALSO EXHIBIT A

AMENDED AND RESTATED

CERTIFICATE OF INCORPORATION

OF

MasTec, Inc.
(f/k/a Burnup & Sims Inc.)

INTRODUCTION

This Amended and Restated Certificate of Incorporation was proposed by the directors, and duly adopted by the stockholders, of [fill in new name] (the "Corporation") in accordance with Section 245 of the General Corporation Law of Delaware. The Corporation was originally incorporated under the name Burnup & Sims Inc. and its original Certificate of Incorporation was filed on July 26, 1968, with the Secretary of State of Delaware.

ARTICLE I
Name of Corporation

The name of the Corporation is MasTec, Inc.

ARTICLE II

Registered Agent, Registered Office

The name of the registered agent of the Corporation is The Corporation Trust Company and the registered office of the Corporation in the State of Delaware is located at:

Corporation Trust Center
1209 Orange Street
Wilmington, Delaware 19801

ARTICLE III
General Nature of Business

The purpose of the Corporation is to engage in any lawful act or activity for which corporations may be organized under the General Corporation Law of Delaware.

ARTICLE IV
Capital Stock

The total number of shares of capital stock which the Corporation shall have authority to issue is Fifty-Five Million (55,000,000) shares, of which Fifty Million (50,000,000) shares of a par value of Ten Cents ($.10) per share, amounting in the aggregate to Five Million Dollars ($5,000,000), shall be common stock ("Common Stock"), and Five Million (5,000,000) shares, of the par value of One Dollar ($1.00) per share, amounting in the aggregate to Five Million Dollars ($5,000,000), shall be preferred stock ("Preferred Stock").

Common Stock

1. Each share of Common Stock shall have one vote and, except as provided in this Article IV or by resolution or resolutions adopted by the Board of Directors providing for the issue of any series of Preferred Stock or as otherwise provided by applicable law, the exclusive voting power for

all purposes shall be vested in the holders of the Common Stock.

2. Subject to applicable law and the preferences of the Preferred Stock, dividends may be paid on the Common Stock at such time and in such amounts as the Board of Directors may deem advisable.

3. The Board of Directors may retire any and all shares of Common Stock that are issued but are not outstanding, including shares of Common Stock purchased or otherwise reacquired by the Corporation, and may reduce the capital of the Corporation in connection with the retirement of such

shares in the manner provided for under the General Corporation Law of Delaware.

4. In the event of any liquidation, dissolution or winding up of the Corporation, whether voluntary or involuntary, each holder of Common Stock shall be entitled, after payment or provision for payment of the debts and other liabilities of the Corporation and the amounts to which the holders of the Preferred Stock shall be entitled, to share in the remaining net assets of the Corporation on a pro-rata basis based on the number of shares of Common Stock held by such holder and the total number of shares of Common Stock then outstanding.

Preferred Stock

5. Authority is hereby expressly granted to the Board of Directors to authorize the issuance from time to time of one or more series of Preferred Stock and, with respect to each such series, to fix by resolution or resolutions of the Board of Directors providing for the issuance of such series:

(a) The number of shares of Preferred Stock which shall comprise such series and the distinctive designation thereof;

(b) The dividend rate or rates (which may be contingent upon the happening of certain events) on the shares of such series, the date or dates, if any, from which dividends shall accumulate, and the dates on which dividends, if declared, shall be payable;

(c) Whether or not the shares of such series shall be redeemable, the limitations and restrictions with respect to such redemptions, the manner of selecting shares of such series for redemption if less than all shares are to be redeemed, and the amount, if any, in addition to any accrued dividends thereon which the holders of shares of such series shall be entitled to receive upon the redemption thereof, which amount may vary at different redemption dates and may be different with respect to shares redeemed through the operation of any retirement or sinking fund and with respect to shares otherwise redeemed;

(d) The amount which the holders of shares of such series shall be entitled to receive upon the liquidation, dissolution or winding up of the Corporation, which amount may vary at different dates and may vary depending on whether such liquidation, dissolution or winding up is voluntary or involuntary;

(e) Whether or not the shares of such series shall be subject to the operation of a purchase, retirement or sinking fund, and, if so, whether such retirement or sinking fund shall be cumulative or

non-cumulative, the extent to and the manner in which such fund shall be applied to the purchase or redemption of the shares of such series for retirement or to other corporate purposes and the terms and provisions relative to the operation thereof;

(f) Whether or not the shares of such series shall be convertible into or exchangeable for shares of stock of any other class or classes, or of any other series of the same class, and if so convertible or exchangeable, the price or prices or the rate or rates of conversion or exchange and the method, if any, of adjusting the same;

(g) The voting powers, if any, of such series; and

(h) Any other designation, power, preference, right, qualification, limitation and restriction thereof as the Board of Directors may determine to be in the best interests of the Corporation.

General

6. Subject to the provisions of law, the Corporation may issue shares of its Common Stock or Preferred Stock, from time to time, for such consideration (not less than the par value or stated value thereof) as may be fixed by the Board of Directors, which is expressly authorized to fix the same in its absolute and uncontrolled discretion, subject as aforesaid. Shares so issued, for which the consideration has been paid or delivered to the Corporation, shall be deemed fully-paid stock, and shall not be liable to

any further call or assessments thereon, and the holders of such shares shall not be liable for any further payments in respect of such shares.

7. No holder of shares of stock of the Corporation of any class now or hereafter authorized shall be entitled as such, as a matter of right, to subscribe for or purchase any part of any new or additional issue of stock of any class whatsoever, or of securities convertible into or evidencing the right to purchase stock of any class whatsoever, whether the stock be of the same class as may be held by such stockholder, whether now or hereafter authorized, or whether issued for cash or otherwise.

ARTICLE V
Management of Business

The following provisions are inserted for the management of the business and for the conduct of the affairs of the Corporation, and for further definition, limitation and regulation of the powers of the Corporation and of its directors and stockholders:

1. The number of directors of the Corporation shall be such as from time to time shall be fixed by, or in the manner provided in, the By-Laws.

2. Election of directors need not be by ballot unless the By-Laws so provide.

3. The Board of Directors shall have power to adopt, amend or repeal the By-Laws of the Corporation.

ARTICLE VI
Approval of Mergers, Consolidations
and Certain Other Corporate Transactions

1. Except as hereinafter set forth, the affirmative vote or consent of the holders of 80% of all shares of stock of the Corporation entitled to vote at an election of directors, considered for the purposes of

this Article VI as one class, shall be required (i) for the adoption of any agreement for the merger or consolidation of the Corporation with or into any other corporation, or (ii) to authorize any sale or lease of all or any substantial part of the property and assets of the Corporation to, or any sale or lease to the Corporation or any subsidiary thereof in exchange for securities of the Corporation of any property and assets (except property and assets having an aggregate fair market value of less than $1,000,000) of, any other corporation, person or other entity, if, in either case, as of the record date for the determination of stockholders entitled to notice thereof and to vote thereon or consent thereto such other corporation, person or entity is the beneficial owner, directly or indirectly, of more than 10% of the outstanding shares of stock of the Corporation entitled to vote in elections of directors considered for the purposes of this Article VI as one class. Such affirmative vote or consent shall be in addition to the vote or consent of the holders of the stock of the Corporation otherwise required by law or any agreement between the Corporation and any national securities exchange.

2. For the purposes of this Article VI, (i) any corporation, person or other entity shall be deemed to be the beneficial owner of any shares of stock of the Corporation (x) which it has the right to acquire pursuant to any agreement or arrangement, or upon exercise of conversion rights, warrants or options, or otherwise or (y) which are beneficially owned, directly or indirectly (including shares deemed owned through application of clause (x) above), by any other corporation, person or entity with which it or its "affiliate" or "associate" (as defined below) has any agreement, arrangement or understanding for the purpose of acquiring, holding, voting or disposing of stock of the Corporation, or which is its "affiliate" or "associate" as those terms are defined in Rule 12b-2 of the General Rules and Regulations under the Securities Exchange Act of 1934 as in effect on June 1, 1970, and (ii) the outstanding shares of any class of stock of the Corporation shall include shares deemed owned through application of clauses (x) and (y) above but shall not include any other shares which may be issuable pursuant to any agreement, or upon exercise of conversion rights, warrants or options, or otherwise.

3. The Board of Directors shall have the power and duty to determine for the purposes of this Article VI, on the basis of information

known to the Corporation, whether (i) such other corporation, person or other entity beneficially owns more than 10% of the outstanding shares of stock of the Corporation entitled to vote at an election of directors, (ii) a corporation, person, or entity is an "affiliate" or "associate" (as defined above) of another, (iii) the property and assets being acquired by the Corporation, or any subsidiary thereof, have an aggregate fair market value of less than $1,000,000 and (iv) the memorandum of understanding referred to below is substantially consistent with the transaction covered thereby. Any such determination shall be conclusive and binding for the purposes of this Article VI.

4. The provisions of this Article VI shall not be applicable to (i) any merger or consolidation of the Corporation with or into any other corporation, or any sale or lease of all or any substantial part of the property and assets of the Corporation to, or any sale or lease to the Corporation or any subsidiary thereof in exchange for securities of the

Corporation of any property and assets of, any corporation if the Board of Directors of the Corporation shall by resolution have approved a memorandum of understanding with such other corporation with respect to and substantially consistent with such transaction prior to the time that such other corporation shall have become a holder of more than 10% of the outstanding shares of stock of the Corporation entitled to vote in elections of directors or (ii) any merger or consolidation of the Corporation with, or any sale or lease to the Corporation or any subsidiary thereof of any of the property and assets of any corporation of which a majority of the outstanding shares of all classes of stock entitled to vote in the elections of directors is owned of record or beneficially by the Corporation and/or any one or more of its subsidiaries.

ARTICLE VII
Liability of Directors

No director of the Corporation shall have personal liability to the Corporation or its stockholders for monetary damages for breach of fiduciary duty as a director except (i) for any breach of such director's duty of loyalty to the Corporation or its stockholders, (ii) for acts or omissions not in good faith or which involve intentional misconduct or a knowing

violation of law, (iii) under Section 174 of the General Corporation Law of Delaware or (iv) for any transaction from which such director derives an improper personal benefit.

ARTICLE VIII
Indemnity

The Corporation shall indemnify, to the full extent that it shall have power under applicable law to do so and in the manner permitted by such law, any person made or threatened to be made a party to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative, by reason of the fact that he is or was a director or officer of the Corporation. The Corporation may indemnify, to the full extent it shall have power under applicable law to do so and in a manner permitted by such law, any person made or threatened to be made a party to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative, by reason of the fact that he is or was an employee or agent of the Corporation, or is or was serving at the request of the Corporation as a director, officer, employee or agent of, or participant in, another corporation, partnership, joint venture, trust or other enterprise. The indemnification provided by this Article VIII shall not be deemed exclusive of any other rights to which any person seeking indemnification may be entitled under any by-law, agreement, vote of stockholders or disinterested directors or otherwise, both as to action in his official capacity and as to action in another capacity while holding such office, and shall continue as to a person who has ceased to be such director, officer, employee, agent or participant and shall inure to the benefit of the heirs, executors and administrators of such a person.

ARTICLE IX
Insurance

The Corporation may purchase and maintain insurance on behalf of any person who is or was a director, officer, employee or agent of the Corporation, or is or was serving at the request of the Corporation as a director, officer, employee or agent of, or participant in, another corporation, partnership, joint venture, trust and other enterprise against any liability asserted against him and incurred by him in any such capacity, or arising out of his status as such, whether or not the Corporation would have the power to indemnify him against such liability under the provisions of Article VIII or otherwise.

ARTICLE X
Amendment

1. The Corporation reserves the right to amend, alter, change or repeal any provision contained in this Certificate of Incorporation in the manner now or hereafter prescribed by law, and all rights conferred upon stockholders herein are subject to this reservation.

2. Notwithstanding any other provision of this Certificate of Incorporation or the By-laws of the Corporation (and in addition to any other vote that may be required by statute, stock exchange regulations, this Certificate of Incorporation or the By-laws of the Corporation), the vote of the holders of 80% of all shares of stock of the Corporation entitled to vote at an election of directors (considered for this purpose as one class) shall be required to amend, alter, change, or repeal Section 1 of Article II of the By-laws of the Corporation, or Article VI or this Paragraph 2 of Article X of this Amended and Restated Certificate of Incorporation.

IN WITNESS WHEREOF, I have hereunto set my hand and seal the ____ day of _____, 1993.

_____
_____
President

_____
_____
Secretary

APPENDIX E

BURNUP & SIMS INC.
1994 STOCK OPTION PLAN
FOR NON-EMPLOYEE DIRECTORS

1. Purpose of the Plan. The purpose of the Burnup & Sims Inc. 1994 Stock Option Plan for Non-Employee Directors (the "Plan") is to aid Burnup & Sims Inc. (the "Company") in securing for the Company and its stockholders the benefits of experienced and highly qualified persons who are not and have never been employees of the Company or any of its subsidiaries to become and remain members of the Board of Directors (the "Board") of the Company and to provide to such persons the benefits of the incentive inherent in increased common stock ownership.

2. Stock Subject to Plan. The stock which may be issued and sold under the Plan shall be the Common Stock (par value $0.10 per share) of the Company, of a total number not exceeding 400,000 shares, subject to adjustment as provided in Section 8. The stock to be issued may be either authorized and unissued shares or issued shares acquired by the Company or its subsidiaries. Each stock option granted pursuant to the Plan is referred to herein as an "Option." In the event that Options granted under the Plan shall terminate or expire without being exercised in whole or in part, new Options may be granted covering the shares not purchased under such lapsed Options.

3. Eligibility. Each member of the Board shall be eligible to receive Options in accordance with the terms of the Plan, provided he or she, as of the date of a granting of an Option, was either (i) elected to the Board by stockholders of the Company at any Meeting of Stockholders of the Company held at any time after the day on which the Plan is approved by the stockholders of the Company, or (ii) appointed to the Board by the Board, at any time after the Plan is approved by the stockholders of the Company, to fill a vacancy on the Board, however occurring, whether by the death, resignation or removal of any director, any increase in the number of directors comprising the Board, or otherwise, provided, further, that such member (I) is not and has not been an employee of the Company or any of its subsidiaries, and (II) is otherwise not eligible for selection to participate in any plan of the Company or any of its subsidiaries that entitles the participant therein to acquire securities or derivative securities of the Company (an "Eligible Director"). Each member of the Board who receives an Option hereunder is referred to herein as an "Optionee."

4. Option Grants. (a) Subject to the maximum number of shares which may be purchased pursuant to the exercise of Options, as set forth in Section 2 (as such number may be adjusted pursuant to the provisions of Section 8), and to the approval of the Plan by the stockholders of the Company, each Eligible Director shall, without further action by the Board, be granted as of the close of business on (i) the day after the day the Plan is approved by the stockhodlers of the Company, and (ii) the day after each Annual Meeting of Stockholders of the Company held thereafter, an Option to purchase, in the manner and subject to the terms and conditions herein provided and to the extent such number of shares remain available for such purpose hereunder, 15,000 shares of the Common Stock of the Company. In the event that the number of shares available for grants under the Plan is insufficient to make all grants hereby specified on the applicable date, then all those who become entitled to a grant on such date shall share ratably in the number of shares then available for grant under the Plan.

(b) It is understood that the Board may, at any time and from time to time after the granting of an Option hereunder, specify such additional terms, conditions and restrictions with respect to such Option as may be deemed necessary or appropriate to ensure compliance with any and all applicable laws, including, but not limited to, terms, restrictions and conditions for compliance with federal and state securities laws and methods of withholding or providing for the payment

of required taxes.

5. General Terms and Conditions of Options. Each Option granted under the Plan shall be evidenced by an agreement in such form as the Board shall prescribe from time to time in accordance with the Plan and shall comply with the following terms and conditions:

(a) The Option exercise price shall be the fair market value of the Common Stock on the date the Option is granted, which shall be the mean between the bid and asked prices at which the Common Stock is quoted in the over-the-counter market on the date on which the option is granted as reported by NASDAQ or any successor thereto. If no such

quotations are available on such date, the most recent date, within a reasonable time, upon which such quotations are available shall be used. If at any time Common Stock shall be listed on a national securities exchange, the mean between the highest and lowest prices at which the Common Stock is traded on such exchange on such date shall be used. If there is no sale of the Common Stock on such exchange on the date the Option is granted, the mean between the bid and asked prices on such exchange at the close of the market on such date shall be deemed to be the fair market value of the Common Stock.

(b) Each Option granted pursuant to the Plan shall be evidenced by an Option Agreement. The Option Agreement shall not be a precondition to the granting of Options; however, no person shall have any rights under any Option granted under the Plan unless and until the Optionee to whom such Option shall have been granted shall have executed and delivered to the Company an Option Agreement. A fully executed original of the Option Agreement shall be provided to both the Company and the Optionee.

(c) All Options shall be nonstatutory stock options not intended to qualify as stock options entitled to special tax treatment under Section 422 of the Internal Revenue Code of 1986, as amended (the "Code").

(d) Options shall not be transferable by the Optionee otherwise than by will or the laws of descent and distribution, and shall be exercisable during the Optionee's lifetime only by him.

(e) Each Option shall be subject to the following restrictions on exercise:

(i) The Option is not immediately exercisable. Except in the event of the Optionee's death, an Option shall not be exercisable, in whole or in part, prior to the expiration of one (1) year from the date of grant or after the expiration of ten years from the date the Option was granted. In no event may an Option be exercised prior to the expiration of six (6) months from the date of grant. To the extent that an Option is not exercised within the

ten-year period of exercisability, it shall expire as to the then unexercised part.

(ii) Subject to Sections 5(e)(i) and 6 and 7, one-third of the total number of shares of Common Stock covered by the Option (as such number may be adjusted pursuant to the provisions of Section 8) shall become exercisable on the first anniversary date of the grant of the Option, and an additional one-third of said

initial total number of shares shall become cumulatively exercisable on each of the two succeeding anniversary dates of the grant date.

(iii) An Option shall not be exercisable with respect to a fractional share or with respect to the lesser of fifty (50) shares or the full number of shares then subject to the Option.

(iv) Except as provided in Section 6, an Option shall not be exercisable in whole or in part unless the Optionee, at the time the Optionee exercises the Option, is, and has been at all times since the date of grant of the Option, a director of the Company.

(v) An Option may only be exercised by delivery of written notice of the exercise to the Company specifying the number of shares to be purchased and by making payment in full for the shares of Common Stock being acquired thereunder at the time of exercise (including applicable withholding taxes, if any); unless the Option Agreement shall otherwise provide, such payment shall be made

(A) in United States dollars by check or bank draft, or

(B) by tendering to the Company Common Stock shares already owned by the person exercising the Option, which may include shares received as the result of a prior exercise of the Option, and having a fair market value equal to the cash exercise price applicable to such Option, such fair market value to be the mean between the bid and asked prices at which the Common Stock is quoted in the over-the-counter market on the date on which the Option is exercised as reported by

NASDAQ or any successor thereto. If no such quotations are available on such date, the most recent date, within a reasonable time, upon which such quotations are available shall be used. If at any time Common Stock shall be listed on a national securities exchange, the mean between the highest and lowest prices at which the Common Stock is traded on such exchange on such date shall be used. If there is no sale of the Common Stock on such exchange on the date the Option is granted, the mean between the bid and asked prices on such exchange at the close of the market on such date shall be deemed to be the fair market value of the Common Stock.

(C) by a combination of United States dollars and Common Stock shares as aforesaid, or

(D) in accordance with a cashless exercise program under which, if so instructed by the Optionee, shares of Common Sock may be issued directly to the Optionee's broker or dealer upon receipt of the purchase price in cash from the broker or dealer.

(vi) If at any time the Board shall determine, in its discretion, that the listing, registration or qualification of shares upon any national securities exchange or under any state or federal law, or the consent or approval of any governmental regulatory body, is necessary or desirable as a condition of, or in connection with, the sale or purchase of shares hereunder, such Option may not be exercised in whole or in part unless and until such listing, registration, qualification, consent or approval shall have been effected or obtained, or otherwise provided for, free of any conditions not acceptable to the Board in the exercise of its reasonable judgment.

6. Termination of Service. An Option shall terminate upon the termination, for any reason, of the Optionee's directorship with the Company, and no shares may thereafter be purchased under such Option except as follows:

(a) Upon retirement as a director of the Company after at least six years of service, each unexpired Option held by the Optionee shall, to the extent otherwise exercisable on such date, remain exercisable, in whole or in part, for a period of three (3) years following such retirement.

(b) Upon termination of service as a director of the Company by reason of death or disability, each unexpired Option held by the Optionee, or in the case of death, the Optionee's executors, administrators, heirs or distributors, as the case may be, shall become immediately exercisable and shall remain exercisable, in whole or in part, for a period of three (3) years after such termination. Disability shall mean an inability as determined by the Board to perform duties and services as a director of the Company by reason of a medically determinable physical or mental impairment, supported by medical evidence, which can be expected to last for a continuous period of not less than six (6) months.

In the event any Option is exercised by the executors, administrators, heirs or distributees of the estate of a deceased Optionee, the Company shall be under no obligation to issue Common Stock thereunder unless and until the Company is satisfied that the person or persons exercising the Option are the duly appointed legal representative of the deceased Optionee's estate or the proper legatees or distributees thereof.

In no event, however, may an Option be exercised (i) prior to the expiration of six (6) months from the date of grant, or (ii) after ten (10) years from the date it was granted.

7. Change in Control. (a) Notwithstanding other provisions of the Plan, but subject to Section 6 and 7(c), in the event of a change in control of the Company, (i) all of the Optionee's then outstanding Options shall immediately become exercisable, and (ii) each Optionee shall have the right within one (1) year after such event to exercise the Option in full notwithstanding any limitation or restriction in any Option Agreement or in the Plan.

(b) For purposes of this Section 7, a "change in control" shall be deemed to have occurred if at any time on or after March 15, 1994:

(1) there shall be consummated

(i) any consolidation or merger of the Company in which the Company is not the continuing or surviving corporation or pursuant to which any shares of Common Stock are to be converted into cash, securities or other property, provided that the consolidation or merger is not with a corporation which was a wholly-owned subsidiary of the Company immediately before the consolidation or merger; or

(ii) any sale, lease, exchange or other transfer (in one

transaction or a series of related transactions) of all, or substantially all, of the assets of the Company; or

(2) the stockholders of the Company approve any plan or proposal for the liquidation or dissolution of the Company; or

(3) any "person," including a "group" as determined in accordance with Sections 13(d) and 14(d) of the Securities Exchange Act of 1934, as amended ("Exchange Act"), becomes the beneficial owner (within the meaning of Rule 13d-3 under the Exchange Act), directly or indirectly, of 33% or more of the combined voting power of the Company's then outstanding Common Stock, provided that such person, immediately before it becomes such 33% or more beneficial owner, is not (i) a wholly-owned subsidiary of the Company or (ii) an individual, or a spouse or a child of such individual, that on March 1, 1994, owned greater than 20% of the combined voting power of such Common Stock, or (iii) a trust, foundation or other entity controlled by an individual or individuals described in Section 7(b)(3)(ii); or

(4) individuals who constitute the Board on March 1, 1994 (the "Incumbent Board") cease for any reason to constitute at

least a majority thereof, provided that any person becoming a director subsequent to March 1, 1994, whose election, or nomination for election by the Company's shareholders, was approved by a vote of at least three quarters of the directors comprising the Incumbent Board (either by a specific vote or by approval of the proxy statement of the Company in which such person is named as a nominee for director, without objection to such nomination) shall be, for purposes of this clause (4), considered as though such person were a member of the Incumbent Board.

(c) In no event, however, may any Option be exercised (i) prior to the expiration of six (6) months from the date of grant, or (ii) after ten (10) years from the date it was granted.

8. Adjustment in the Event of Change in Stock. In the event of changes in the outstanding Common Stock of the Company by reason of stock dividends, reverse split, subdivision, recapitalizations, mergers, consolidations (whether or not the Company is a surviving corporation), split-ups, combinations or exchanges of shares, reorganization or liquidation, an extraordinary dividend payable in cash or property, and the like, the aggregate number and class of shares available under the Plan, and the number, class and the price of shares of Common Stock subject to outstanding Options shall be appropriately adjusted by the Board, whose determination shall be conclusive.

9. Administration. The Plan shall be administered by the Board. The Board shall have all the powers vested in it by the terms of the Plan, such powers to include authority (within the limitations described herein) to prescribe the form of all Option Agreements. The Board shall, subject to the provisions of the Plan, grant Options under the Plan and shall have the power to construe the Plan, to determine all questions arising thereunder and to adopt and amend such rules and regulations for the administration of the Plan as it may deem desirable. Any decision of the Board in the administration of the Plan, as described herein, shall be final and conclusive. The Board may act only by a majority of its members in office, except that the members thereof may authorize any one or more of their number or the secretary or any

other officer of the Company to execute and deliver documents on behalf of the Board.

10. Miscellaneous Provisions. (a) Except as expressly provided for in the Plan, no director or other person shall have any claim or right to be granted an Option under the Plan. Neither the Plan nor any action taken hereunder shall be construed as giving any Eligible Director any right to be retained in the service of the Company as a director or otherwise.

(b) An Optionee's rights and interest under the Plan may not be assigned or transferred in whole or in part either directly or by operation of law or otherwise (except in the event of an Optionee's death, by will or the laws of descent and distribution), including, but not by way of limitation, execution, levy, garnishment, attachment, pledge, bankruptcy or in any other manner, and no such right or interest of any participant in the Plan shall be subject to any obligation or liability of such participant.

(c) It shall be a condition to the obligation of the Company to issue shares of Common Stock upon exercise of an Option that the Optionee (or any beneficiary or person entitled to act) pay to the Company, upon its demand, such amount, in cash and/or Common Stock, as may be requested by the Company for the purpose of satisfying any liability to withhold federal, state, local or foreign income or other taxes; provided, however, that such withholding obligation may be met by the withholding of Common Stock otherwise deliverable to the Optionee in accordance with such procedures as may be adopted by the Board. If the amount requested is not paid, the Company may refuse to issue Common Stock shares.

(d) The expenses of the Plan shall be borne by the Company.

(e) The Plan shall be unfunded. The Company shall not be required to establish any special or separate fund or to make any other segregation of assets to assure the issuance of shares upon exercise of any Option under the Plan and issuance of shares upon exercise of Options shall be subordinate to the claims of the Company's general

creditors. Proceeds from the sale of shares pursuant to Options however shall constitute general funds of the Company.

(f) By accepting any Option or other benefit under the Plan, each Optionee and each person claiming under or through such person shall be conclusively deemed to have indicated his acceptance and ratification, and consent to, any action taken under the Plan by the Company or the Board.

(g) An Optionee shall have no voting rights or other rights of stockholders with respect to shares which are subject to an Option, nor shall cash dividends accrue or be payable with respect to any such shares.

(h) The Plan shall be governed by and construed in accordance with the laws of the State of Delaware.

(i) No fractional shares shall be issued upon the exercise of an Option. If a fractional share shall become subject to an Option by reason of a stock dividend or otherwise, the Optionee shall not be entitled to exercise the Option with respect to such fractional share.

(j) It is the intent of the Company that this Plan and Options hereunder satisfy, and be interpreted in a manner that satisfies the applicable requirements of Rule 16b-3 of the Exchange Act, so that Optionees will be entitled to the benefits of Rule 16b-3, or other exemptive rules under Section 16 of the Exchange Act, and will not be subjected to avoidable liability thereunder. If any provision of this Plan or of any Option award would otherwise frustrate or conflict with the intent expressed in this Section 10j, that provision to the extent possible shall be interpreted and deemed amended so as to avoid such conflict. To the extent of any remaining irreconcilable conflict with such intent, such provisions shall be deemed void.

11. Amendment or Discontinuance. The Plan may be amended at any time and from time to time by the Board as the Board shall deem advisable including, but not limited to amendments necessary to qualify for any exemption or to comply with applicable law or regulations, provided, however,

that except as provided in Section 8 above, the Board may not, without further approval by the shareholders of the Company, increase the maximum number of shares of Common Stock as to which Options may be granted under the Plan, increase the number of shares subject to an Option, reduce the Option exercise price described in Section 5(a), extend the period during which Options may be granted or exercised under the Plan or change the class of persons eligible to receive Options under the Plan; it being the intent to include in this proviso any amendment that would have the effect of materially increasing the benefits accruing to Optionees under the Plan, and provided, further, that the Plan provisions affecting the amount of Common Stock to be awarded Eligible Directors, the timing of those awards or the determination of those eligible to receive such awards may not be amended more than once every six months, other than to comport with changes in the Code, the Employee Retirement Security Act of 1974, as amended, or the rules thereunder. Notwithstanding the proviso to the immediately preceding sentence, to the extent that, in the opinion of counsel to the Company, stockholder approval of an amendment to the Plan is not required under the Exchange Act (including the rules and regulations promulgated thereunder), in order for the Options under the Plan to continue to be exempt from the operation of Section 16(b) of the Exchange Act, such amendment may be made by the Board acting alone. No amendment of the Plan shall materially and adversely affect any right of any Optionee with respect to any Option theretofore granted without such Optionee's written consent.

12. Limits of Liability. (a) Any liability of the Company or a subsidiary to any participant with respect to an Option award shall be based solely upon contractual obligations created by the Plan and the Option Agreement.

(b) Neither the Company nor a subsidiary, nor any member of the Board, nor any other person participating in any determination of any question under the Plan, or in the interpretation, administration or application of the Plan, shall have any liability to any party for any action taken or not taken in connection with the Plan, except as may expressly be provided by statute.

13. Termination. This Plan shall terminate upon the earlier of the following dates or events to occur:

(a) upon the adoption of a resolution of the Board terminating the Plan; or

(b) ten years from the date of adoption of the Plan by the Board

of Directors.

No such termination of this Plan shall affect the rights of any Optionee hereunder and all Options previously granted hereunder shall continue in force and in operation after termination of the Plan, except as they may be otherwise terminated in accordance with the terms of the Plan.

APPENDIX F

BURNUP & SIMS INC.
1994 STOCK INCENTIVE PLAN

1. Purpose. The purpose of the Burnup & Sims Inc. 1994 Stock Incentive Plan (the "Plan") is to increase the interest of the executives and other key salaried employees of Burnup & Sims Inc. (the "Company") and of its subsidiaries in the Company's business through the added incentive created by the opportunity afforded for stock ownership under the Plan. Such ownership will provide such employees with a further stake in the future welfare of the Company, and encourage them to remain with the Company and its subsidiaries. It is also expected that the Plan will encourage qualified persons to seek and accept employment with the Company and its subsidiaries. Pursuant to the Plan, such employees will be offered the opportunity to acquire common stock through the grant of options, the award of restricted stock under the Plan, bonuses payable in stock or a combination thereof.

As used herein, the term "subsidiary" shall mean any present or future corporation which is or would be a "subsidiary corporation" of the Company as the term is defined in Section 424(f) of the Internal Revenue Code of 1986, as amended from time to time (the "Code").

2. Administration of the Plan. The Plan shall be administered by the Compensation Committee (the "Committee") as appointed from time to time by the Board of Directors of the Company (the "Board"), which Committee shall consist of not less than three (3) members of the Board and shall be constituted so as to permit the Plan to comply with the administration requirements of Rule 16b-3(c)(2)(i) of the Securities Exchange Act of 1934, as it may be amended from time to time (the "Exchange Act"), and Section 162(m)(4)(C) of the Code. A majority of the members of the Committee shall constitute a quorum. The vote of a majority of a quorum shall constitute action by the Committee.

In administering the Plan, the Committee may adopt rules and regulations for carrying out the Plan. The interpretation and decision with regard to any question arising under the Plan made by the Committee shall be final and conclusive on all employees of the Company and its subsidiaries participating or eligible to participate in the Plan. The Committee may consult with counsel, who may be of counsel to the Company, and shall not incur any liability for any action taken in good faith in reliance upon the advice of counsel. The Committee shall determine the employees to whom, and the time or times at which, grants or awards shall be made and the number of shares to be included in the grants or awards. Within the limitations of the Plan, the number of shares for which options will be granted from time to time and the periods for which the options will be outstanding will be determined by the Committee.

Each option or stock or other awards granted pursuant to the Plan shall be evidenced by an Option Agreement or Award Agreement (the "Agreement"). The Agreement shall not be a precondition to the granting of options or stock or other awards; however, no person shall have any rights under any option or stock or other awards granted under the Plan unless and until the optionee to whom such option or stock or other award shall have been granted shall have executed and delivered to the Company an Agreement. The Committee shall prescribe the form of all Agreements. A fully executed original of the Agreement shall be provided to both the Company and the optionee.

It is the intent of the Company that this Plan and options, stock and other awards hereunder satisfy, and be interpreted in a manner that, in the case of employees who have been granted an option or awarded stock under the Plan ("Participants") who are or may be subject to Section 16 of the Exchange Act ("Insiders"), satisfies the applicable requirements of Rule 16b-3 of the Exchange Act, so that such persons will be entitled to the benefits of Rule 16b-3, or other exemptive rules under such Section 16, and will not

be subjected to avoidable liability thereunder. If any provision of this Plan or of any option, stock or other award would otherwise frustrate or conflict with the intent expressed in this Section 2, that provision to the extent possible shall be interpreted and deemed amended so as to avoid such conflict. To the extent of any remaining irreconcilable conflict with such intent, such provision shall be deemed void as applicable to Insiders.

3. Shares of Stock Subject to the Plan. The total number of shares that may be optioned or awarded under the Plan is 800,000 shares of the $0.10 par value common stock of the Company (the "Common Stock") of which 200,000 shares may be awarded as restricted stock, except that said numbers of shares shall be adjusted as provided in Paragraph 13. No employee shall receive,

over the term of the Plan, awards in the form of options, whether incentive stock options or options other than incentive stock options, to purchase more than 200,000 shares of Common Stock. Any shares subject to an option which for any reason expires or is terminated unexercised and any restricted stock which is forfeited may again be optioned or awarded under the Plan; provided, however, that forfeited shares shall not be available for further awards if the employee has realized any benefits of ownership from such shares. Shares subject to the Plan may be either authorized and unissued shares or issued shares acquired by the Company or its subsidiaries.

4. Eligibility. Key salaried employees, including officers, of the Company and its subsidiaries (but excluding non-employee directors) are eligible to be granted options and awarded restricted stock under the Plan and to have their bonuses payable in stock. The employees who shall receive awards or options under the Plan shall be selected from time to time by the Committee, in its sole discretion, from among those eligible, which may be based upon information furnished to the Committee by the Company's management, and the Committee shall determine, in its sole discretion, the number of shares to be covered by the award or awards and by the option or options granted to each such employee selected.

5. Duration of the Plan. No award or option may be granted under the Plan after January 31, 2004, but awards or options theretofore granted may extend beyond that date.

6. Terms and Conditions of Stock Options. All options granted under this Plan shall be either incentive stock options, as defined in Section 422 of the Code, or options other than incentive stock options. Each such option shall be subject to all the applicable provisions of the Plan, including the following terms and conditions, and to such other terms and conditions not inconsistent therewith as the Committee shall determine.

(a) The option price per share shall be determined by the Committee. However, subject to Paragraph 6(k), the option price of incentive stock options and other than incentive stock options shall not be less than 100% of the fair market value of a share of Common Stock at the time the option is granted. For purposes of the Plan, the fair market value shall be the mean between the bid and asked prices at which

the Common Stock is quoted in the over-the-counter market on the relevant date as reported by NASDAQ or any successor thereto. If no such quotations are available on such date, the most recent date, within a reasonable time, upon which such quotations are available shall be used. If at any time Common Stock shall be listed on a national securities exchange, the mean between the highest and lowest prices at which the Common Stock is traded on such exchange on such date shall be used. If there is no sale of the Common Stock on such exchange on the

date the option is granted, the mean between the bid and asked prices on such exchange at the close of the market on such date shall be deemed to be the fair market value of the Common Stock.

(b) Each incentive stock option shall be exercisable during and over such period ending not later than ten years, or such later date as may be allowable under the Code, from the date it was granted, as may be determined by the Committee and stated in the Agreement. Each other option shall be exercisable during and over such period as may be determined by the Committee and stated in the Agreement.

(c) All options shall become exercisable over a five-year period in equal increments of 20% per year beginning twelve months after the date of grant. An option shall not be exercisable with respect to a fractional share of Common Stock or with respect to the lesser of fifty (50) shares or the full number of shares then subject to the option. No fractional shares of Common Stock shall be issued upon the exercise of an option. If a fractional share of Common Stock shall become subject to an option by reason of a stock dividend or otherwise, the optionee shall not be entitled to exercise the option with respect to such fractional share.

(d) Each option shall state whether it will or will not be treated as an incentive stock option.

(e) Each option may be exercised by giving written notice to the Company specifying the number of shares to be purchased, which shall be accompanied by payment in full including applicable taxes, if any. Payment, except as provided in the Agreement, shall be

(A) in United States dollars by check or bank draft, or

(B) by tendering to the Company Common Stock shares already owned by the person exercising the option, which may include shares received as the result of a prior exercise of the option, and having a fair market value, as determined in Paragraph 6(a), on the date on which the option is exercised equal to the cash exercise price applicable to such option.

(C) by a combination of United States dollars and Common Stock shares as aforesaid, or

(D) in accordance with a cashless exercise program under which, if so instructed by the optionee, shares of Common Stock may be issued directly to the optionee's broker or dealer upon receipt of the purchase price in cash from the broker or dealer.

No optionee shall have any rights to dividends or other rights of a shareholder with respect to shares of Common Stock subject to his or her option until he or she has given written notice of exercise of his or her option and paid in full for such shares.

(f) Notwithstanding the foregoing, the Committee may, in its sole discretion, grant to a grantee of an option the right (hereinafter referred to as a "stock appreciation right") to elect, in the manner described below, in lieu of exercising his or her option for all or a portion of the shares of Common Stock covered by such option, to relinquish his or her option with respect to any or all of such shares and to receive from the Company a payment having a value equal to the amount by which (a) the fair market value, as determined in Paragraph 6(a), of a share of Common Stock on the date of such election, multiplied by the number of shares as to which the grantee shall have made such election, exceeds (b) the total purchase price for that number

of shares of Common Stock under the terms of such option. A grantee who makes such an election shall receive payment in the sole discretion of the Committee (i) in cash equal to such excess; or (ii) in the nearest whole number of shares of Common Stock of the Company having an aggregate value which is not greater than the cash amount calculated in

(i) above; or (iii) a combination of (i) and (ii) above. A stock appreciation right may be exercised only when the amount described in (a) above exceeds the amount described in (b) above. An election to exercise stock appreciation rights shall be deemed to have been made on the day written notice of such election, addressed to the Committee, is received at the Company's offices at One North University Drive, Fort Lauderdale, Florida 33324. An option or any portion thereof with respect to which a grantee has elected to exercise the stock appreciation rights described above shall be surrendered to the Company and such option shall thereafter remain exercisable according to its terms only with respect to the number of shares as to which it would otherwise be exercisable, less the number of shares with respect to which stock appreciation rights have been exercised. The grant of a stock appreciation right shall be evidenced by such form of Agreement as the Committee may prescribe. The Agreement evidencing stock appreciation rights shall be personal and will provide that they will not be transferable by the grantee otherwise than by will or the laws of descent and distribution and that they will be exercisable, during the lifetime of the grantee, only by him.

(g) An option may be exercised only if at all times during the period beginning with the date of the granting of the option and ending on the date of such exercise, the grantee was an employee of either the Company or of a subsidiary of the Company or of another corporation referred to in Section 421(a)(2) of the Code, unless such continuous employment is terminated by such employer, or by retirement under a retirement plan of the Company or a subsidiary, or otherwise terminated with the written consent of the employer. If such continuous employment is so terminated, the option may also be exercised within a period to be provided in the Agreement with the grantee not to exceed three years after such termination of continuous employment, but in no event later than the termination date of the option. If the grantee should die or become permanently disabled as determined by the Committee, at any time when the option, or any portion thereof, shall be exercisable by him, the option will be exercisable within a period provided for in the Agreement with the grantee of the option, not to exceed the three years next succeeding his or her termination of employment on account of death or permanent disability, by the optionee or person or persons to whom

his or her rights under the option shall have passed by will or by the laws of descent and distribution, but in no event at a date later than the termination of the option. The Committee may require medical evidence of permanent disability, including medical examinations by physicians selected by it.

(h) The option by its terms shall be personal and shall not be transferable by the optionee otherwise than by will or by the laws of descent and distribution. During the lifetime of an optionee, the option shall be exercisable only by the optionee. In the event any option is exercised by the executors, administrators, heirs or distributees of the estate of a deceased optionee, the Company shall be under no obligation to issue Common Stock thereunder unless and until the Company is satisfied that the person or persons exercising the option are the duly appointed legal representative of the deceased

optionee's estate or the proper legatees or distributees thereof.

(i) Notwithstanding any intent to grant incentive stock options, an option granted will not be considered an incentive stock option to the extent that it together with any earlier incentive stock options permits the exercise for the first time in any calendar year of more than $100,000 in value of Common Stock (determined at the time of grant).

(j) The Committee may, but need not, require such consideration from an optionee at the time of granting an option as it shall determine, either in lieu of, or in addition to, the limitations on exercisability provided in Paragraph 6(c).

(k) No incentive stock option shall be granted to an employee who owns or would own immediately before the grant of such option, directly or indirectly, stock possessing more than 10% of the total combined voting power of all classes of stock of the Company. This restriction does not apply if, at the time such incentive stock option is granted, the option price is at least 110% of the fair market value of one share of Common Stock, as determined in Paragraph 6(a), on the date of grant and the incentive stock option by its terms is not exercisable after the expiration of five years from the date of grant.

7. Terms and Conditions of Restricted Stock Awards. All awards of restricted stock under the Plan shall be subject to all the applicable provisions of the Plan, including the following terms and conditions, and to such other terms and conditions not inconsistent therewith, as the Committee shall determine.

(a) Awards of restricted stock may be in addition to or in lieu of option grants.

(b) During a period set by the Committee at the time of each award of restricted stock (the "restriction period"), the recipient shall not be permitted to sell, transfer, pledge, or assign the shares of restricted stock; except that such shares may be used, if the award permits, to pay the option price of any option granted under the Plan provided an equal number of shares delivered to the optionee shall carry the same restrictions as the shares so used.

(c) Shares of restricted stock shall become free of all restrictions if the recipient dies or his employment terminates by reason of permanent disability, as determined by the Committee, during the restriction period and, to the extent set by the Committee at the time of the award or later, if the recipient retires under a retirement plan of the Company or a subsidiary during such period. The Committee may require medical evidence of permanent disability, including medical examinations by physicians selected by it. If the Committee determines that any such recipient is not permanently disabled or that a retiree's restricted stock is not to become free of restrictions, the restricted stock held by either such recipient, as the case may be, shall be forfeited and revert to the Company.

(d) Shares of restricted stock shall be forfeited and revert to the Company upon the recipient's termination of employment during the restriction period for any reason other than death, permanent disability or, to the extent determined by the Committee, retirement under a retirement plan of the Company or a subsidiary except to the extent the Committee, in its sole discretion, finds that such forfeiture might not be in the best interest of the Company and, therefore, waives all or

part of the application of this provision to the restricted stock held by such recipient.

(e) Stock certificates for restricted stock shall be registered in the name of the recipient but shall be appropriately legended and returned to the Company by the recipient, together with a stock power, endorsed in blank by the recipient. The recipient shall be entitled to vote shares of restricted stock and shall be entitled to all dividends paid thereon, except that dividends paid in Common Stock or other property shall also be subject to the same restrictions.

(f) Restricted stock shall become free of the foregoing restrictions upon expiration of the applicable restriction period and the Company shall deliver Common Stock certificates evidencing such stock.

8. Bonuses Payable in Stock. In lieu of cash bonuses otherwise payable under the Company's compensation practices to employees eligible to participate in the Plan, the Committee, in its sole discretion, may determine that such bonuses shall be payable in stock or partly in stock and partly in cash. Such bonuses shall be in consideration of services previously performed and as an incentive toward future services and shall consist of shares of Common Stock free of any restrictions imposed by the Plan. The number of shares of Common Stock payable in lieu of an amount of each bonus otherwise payable shall be determined by dividing such amount by the fair market value of one share of Common Stock on the date the bonus is payable, with fair market value determined as of such date in accordance with Paragraph 6(a).

9. Change in Control. (a) In the event of a change in control of the Company, in addition to any action required or authorized by the terms of an Agreement, the Committee may, in its sole discretion, recommend that the Board take any of the following actions as a result, or in anticipation, of any such event to assure fair and equitable treatment of Participants:

(i) accelerate time periods for purposes of vesting in, or realizing gain from, any outstanding option or shares of restricted stock made pursuant to this Plan;

(ii) offer to purchase any outstanding option or shares of restricted stock made pursuant to this Plan from the holder for its equivalent cash value, as determined by the Committee, as of the date of the change in control; or

(iii) make adjustments or modifications to outstanding options or with respect to restricted stock as the Committee deems appropriate to maintain and protect the rights and interests of the Participants following such change in control.

Any such action approved by the Board shall be conclusive and binding on the Company and all Participants.

(b) For purposes of this Section 9, a "change in control" shall be deemed to have occurred if at any time on or after March 15, 1994:

(1) there shall be consummated

(i) any consolidation or merger of the Company in which the Company is not the continuing or surviving corporation or pursuant to which any shares of Common Stock are to be converted into cash, securities or other property, provided

that the consolidation or merger is not with a corporation which was a wholly-owned subsidiary of the Company immediately before the consolidation or merger; or

(ii) any sale, lease, exchange or other transfer (in one transaction or a series of related transactions) of all, or substantially all, of the assets of the Company; or

(2) the stockholders of the Company approve any plan or proposal for the liquidation or dissolution of the Company; or

(3) any "person," including a "group" as determined in accordance with Sections 13(d) and 14(d) of the Exchange Act, becomes the beneficial owner (within the meaning of Rule 13d-3 under the Exchange Act), directly or indirectly, of 33% or more of the combined voting power of the Company's then outstanding Common

Stock, provided that such person, immediately before it becomes such 33% beneficial owner, is not (i) a wholly-owned subsidiary of the Company, (ii) an individual, or a spouse or a child of such individual, that on March 1, 1994, owned greater than 20% of the combined voting power of such Common Stock, or (iii) a trust, foundation or other entity controlled by an individual or individuals described in Section 9(b)(3)(ii); or

(4) individuals who constitute the Board on March 1, 1994 (the "Incumbent Board"), cease for any reason to constitute at least a majority thereof, provided that any person becoming a director subsequent to March 1, 1994, whose election, or nomination for election by the Company's shareholders, was approved by a vote of at least three quarters of the directors comprising the Incumbent Board (either by a specific vote or by approval of the proxy statement of the Company in which such person is named as a nominee for director, without objection to such nomination) shall be, for purposes of this clause (4), considered as though such person were a member of the Incumbent Board.

(c) In no event, however, may (1) any Option be exercised prior to the expiration of six (6) months from the date of grant, or (ii) any incentive stock option be exercised after ten (10) years from the date it was granted.

10. Transfer, Leave of Absence. For the purpose of the Plan: (a) a transfer of an employee from the Company to a subsidiary or affiliate of the Company, whether or not incorporated, or vice versa, or from one subsidiary or affiliate of the Company to another, and (b) a leave of absence, duly authorized in writing by the Company or a subsidiary or affiliate of the Company, shall not be deemed a termination of employment.

11. Rights of Employees. (a) No person shall have any rights or claims under the Plan except in accordance with the provisions of the Plan.

(b) Nothing contained in the Plan shall be deemed to give any employee the right to be retained in the service of the Company or its subsidiaries.

12. Tax Withholding Obligations. (a) The payment of taxes, if any, upon the exercise of an option pursuant to Paragraph 6(e) or a stock appreciation right pursuant to Paragraph 6(f), shall be in cash at the time of exercise or on the applicable tax date under Section 83 of the Code, if

later; provided, however, tax withholding obligations may be met by the withholding of Common Stock otherwise deliverable to the optionee pursuant to procedures approved by the Committee.

(b) Recipients of restricted stock, pursuant to Paragraph 7, shall be required to pay taxes to the Company upon the expiration of restriction periods or such earlier dates as elected pursuant to Section 83 of the Code; provided, however, tax withholding obligations may be met by the withholding of Common Stock otherwise deliverable to the recipient pursuant to procedures approved by the Committee. In no event shall Common Stock be delivered to any awardee until he has paid to the Company in cash the amount of tax required to be withheld by the Company or has elected to have his withholding obligations met by the withholding of Common Stock in accordance with the procedures approved by the Committee or otherwise entered into an agreement satisfactory to the Company providing for payment of withholding tax.

(c) The Company shall withhold from any cash bonus described in Paragraph 8, an amount of cash sufficient to meet its tax withholding obligations.

13. Changes in Capital. Upon changes in the outstanding Common Stock by reason of a stock dividend, stock split, reverse split, subdivision, recapitalization, merger, consolidation (whether or not the Company is a surviving corporation), an extraordinary dividend payable in cash or property, combination or exchange of shares, separation, reorganization or liquidation, the aggregate number and class of shares available under the Plan as to which stock options and restricted stock may be awarded, the number and class of shares under each option and the option price per share shall be correspondingly adjusted by the Committee, such adjustments to be made in the case of outstanding options without change in the total price applicable to such options.

14. Miscellaneous Provisions. (a) The Plan shall be unfunded. The Company shall not be required to establish any special or separate fund or to

make any other segregation of assets to assure the issuance of shares upon exercise of any option under the Plan and issuance of shares upon exercise of options shall be subordinate to the claims of the Company's general creditors. Proceeds from the sale of shares of Common Stock pursuant to options granted under this Plan shall constitute general funds of the Company. The expenses of the Plan shall be borne by the Company.

(b) It is understood that the Committee may, at any time and from time to time after the granting of an option or the award of restricted stock or bonuses payable in Common Stock hereunder, specify such additional terms, conditions and restrictions with respect to such option or stock as may be deemed necessary or appropriate to ensure compliance with any and all applicable laws, including, but not limited to, terms, restrictions and conditions for compliance with federal and state securities laws and methods of withholding or providing for the payment of required taxes.

(c) If at any time the Committee shall determine, in its discretion, that the listing, registration or qualification of shares of Common Stock upon any national securities exchange or under any state or federal law, or the consent or approval of any governmental regulatory body, is necessary or desirable as a condition of, or in connection with, the sale or purchase of shares of Common Stock hereunder, no option or stock appreciation right may be exercised or restricted stock or stock bonus may be transferred in whole or in part unless and until such listing, registration, qualification, consent or approval shall have been effected or obtained, or otherwise provided for, free of any conditions not acceptable to the Committee in the exercise of its reasonable judgment.

(d) By accepting any benefit under the Plan, each Participant and

each person claiming under or through such person shall be conclusively deemed to have indicated his acceptance and ratification, and consent to, any action taken under the Plan by the Committee, the Company or the Board.

(e) The Plan shall be governed by and construed in accordance with the laws of the State of Delaware.

15. Limits of Liability. (a) Any liability of the Company or a subsidiary of the Company to any Participant with respect to an option or

stock or other award shall be based solely upon contractual obligations created by the Plan and the Agreement.

(b) Neither the Company nor a subsidiary of the Company, nor any member of the Committee or the Board, nor any other person participating in any determination of any question under the Plan, or in the interpretation, administration or application of the Plan, shall have any liability to any party for any action taken or not taken in connection with the Plan, except as may expressly be provided by statute.

16. Amendments. The Board may amend, alter or discontinue the Plan, including without limitation amendments necessary to qualify for an exemption or to comply with applicable law or regulations, provided, however, no amendment, alteration or discontinuation shall be made which would impair the rights of any holder of an award of restricted stock or option or stock bonus theretofore granted, without his or her written consent, or which, without the approval of the shareholders, would:

(a) except as is provided in Paragraph 13, increase the maximum number of shares of Common Stock reserved for the purpose of the Plan;

(b) except as is provided in Paragraph 6(f) and 13 of the Plan, decrease the option price of an incentive stock option to less than 100% of the fair market value, as determined in Paragraph 6(a), of a share of Common Stock on the date of the granting of the option;

(c) change the class of persons eligible to receive an award of restricted stock or options under the Plan; or

(d) extend the duration of the Plan.

The Committee may amend the terms of any award of restricted stock or option theretofore granted, retroactively or prospectively, but no such amendment shall impair the rights of any holder without his or her written consent.

17. Duration. The Plan shall be adopted by the Board as of the date on which it is approved by a majority of the Company's stockholders, which

approval must occur within the period ending twelve months after the date the Plan is adopted. The Plan shall terminate upon the earlier of the following dates or events to occur:

(a) upon the adoption of a resolution of the Board terminating the Plan; or

(b) ten years from the date of adoption of the Plan by the Board.

No such termination of the Plan shall affect the rights of any Participant hereunder and all options previously granted and restricted stock

and stock bonus awarded hereunder shall continue in force and in operation after the termination of the Plan, except as they may be otherwise terminated in accordance with the terms of the Plan.