

BURNUP & SIMS INC.

The undersigned hereby appoints

^ and , 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

^, 1994 at the Annual and Special Meeting of Stockholders
(the "Meeting")
to be held on ^ March , 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 ALL OF THE OUTSTANDING CAPITAL STOCK OF CHURCH &
TOWER, INC. AND
CHURCH & TOWER OF FLORIDA, INC. 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 CERTAIN
INDEBTEDNESS OWED BY NBC TO THE COMPANY.

/___/ FOR /___/ AGAINST /___/
ABSTAIN

^ 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

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

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

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

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

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

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

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 EFFECTED 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

_____, 199^

Signature

Signature if held jointly

name appears

held by joint

When signing

administrator,

please give full

corporation, please

name by President

officer. If a

in partnership

Please sign exactly as opposite. When shares are tenants, both should sign. as attorney, executor, trustee or guardian, title as such. If a sign in full corporate or other authorized partnership, please sign name by authorized person.

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

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

TIME: _____ [a.m./p.m.] (_____)

DATE: February ^, 1994

PLACE: _____

At the 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^, 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 ^, 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 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 3,153,847 shares of Common Stock owned by
National Beverage
Corp. ("NBC") in consideration for the cancellation of certain
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.

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 stockholder 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 transactions contemplated thereby 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 ^, 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, 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.

of Directors, By Order of the Board

of Directors Nick A. Caporella
Chairman of the Board

Executive Officer President and Chief

_____, ^ 1994
Fort Lauderdale, Florida

STOCKHOLDERS ANNUAL AND SPECIAL MEETING OF

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") 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 _____, _____ on ^, 1994 at _____ [a.m./p.m.], _____ 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 _____, ^ 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 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 the 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

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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") in exchange for 10,250,000 shares of Common Stock (the "Burnup Shares"), and (ii) immediately thereafter, the Company will redeem 3,153,847 shares of Common Stock owed by National Beverage Corp. ("NBC") in consideration for the cancellation of certain 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.

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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 effected 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 is one of ^ three major manufacturers of 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 on CT and CTF."

The Proposed Acquisition. Pursuant to the terms of the Acquisition Agreement, the Company will acquire the CT and CTF Shares 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 on the business day 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 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 the Acquisition and ^ the transactions contemplated thereby. 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 transactions contemplated thereby. 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. A vote in favor of the Acquisition ^ Agreement may preclude a stockholder of the Company from challenging the Acquisition 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 Agreement 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 ^ (the "Redemption", together with the Acquisition, the "Transaction"), (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 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. The consideration for the Redemption will be the cancellation of the outstanding principal of \$17,500,000 of a 14% Subordinated Debenture (the "Subordinated Debenture") owed to the Company by NBC and ^ crediting 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 met to consider 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 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, 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 through the Acquisition; (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 and 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 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 AND 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 AND 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

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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. Under the provisions of the HSR Act, the Acquisition ^ may not be consummated until ^ the thirty day waiting period expires, unless the request for early termination of the waiting period by the Company and the CT Group is 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

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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 Board of

Directors and 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 Board of Directors and 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 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."

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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 on the business day 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 transactions contemplated thereby 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 transactions 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 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 Agreement 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 10441 S.W. 187th Street, Miami, Florida 33157 and their telephone number is (305) 233-6540.

^ 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 shareholder 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 Strategic Planning Committee of the Board of Directors of the Company (which includes the members of the Special Transaction Committee) was held. The members of the 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 Committee the possibility of a business combination transaction. Mr. Caporella also advised the 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 shareholder value, such as a recapitalization, extraordinary dividend, or sale of assets to other third parties. The Committee noted that previous attempts to find a buyer 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 Committee determined that Mr. Caporella should hold further meetings with the CT Group and report his progress to the Committee or the full Board at a later date.

From late July through mid August 1993, the parties and their respective advisers 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

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 Agreement. Various issues regarding the structure of the transaction, indemnification obligations, conditions to the transaction and other material terms of the 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 shareholders 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 shareholder 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 to be executed prior to 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

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 transactions contemplated thereby. 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 LITIGATIONS".

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 advisers. 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 Burnup 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 Burnup 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 light of the fact that the Subordinated Debenture could be prepaid at any time without penalty. 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 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 shares of Common Stock owned by NBC at \$5.74 per share (the per share value in 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, subject to receipt of stockholder approval and an amendment to the 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

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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 (as defined herein) 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.

On November 23, 1993, the stockholders of the CT Group and the Company executed the First Amendment to the 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 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.

On January 18, 1993, PaineWebber delivered its written fairness opinion to the Special Transaction Committee that each of the Acquisition, 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.

Reasons for Engaging in the Acquisition

In determining to recommend the approval of the Acquisition Agreement and the transactions contemplated thereby to the full 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, 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

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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, 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

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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 proforma 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

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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 shareholder 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 proforma 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.

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(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 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 shareholder 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 matter 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

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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 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.

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 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, Redemption and 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

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such opinion. The fairness opinion will be updated by PaineWebber immediately prior to the Meeting. A copy of the opinion letter of PaineWebber dated the date of this Proxy Statement 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

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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,

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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

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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.

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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

Analysis of 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.

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PaineWebber reviewed the terms of the 14% 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 14% 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

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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, Redemption, and 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 consummation of 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

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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 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 action or proceeding having 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 dated , 1994 (the "NBC Agreement") 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.

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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 CT and CTF, respectively.

Registration Rights. The Acquisition Agreement provides that commencing six months after the Closing Date, the Company would register on two occasions such number of Burnup Shares as the CT and CTF stockholders requested (which would not be less than 1,000,000 Burnup Shares in any one request) provided that at the time of such request the CT and CTF stockholders shall have owned in the aggregate at least 20% of the shares of Common Stock then outstanding. Upon such request, the Company had agreed, subject to certain conditions, to promptly prepare and file, at its expense, a registration statement with the SEC.

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

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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 February 28, 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.

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. Under the provisions of the HSR Act, the Acquisition may not be consummated until the thirty day waiting period expires, unless the request for early termination of the waiting period by the Company and the CT Group is 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.

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Change of Control. Upon consummation of the Acquisition and the transactions contemplated thereby, 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 of Incorporation 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 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 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 the vote of the minority stockholders.

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^ 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 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 as a "reorganization" within the meaning of Section 368(a) of the Code. 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 will be subject to certain

assumptions and qualifications and
will be based on the truth and accuracy of representations
made by CT and CTF and the CT and
CTF stockholders.

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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 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

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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.

^ 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 and purchase will be the cancellation of the outstanding principal of \$17,500,000 under the Subordinated Debenture owed to the Company by NBC and crediting 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 met to consider the terms of the Redemption. See " PROPOSAL TO APPROVE ACQUISITION AGREEMENT WITH CHURCH &

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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 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" and "PROPOSAL TO APPROVE ACQUISITION AGREEMENT WITH CHURCH & TOWER, INC. AND CHURCH & TOWER OF FLORIDA, INC. - 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 ^ AND 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

(APPROXIMATELY 3.3% OF THE OUTSTANDING
SHARES) AND HAVE INDICATED THAT THEY INTEND TO VOTE THEIR
SHARES FOR THE APPROVAL OF THE
ACQUISITION AGREEMENT.

THE
INCORPORATION

PROPOSAL TO APPROVE AMENDMENTS TO
COMPANY'S CERTIFICATE OF

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

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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 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 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 Company's Certificate as previously amended, and of the proposed

Amended and Restated Certificate set forth in Appendices D and E hereto, respectively.

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 Delaware General Corporation Law relating to the liability of directors (the "Delaware Law").

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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 Delaware Law, (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.

Copies of the Company's Certificate, as previously amended, and of the proposed Amended and Restated Certificate are set forth in Appendices D and E hereto, respectively.

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
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.

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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 , 1994	If
Acquisition is Consummated		

Authorized		Authorized	
Issued and	& Not	Issued and	& Not
Class	Authorized	Outstanding	Outstanding
Authorized	Outstanding	Outstanding	Outstanding
Common Stock	25,000,000	8,768,000	16,232,000
50,000,000	15,864,153	34,135,847	
Preferred Stock	5,000,000	0	0
5,000,000	0	0	

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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 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

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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 (v) 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 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

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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 corporation'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 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.

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Liability of Directors for Monetary Damages for Certain Breaches of Fiduciary Duty.
Pursuant to Section 102(b)(7) of the Delaware Law, 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

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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 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 Delaware
Law:

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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 Delaware Law 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 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 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.

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

The CT and CTF Stockholders have proposed, subject to approval by the Board of Directors and 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. In the event the Directors Plan is approved by the Board of Directors, 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 F.

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 30,000 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 half 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-quarter 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.

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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 1,

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 shareholders 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, 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 Internal Revenue Code. The grant of options will not result in taxable income to the non-employee director or a tax deduction to

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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 HAS NOT YET VOTED ON THE 1994 STOCK OPTION PLAN FOR NON-EMPLOYEE DIRECTORS. IN THE EVENT THE BOARD OF DIRECTORS APPROVES THE COMPANY'S 1994 STOCK OPTION PLAN FOR NON-EMPLOYEE DIRECTORS, THE BOARD OF DIRECTORS WOULD RECOMMEND 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 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 Board of Directors and 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 Plan, 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. In the event the Board of Directors approves the Incentive Plan, 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 G.

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

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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 "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 Committee may

approve rules and regulations to carry out the Incentive Plan and its decision with regard

to any question arising under the Plan shall be final and conclusive on all employees of the

Company or its subsidiaries participating or eligible to participate in the Plan. The

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 Committee may, retroactively or prospectively, amend the terms of

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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 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 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. In the absence of any contrary provision, no option will be

exercisable within six months from 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 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 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

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beyond the termination date of the option. Unless otherwise determined by the 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 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 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 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 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 Committee.

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In lieu of cash bonuses otherwise payable to eligible employees under the Company's compensation practices, the 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 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 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

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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.

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(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.

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

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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 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,

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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.

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THE BOARD OF DIRECTORS HAS NOT YET ACTED ON THE 1994 STOCK INCENTIVE PLAN. IN THE EVENT THE BOARD OF DIRECTORS APPROVES THE COMPANY'S 1994 STOCK INCENTIVE PLAN, THE BOARD OF DIRECTORS WOULD RECOMMEND 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 .

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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

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

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

estate

developers

Directors Whose Terms of Office will Continue After the Annual Meeting

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

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

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

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

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

Occupation	Name	Age	Principal or During the Past Five Years
George R. Bracken of the Company, since Financial Planning of the	48	Vice President & Treasurer March 1992; Vice President Company since May 1985	
Michael Brenner Company since June 1988	45	General Counsel of the	
Gerald W. Hartman the Company since	53	Senior Vice President of September 1988	
Margaret M. Madden since September 1987; August 1984	41	Vice President of the Company Corporate Secretary since	
Linda L. Rine of the Company since	46	Vice President - Insurance 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."

Percentage Ownership of Common	Percentage Ownership of Common	Principal Occupation or Employment
Proposed Stock Before Acquisition	Stock After Acquisition	Age During the Past Five Years Class
Name		

Jorge L. Mas Canosa -0- 33.6%	54	Proposed Director; during the past five years has served as President and Chief Executive Officer of CTF	II
Jorge Mas -0- 24.8%	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
Eliot C. Abbott -0- -0-	44	Proposed Director; during the past five years has been a shareholder in the law firm of Carlos & Abbott, P.A., Miami, Florida	II

Arthur B. Laffer -0- -0-	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
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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:

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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

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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.

Compensation		Annual	
(\$)	Name and Principal Position Bonus (\$)	Year	Salary
0	Nick A. Caporella, Chairman of the	1993	
	Board, President and Chief	1992	

0	0	
Executive Officer		1991
600,000	375,000	
Gerald W. Hartman, Senior Vice		
President of the Company and		
President of Burnup & Sims ComTec, Inc.		1993
211,870	60,000	
and Burnup & Sims of California, Inc.,		1992
200,922	40,000	
wholly-owned subsidiaries of the Company		1991
200,288	70,000	
Leo J. Hussey, Executive Vice President,		
and Director of the Company, and President		1993
193,694	30,000	
of Southeastern Printing Company, Inc.		1992
155,000	25,000	
and The Deviney Company, wholly-		1991
155,000	25,000	
owned subsidiaries of the Company		
George R. Bracken, Vice President &		1993
105,945	28,000	
Treasurer		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

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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.

of Unexercised		Number of Unexercised	Value
In-the-Money Options		Options at	
		April 30, 1993 (#)	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			

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 38 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 (the "Compensation Committee" or the "Committee") is responsible for approving the compensation

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levels of the executive officers of the Company, including the Chief Executive Officer. The 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 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 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 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.

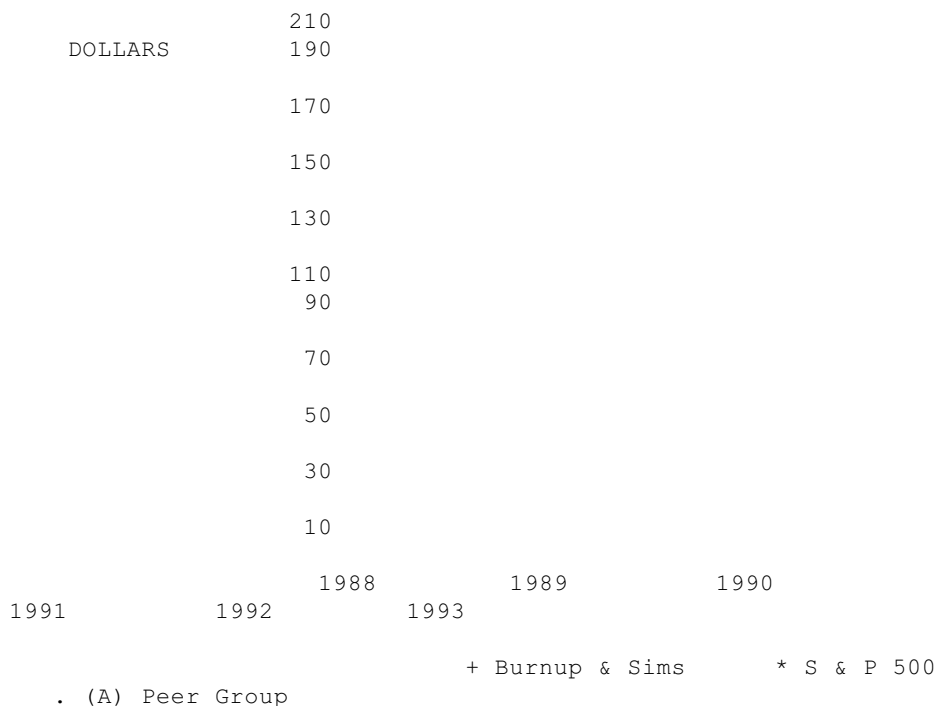
Compensation and Stock Option Committee
Samuel C. Hathorn, Jr.
William A. Morse

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 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 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.

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

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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 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 Agreement and certain other transactions described in this Proxy Statement. The consideration for the Redemption and purchase, will be the cancellation of the outstanding principal of \$17,500,000 under the Subordinated Debenture owed to the Company by NBC and crediting 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 met to consider 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 shareholder 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 shareholder 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 this action.

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

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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 AND TOWER OF FLORIDA, INC. - Memorandum of Understanding."

Carlos & Abbott, P.A. a law firm of which Eliot C. Abbott is a shareholder, 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.

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The

Company

Selected

Historical Financial Data

(Dollars in Thousands Except Per Share Amounts)

Fiscal Years Ended April 30			Six Months Ended Oct. 31,	
1993	1992	1991	1993 1990	1992 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			8,815	8,768	
8,768	8,768	9,460	9,662	10,304	
(000)					
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	

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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			4,390		
3,612	3,218	4,272	4,424	4,766	
Taxes-Non-Current					
Shareholders' 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

1992	1991	1990	1993 1989	1992 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			7,436	4,315
8,322	5,926	4,794	3,093	3,393
Interest				
Minority Interest			(4)	(43)
(42)	(625)	(36)	0	0
Net Income			\$7,432	\$4,272
\$8,280	\$5,301	\$4,758	\$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	
3,657	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
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	Stockholders' Equity		19,203	
15,690	9,436	7,296	6,127	5,292
	Book Value Per Share		\$17,457	
\$14,264	\$ 8,574	\$3,906	\$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 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)

Twelve Months	Nine Months	
	Ended September 30, 1993	Ended
December 31, 1992		

Revenues	\$143,415
\$178,126	
Earnings (Loss) from Continuing Operations	(3,427)
525 Earnings (Loss) per Share from Continuing Operations	(\$.22)
\$.03	

Sept. 30, 1993

Working Capital	\$ 22,483
Total Assets	137,984
Non-Current Debt	35,160
Shareholders' 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

Consolidated Condensed Proforma 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.

The Company		CT Group		
9 Months		Year	9 Months	Year
Ended		Ended	Ended	
1/31/93		12/31/92	9/30/93	
Earnings (Loss) per Share from Continuing Operations				
Historical (1)		\$4,592	\$4,122	
(\$0.34)				
Pro Forma				
0.03				
(0.22)				
Equivalent Pro Forma (2)		308	(2,013)	
As of		As of		
10/31/93		9/30/93		
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 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

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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."

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Burnup & Sims/CT Group
Pro Forma Financial Statements
Unaudited Consolidated Condensed

Balance Sheet

(In thousands)

Pro Forma	^ Combined	CT Group	Burnup & Sims	^
Adjust's	^ 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				
\$1,000	(1)	\$ 5,603	\$597	\$4,006
Accounts Payable and				
1,900	(4)	19,935	5,286	12,749
Accrued Expenses				
Other Current Liabilities				
(390)	(5)	7,287	1,320	6,357
101				
Total Current				
2,510		32,825	7,203	23,112
Liabilities				
Other Liabilities				
13,128	(6)	26,768	18	13,622
Long-Term Debt				
2,000	(1)	35,160	1,075	32,085
Shareholders' Equity				
Common Stock				
(1,047)	(7)	1,586	6	1,602
1,025	(8)			
Capital Surplus				
(73,429)	(9)	41,645	42	72,860
30,933	(8)			
11,239	(10)			
Retained Earnings				
(34,252)	(11)	0	19,169	34,252
(7,930)	(12)			
(11,239)	(10)			
Treasury Stock				
74,154	(13)	0		(74,140)
(14)				
Total Shareholders'				
(10,546)		43,231	19,203	34,574
Equity				
\$ 7,092	\$137,984		\$27,499	\$103,393

See Notes to Pro Forma Financial Statements.

Burnup & Sims/CT Group
Pro Forma Financial Statements
Unaudited Consolidated Condensed Statement

of Operations

Twelve Months

(Dollar amounts in thousands except per share data)

Pro Forma Adjust's	Combined Pro Forma	CT Group	Burnup & Sims
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		371	6,600
(207) (14)	6,764		
Amortization			
Interest Expense		35	4,718
240 (15)	4,993		
Other - Net		350	(5,906)
2,681 (16)	(2,875)		
Total Costs and		25,856	148,720
2,714	177,290		
Expenses			
Income (Loss) Before Income		8,280	(4,730)
(2,714)	836		
Taxes			
Provision (Credit) for		3,229 (17)	(1,738)
(1,180) (18)	311		
Income Taxes			
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		1	8,768
7,095 (19)	15,864		
(000's)			

See Notes to Pro Forma Financial Statements.

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Burnup & Sims/CT Group
Pro Forma Financial Statements
Unaudited Consolidated Condensed Statement

of Operations

Nine Months

(Dollar amounts in thousands except per

share data)

Pro Forma	Combined	CT	Burnup
Adjust's	Pro Forma	Group	& Sims
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		553	4,013
(53)	4,513		
Amortization			

	(14)		
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		7,432	(9,381)
(2,138)	(4,087)		
Taxes			
Provision (Credit) for		2,898 (17)	(2,673)
(885) (18)	(660)		
Income Taxes			
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		1	8,768
7,095 (19)	15,864		
(000's)			

See Notes to Pro Forma Financial Statements.

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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):

1993	\$34,574	Company's equity at October 31,
		Bonus service pool and other costs,
net of tax (685)		Adjustment of net assets to fair
value		Property, net

\$24,838	
14,513	Real estate investments
(3,209)	Goodwill
property and	Deferred taxes related to
(15,347)	real estate adjustments
20,795	Net asset step up in basis
Common Stock(17,958)	Redemption of 3,153,847 shares of
net assets 36,726	Estimated fair value of Company's

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	Purchase Price
below) \$32,208	Value of Common Stock (See (8)
costs 500	Estimated CT Group transaction

	Total purchase price
32,708	

	Excess of estimated fair value over
	purchase price
\$4,018	

fair value over purchase price:	Allocation of excess of estimated
	Investment in NBC
\$1,035	
3,339	Property, net
2,111	Real estate investments
102	Other assets
adjustments(2,569)	Deferred taxes related to above
\$4,018	Total

(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).

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(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 values 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).

CT AND CTF'S MANAGEMENT'S DISCUSSION
AND
ANALYSIS OF FINANCIAL CONDITION AND RESULTS
OF OPERATION

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.

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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.

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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.

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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 operating profits.

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 7 to the Unaudited Financial Statements for the CT Group.

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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 _____, 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 _____ 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 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

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

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Security Ownership of Management

Percentage of Class Prior to Acquisition and Redemption	Percentage of Class After Acquisition and Redemption	Name and Address of Beneficial Owner	Title of Class	Amount and Nature of Beneficial Ownership(1)
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 505

* *

Gerald W. Hartman(5) Common -0-

-0- -0-

All executive officers and
directors as a group

(nine persons) Common 3,450,724

39.4% 1.9%

* 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

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stock of NBC), (ii) options to purchase 100,000 shares 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. All options held by Mr. Caporella are currently exercisable. 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

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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.

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CHURCH & TOWER GROUP

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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, \$14,495,378 and \$463,079 for the three 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

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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 & SCHAFFER

CERTIFIED PUBLIC ACCOUNTANTS

Coral Gables, Florida
June 15, 1993 (except for Note 7, as to

which the date is January 10, 1994)

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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	

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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.

CHURCH & TOWER GROUP

COMBINED STATEMENTS OF INCOME AND
RETAINED EARNINGS

Years		
Ended December 31,		
1991	1990	1992
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		(42,618)
(625,542)	(36,530)	
consolidated joint venture		
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.

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CHURCH &

TOWER GROUP

COMBINED

STATEMENTS OF CASH FLOWS

Years Ended December 31,

1991	1990	1992
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	2,618,009
667,310	(100,759)	
	accrued expenses	
	Increase (decrease) in other current	111,747
(167,472)	23,313	
	liabilities	
	Minority Interest in net Income	42,618
625,542	36,530	
	Acquisition of minority partner interest	(84,363)
-	-	
	Increase (decrease) in joint venture capital	621,077
(155,000)	155,000	
	account	
	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)
-	-	

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	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	-
	- 24,000	
	mortgage	
	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	50,000
	- -	
	damages	
	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		-
(602,549)	-	
joint venture		
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		4,579,451
2,263,088	(331,976)	
equivalents		
Cash and cash equivalents at beginning of year		5,610,961
3,347,873	3,679,849	

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Cash and cash equivalents at end of year	\$10,190,412
\$ 5,610,961 \$ 3,347,873	

Supplemental Disclosure of Cash Flow

Information:	\$	33,525
\$ 4,496 \$ -		
Cash paid for Interest		

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 1996, 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 December 31	December 31
1990	1992
1991	

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 1990 under the laws of the State of Florida to engage in construction contracts.

In 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.

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

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.

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

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 expenses 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.

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

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

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

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.

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

NOTES 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 502,778

-

note is collateralized with all receivables and equipment of CT.

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

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, 33,379

42,183

building and improvements where the administrative offices are located.

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

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

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	2,412,003
995,056	
equipment	
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.

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

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, the stockholders of the Group entered into an agreement, as amended, 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 other things, the shareholders of Burnup & Sims Inc.

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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

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CHURCH & TOWER GROUP	
COMBINED STATEMENTS OF INCOME AND	
RETAINED EARNINGS	
(Unaudited)	
Ended September 30,	Nine Months
1992	1993
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	4,145,298
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	

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

CHURCH & TOWER GROUP
COMBINED STATEMENT 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	
	53,088
(1,764,450)	
Net Cash Provided (Used) in Investing Activities	
	262,800

(2,359,450)

Cash Flows from Financing Activities:	
	Debt Borrowings
989,271	257,238
	Debt Repayments
(863,865)	0
	Distributions to Stockholders
	(1,055,213)
(3,919,778)	
Net Cash Provided (Used) in Financing Activities	
	(797,975)
(3,794,372)	
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.

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CHURCH & TOWER GROUP
NOTES TO CONSOLIDATED
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.

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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.

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

(Continued...)

5. Notes Payable

September 30, 1993

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

6. Property and equipment

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

September 30, 1993

\$ 682,489	Land, Buildings and improvements
2,889,128	Construction and excavation
2,816,437	equipment
297,046	Truck, automobiles and radio
481,450	equipment

60,847	Tools and portable equipment
7,227,397	Office furniture and equipment
	Leasehold improvements
(2,360,587)	Less accumulated depreciation
\$ 4,866,810	Property and equipment - Net

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.

8. Subsequent Events

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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 at the prime rate plus 2%, but in any event not less than 8%.

A proforma balance sheet at September 30, 1993 after giving effect to this dividend represents the following:

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 shareholders of the Group will obtain approximately 65% of the combined entity. The acquisition is subject to approval of, among other things, the shareholders 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.

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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 no later than May 1, 1994 for inclusion in the proxy materials. Such proposals should meet the applicable requirements of the Exchange Act 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

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financial information with the Securities and Exchange Commission (the "Commission"). Such reports, proxy statements and other information may be inspected and copies at the public reference facilities maintained by the Commission 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 Commission 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 Commission 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.

By Order of the Board of
Directors,

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

Fort Lauderdale, Florida
_____, 1994

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APPENDICES

Appendix A - 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
. A-1

Appendix B - Opinion of PaineWebber Incorporated B-1

Appendix C - Form of Agreement dated _____, 1994, between Burnup & Sims Inc. and National Beverage Corp*. C-1

Appendix D - Certificate of Incorporation*
. D-1

Appendix E - Proposed Amended and Restated
Certificate of Incorporation*
. E-1

Appendix F - Burnup & Sims 1994 Stock Option Plan
for Non-Employee Directors*
. F-1

Appendix G - Burnup & Sims 1994 Stock Incentive
Plan* G-1

* Previously filed.

EXHIBIT INDEX

LOCATION OF
EXHIBIT IN
SEQUENTIAL
NUMBERING
SYSTEM

EXHIBIT

- Appendix A 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
- Appendix B Opinion of PaineWebber Incorporated
- Appendix C Form of Agreement dated _____, 1994, between Burnup & Sims Inc. and National Beverage Corp.*
- Appendix D Certificate of Incorporation*
- Appendix E Proposed Amended and Restated Certificate of Incorporation*
- Appendix F Burnup & Sims 1994 Stock Option Plan For Non-Employee Directors*
- Appendix G Burnup & Sims 1994 Stock Incentive Plan*

*Previously filed.

EXHIBIT A

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:

prior to the \$11,500,000, \$8,500,000 of which will be paid
paid as of Closing Date in cash (of which \$3,920,000 was
will be paid by September 30, 1993) and the remainder of which
promissory note in the delivery prior to the Closing Date of
Sellers in six principal amount of \$3,000,000, payable to
each, consecutive semiannual installments of \$500,000
interest accrued commencing on August 1, 1994, together with

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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 L. Mas

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:

BURNUP & SIMS INC.

By: /s/ Margaret M. Madden

Name: Margaret M. Madden

Title: Vice President

Officer

and Secretary

By: /s/ Nick A. Caporella

Name: Nick A. Caporella

Title: Chief Executive

and President

Exhibit B

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.

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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,

PAINWEBBER INCORPORATED

Incorporated

/s/ PaineWebber

By:
